



California State Board of Pharmacy

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BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY

DEPARTMENT OF CONSUMER AFFAIRS

GOVERNOR EDMUND G. BROWN JR.

LICENSING COMMITTEE REPORT

Debbie Veale, RPh, Chairperson

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LICENSING COMMITTEE REPORT

There has been no Licensing Committee Meeting since June 26, 2014.

a. FOR DISCUSSION AND POSSIBLE ACTION: Status of Implementation of Recently Enacted Legislation Impacting Licensing Programs of the Board

**1. Implementation of Assembly Bill 2605 (Bonilla, Chapter 507, Statutes of 2014)
Regarding Licensing of Third-Party Logistics Providers.**

Background

AB 2605 was board sponsored to ensure the appropriate and continued regulation over third party logistics providers. Specifically, the measure creates three new licensing classifications for the board as well as establishes the requirements for application, licensure and renewal. The specific new licensing classifications include:

- Third-Party Logistics Providers
- Nonresident Third-Party Logistics Providers
- Designated Representative-3PL

Prior Board Discussion

During the October 2014 board meeting, members were advised that implementation of these provisions will require changes to the existing licensing and application computer system used by the board which is a bit more complicated than previously because of the department's current efforts to convert to the new BreZE computer system. Members were advised that a freeze exemption was submitted as the first step to implementing the necessary programming changes.

Recent Update

The freeze exemption was approved and board staff is working with the department to identify the necessary programming requirements. The department estimates that this will be completed by April 1, 2015, but has committed to completing prior to that date if possible. In addition, draft applications and instructions were submitted for legal review in December.

Board staff are responding to inquiries and advising individuals of the status of implementation.

Attachment 1 includes a copy of this measure.

2. Update of Application Forms Pursuant to Other 2014 Enacted Legislation.

SB 1159 (Lara) Professions and Vocations: License Applicants: Individual Tax Identification Number

This measure requires an applicant to provide the board with either a social security number or an individual taxpayer identification number. (Prior to enactment, the board could only accept a social security number.) Implementation of this provision will require updating application and instruction forms as well as slight modification to the licensing and application computer systems. As this legislation impacts all boards and bureaus within the Department, we do not anticipate the need to submit separate request for these changes.

Recent Update

Board staff was advised that the department is currently assessing the necessary changes that will be required to implement. The department expects to release information by the end of January. Board staff will provide an update during the meeting if information is received.

SB 1226 Veterans: Professional Licensing

This measure requires the board, on or after July 1, 2016, to expedite the initial licensure process for an applicant who supplies satisfactory evidence to the board that the applicant has served as an active duty member of the Armed Forces and was honorably discharged. Implementation of this provision will require updating application and instruction forms.

Recent Update

This legislation takes effect on July 1, 2016, so implementation efforts are not yet underway. The DCA has advised all boards and bureaus within the department that no modifications will be made to legacy computer systems. As such any implementation efforts necessary will require manual workarounds by the board to implement.

SB 1466 (Omnibus) Business and Professions

SB 1466 contained two provisions that impact board licensing programs. The first amends the definition of a correctional facility. Implementation of this provision will require updating application and instruction forms as well as securing changes to the existing licensing and application system. The board will need to secure a freeze exemption. Board staff will work with the department to secure the necessary changes.

SB 1466 also changed to requirements for an applicant designated representative to require that the individual be at least 18 years of age. This provision only requires a procedural update.

Recent Update

Board staff have initiated implementation efforts including creations of new application forms for the licensed correctional facility license category as well as revision of the designated representative application forms. Board staff will also work with the department to secure any necessary programming changes and seek a freeze exemption if necessary.

Attachment 2 includes copies of the updated sections of law contained within these measures.

b. FOR INFORMATION: Competency Committee Report

California Practice Standards and Jurisprudence Examination for Pharmacists (CPJE) Effective December 1, 2014, the board instituted a quality assurance review of the California Practice Standards and Jurisprudence Examination for Pharmacists (CPJE). This means that there is currently a delay in the release of all CPJE examination scores. This process is done periodically to ensure the reliability of the examination. The board expects to release the scores in February 2015, however, will release exam scores more quickly if the review is completed.

Examination Development

The Competency Committee workgroups continued to meet throughout 2014 for examination development. Both Competency Committee workgroups met once during the fall to discuss examination development.

c. FOR INFORMATION: Licensing Statistics

Licensing Statistics for July 1, 2014 – December 31, 2014

As of December 31, 2014, the board had 142,057 total licensees, including 45,289 pharmacists and 74,236 pharmacy technicians.

During the first half of the fiscal year, the board received more than 10,500 applications and issued almost 8400 licenses. The number of applications received increased about 15 percent and the number of licenses issued increased about 10 percent when compared to the same time periods last fiscal year.

Attachment 3 includes the second quarter licensing statistics.

Attachment 1



AB-2605 Pharmacy: third-party logistics providers. (2013-2014)

SECTION 1. Section 208 of the Business and Professions Code is amended to read:

208. (a) Beginning April 1, 2014, a CURES fee of six dollars (\$6) shall be assessed annually on each of the licensees specified in subdivision (b) to pay the reasonable costs associated with operating and maintaining CURES for the purpose of regulating those licensees. The fee assessed pursuant to this subdivision shall be billed and collected by the regulating agency of each licensee at the time of the licensee's license renewal. If the reasonable regulatory cost of operating and maintaining CURES is less than six dollars (\$6) per licensee, the Department of Consumer Affairs may, by regulation, reduce the fee established by this section to the reasonable regulatory cost.

(b) (1) Licensees authorized pursuant to Section 11150 of the Health and Safety Code to prescribe, order, administer, furnish, or dispense Schedule II, Schedule III, or Schedule IV controlled substances or pharmacists licensed pursuant to Chapter 9 (commencing with Section 4000) of Division 2.

(2) Wholesalers, third-party logistics providers, nonresident wholesalers, and nonresident third-party logistics providers of dangerous drugs licensed pursuant to Article 11 (commencing with Section 4160) of Chapter 9 of Division 2.

(3) Nongovernmental clinics licensed pursuant to Article 13 (commencing with Section 4180) and Article 14 (commencing with Section 4190) of Chapter 9 of Division 2.

(4) Nongovernmental pharmacies licensed pursuant to Article 7 (commencing with Section 4110) of Chapter 9 of Division 2.

(c) The funds collected pursuant to subdivision (a) shall be deposited in the CURES Fund, which is hereby created within the State Treasury. Moneys in the CURES Fund shall, upon appropriation by the Legislature, be available to the Department of Consumer Affairs to reimburse the Department of Justice for costs to operate and maintain CURES for the purposes of regulating the licensees specified in subdivision (b).

(d) The Department of Consumer Affairs shall contract with the Department of Justice on behalf of the Medical Board of California, the Dental Board of California, the California State Board of Pharmacy, the Veterinary Medical Board, the Board of Registered Nursing, the Physician Assistant Board of the Medical Board of California, the Osteopathic Medical Board of California, the Naturopathic Medicine Committee of the Osteopathic Medical Board, the State Board of Optometry, and the California Board of Podiatric Medicine to operate and maintain CURES for the purposes of regulating the licensees specified in subdivision (b).

SEC. 2. *Section 4022.7 is added to the Business and Professions Code, to read:*

4022.7. (a) *"Designated representative-3PL" means an individual to whom a license has been granted pursuant to Section 4053.1.*

(b) *"Responsible manager" means a designated representative-3PL selected by a third-party logistics provider and approved by the board as responsible for ensuring compliance of the licensed place of business with state and federal laws with respect to dangerous drugs and dangerous devices received by, stored in, or shipped from the licensed place of business of the third-party logistics provider.*

SEC. 3. Section 4040.5 of the Business and Professions Code is amended to read:

4040.5. "Reverse distributor" means every person who acts as an agent for pharmacies, drug wholesalers, third-party logistics providers, manufacturers, and other entities by receiving, inventorying, warehousing, and managing the disposition of outdated or nonsaleable dangerous drugs.

SEC. 4. Section 4043 of the Business and Professions Code is amended to read:

4043. "Wholesaler" means and includes a person who acts as a wholesale merchant, broker, jobber, customs broker, reverse distributor, agent, or a nonresident wholesaler, who sells for resale, or negotiates for distribution, or takes possession of, any drug or device included in Section 4022. Unless otherwise authorized by law, a wholesaler may not store, warehouse, or authorize the storage or warehousing of drugs with any person or at any location not licensed by the board.

SEC. 5. Section 4044.5 is added to the Business and Professions Code, to read:

4044.5. "Reverse third-party logistics provider" means an entity that processes or manages the disposition of an outdated or nonsaleable dangerous drug or dangerous device on behalf of a manufacturer, wholesaler, or dispenser of the dangerous drug or dangerous device, but does not take ownership of the dangerous drug or dangerous device nor have the responsibility to direct its sale or disposition. Unless otherwise specified in this chapter, every provision of this chapter that applies to a third-party logistics provider shall also apply to a reverse third-party logistics provider.

SEC. 6. Section 4045 of the Business and Professions Code is repealed.

~~**4045.** "Third-party logistics provider" means an entity that provides or coordinates warehousing or other logistics services for a dangerous drug or dangerous device in intrastate or interstate commerce on behalf of a manufacturer, wholesaler, or dispenser of the dangerous drug or dangerous device, but does not take ownership of the dangerous drug or dangerous device, nor have responsibility to direct its sale or disposition.~~

SEC. 7. Section 4045 is added to the Business and Professions Code, to read:

4045. "Third-party logistics provider" means an entity that provides or coordinates warehousing or other logistics services for a dangerous drug or dangerous device in intrastate or interstate commerce on behalf of a manufacturer, wholesaler, or dispenser of the dangerous drug or dangerous device, but does not take ownership of the dangerous drug or dangerous device, nor have responsibility to direct its sale or disposition.

SEC. 8. Section 4053.1 is added to the Business and Professions Code, to read:

4053.1. (a) Notwithstanding Section 4051, the board may issue a license to a qualified individual as a designated representative-3PL to provide sufficient and qualified supervision of a third-party logistics provider's place of business. The designated representative-3PL shall protect the public health and safety in the handling, storage, warehousing, distribution, and shipment of dangerous drugs and dangerous devices in the third-party logistics provider's place of business.

(b) An individual who is at least 18 years of age may apply for a designated representative-3PL license. In order to obtain and maintain that license, the individual shall meet all of the following requirements:

(1) He or she shall be a high school graduate or possess a general education development certificate equivalent.

(2) He or she shall meet one of the following requirements:

(A) Have a minimum of one year of paid work experience in the past three years with a third-party logistics provider.

(B) Have a minimum of one year of paid work experience in the past three years in a licensed pharmacy, or with a drug wholesaler, drug distributor, or drug manufacturer, performing duties related to the distribution or dispensing of dangerous drugs or dangerous devices.

(C) Meet all of the prerequisites to take the examination required for licensure as a pharmacist by the board.

(3) (A) He or she shall complete a training program approved by the board that, at a minimum, addresses each of the following subjects:

(i) Knowledge and understanding of California law and federal law relating to the distribution of dangerous drugs and dangerous devices.

(ii) Knowledge and understanding of California law and federal law relating to the distribution of controlled substances.

(iii) Knowledge and understanding of quality control systems.

(iv) Knowledge and understanding of the United States Pharmacopoeia or federal Food and Drug Administration standards relating to the safe storage, handling, and transport of dangerous drugs and dangerous devices.

(B) The board may, by regulation, require the training program required under this paragraph to include additional material.

(C) The board shall not issue a license as a designated representative-3PL until the applicant provides proof of completion of the training required by this paragraph to the board.

(c) A third-party logistics provider shall not operate without at least one designated representative-3PL present at each of its licensed places of business as required under Section 4160.

SEC. 9. Section 4060 of the Business and Professions Code is amended to read:

4060. A person shall not possess any controlled substance, except that furnished to a person upon the prescription of a physician, dentist, podiatrist, optometrist, veterinarian, or naturopathic doctor pursuant to Section 3640.7, or furnished pursuant to a drug order issued by a certified nurse-midwife pursuant to Section 2746.51, a nurse practitioner pursuant to Section 2836.1, a physician assistant pursuant to Section 3502.1, a naturopathic doctor pursuant to Section 3640.5, or a pharmacist pursuant to Section 4052.1, 4052.2, or 4052.6. This section does not apply to the possession of any controlled substance by a manufacturer, wholesaler, third-party logistics provider, pharmacy, pharmacist, physician, podiatrist, dentist, optometrist, veterinarian, naturopathic doctor, certified nurse-midwife, nurse practitioner, or physician assistant, if in stock in containers correctly labeled with the name and address of the supplier or producer.

This section does not authorize a certified nurse-midwife, a nurse practitioner, a physician assistant, or a naturopathic doctor, to order his or her own stock of dangerous drugs and devices.

SEC. 10. Section 4081 of the Business and Professions Code is amended to read:

4081. (a) All records of manufacture and of sale, acquisition, receipt, shipment, or disposition of dangerous drugs or dangerous devices shall be at all times during business hours open to inspection by authorized officers of the law, and shall be preserved for at least three years from the date of making. A current inventory shall be kept by every manufacturer, wholesaler, third-party logistics provider, pharmacy, veterinary food-animal drug retailer, physician, dentist, podiatrist, veterinarian, laboratory, clinic, hospital, institution, or establishment holding a currently valid and unrevoked certificate, license, permit, registration, or exemption under Division 2 (commencing with Section 1200) of the Health and Safety Code or under Part 4 (commencing with Section 16000) of Division 9 of the Welfare and Institutions Code who maintains a stock of dangerous drugs or dangerous devices.

(b) The owner, officer, and partner of a pharmacy, wholesaler, third-party logistics provider, or veterinary food-animal drug retailer shall be jointly responsible, with the pharmacist-in-charge, responsible manager, or designated representative-in-charge, for maintaining the records and inventory described in this section.

(c) The pharmacist-in-charge, responsible manager, or designated representative-in-charge shall not be criminally responsible for acts of the owner, officer, partner, or employee that violate this section and of which the pharmacist-in-charge, responsible manager, or designated representative-in-charge had no knowledge, or in which he or she did not knowingly participate.

SEC. 11. Section 4101 of the Business and Professions Code is amended to read:

4101. (a) A pharmacist may take charge of and act as the pharmacist-in-charge of a pharmacy upon application by the pharmacy and approval by the board. A pharmacist-in-charge who ceases to act as the pharmacist-in-charge of the pharmacy shall notify the board in writing within 30 days of the date of that change in status.

(b) A designated representative or a pharmacist may take charge of, and act as, the designated representative-in-charge of a wholesaler or veterinary food-animal drug retailer upon application by the wholesaler or veterinary food-animal drug retailer and approval by the board. A designated representative-in-charge who ceases to act as the designated representative-in-charge at that entity shall notify the board in writing within 30 days of the date of that change in status.

(c) A designated representative-3PL may take charge of, and act as, the responsible manager of a third-party logistics provider upon application by the third-party logistics provider and approval by the board. A responsible manager who ceases to act as the responsible manager at that entity shall notify the board in writing within 30 days of the date of that change in status.

SEC. 12. Section 4105 of the Business and Professions Code is amended to read:

4105. (a) All records or other documentation of the acquisition and disposition of dangerous drugs and dangerous devices by any entity licensed by the board shall be retained on the licensed premises in a readily retrievable form.

(b) The licensee may remove the original records or documentation from the licensed premises on a temporary basis for license-related purposes. However, a duplicate set of those records or other documentation shall be retained on the licensed premises.

(c) The records required by this section shall be retained on the licensed premises for a period of three years from the date of making.

(d) (1) Any records that are maintained electronically shall be maintained so that the pharmacist-in-charge, or the pharmacist on duty if the pharmacist-in-charge is not on duty, shall, at all times during which the licensed premises are open for business, be able to produce a hardcopy and electronic copy of all records of acquisition or disposition or other drug or dispensing-related records maintained electronically.

(2) In the case of a veterinary food-animal drug retailer, wholesaler, or third-party logistics provider, any records that are maintained electronically shall be maintained so that the designated representative-in-charge or the responsible manager, or the designated representative on duty or the designated representative-3PL on duty if the designated representative-in-charge or responsible manager is not on duty, shall, at all times during which the licensed place of business is open for business, be able to produce a hardcopy and electronic copy of all records of acquisition or disposition or other drug or dispensing-related records maintained electronically.

(e) (1) Notwithstanding subdivisions (a), (b), and (c), the board may, upon written request, grant to a licensee a waiver of the requirements that the records described in subdivisions (a), (b), and (c) be kept on the licensed premises.

(2) A waiver granted pursuant to this subdivision shall not affect the board's authority under this section or any other provision of this chapter.

(f) When requested by an authorized officer of the law or by an authorized representative of the board, the owner, corporate officer, or manager of an entity licensed by the board shall provide the board with the requested records within three business days of the time the request was made. The entity may request in writing an extension of this timeframe for a period not to exceed 14 calendar days from the date the records were requested. A request for an extension of time is subject to the approval of the board. An extension shall be deemed approved if the board fails to deny the extension request within two business days of the time the extension request was made directly to the board.

SEC. 13. *Section 4107.5 is added to the Business and Professions Code, to read:*

4107.5. If a manufacturer, wholesaler, third-party logistics provider, or pharmacy has reasonable cause to believe that a dangerous drug or dangerous device in, or having been in, its possession is counterfeit or the subject of a fraudulent transaction, the manufacturer, wholesaler, third-party logistics provider, or pharmacy shall notify the board within 72 hours of obtaining that knowledge. This section shall apply to any dangerous drug or dangerous device that has been sold or distributed in or through this state.

SEC. 14. Section 4120 of the Business and Professions Code is amended to read:

4120. (a) A nonresident pharmacy shall not sell or distribute dangerous drugs or dangerous devices in this state through any person or media other than a wholesaler or third-party logistics provider who has obtained a license pursuant to this chapter or through a selling or distribution outlet that is licensed as a wholesaler or third-party logistics provider pursuant to this chapter without registering as a nonresident pharmacy.

(b) Applications for a nonresident pharmacy registration shall be made on a form furnished by the board. The board may require any information as the board deems reasonably necessary to carry out the purposes of this section.

(c) The Legislature, by enacting this section, does not intend a license issued to any nonresident pharmacy pursuant to this section to change or affect the tax liability imposed by Chapter 3 (commencing with Section 23501) of Part 11 of Division 2 of the Revenue and Taxation Code on any nonresident pharmacy.

(d) The Legislature, by enacting this section, does not intend a license issued to any nonresident pharmacy pursuant to this section to serve as any evidence that the nonresident pharmacy is doing business within this state.

SEC. 15. Section 4149 of the Business and Professions Code is amended to read:

4149. (a) A nonresident distributor shall not sell or distribute hypodermic needles or syringes in this state without obtaining a license from the board pursuant to Section 4141.

(b) Notwithstanding subdivision (a), a license is not required if the nonresident distributor sells or distributes solely through a person who is licensed as a wholesaler or third-party logistics provider pursuant to Section 4160.

(c) The Legislature, by enacting this section, does not intend a license issued to any nonresident distributor pursuant to this article to serve as evidence that the entity is doing business within this state.

SEC. 16. *The heading of Article 11 (commencing with Section 4160) of Chapter 9 of Division 2 of the Business and Professions Code is amended to read:*

Article 11. Wholesalers, Third-Party Logistics Providers, and Manufacturers

SEC. 17. Section 4160 of the Business and Professions Code is amended to read:

4160. (a) A person shall not act as a wholesaler or third-party logistics provider of any dangerous drug or dangerous device unless he or she has obtained a license from the board.

(b) Upon approval by the board and the payment of the required fee, the board shall issue a license to the applicant.

(c) (1) A separate license shall be required for each place of business owned or operated by a wholesaler or third-party logistics provider. Each place of business may only be issued a single license by the board, except as provided in paragraph (2). Each license shall be renewed annually and shall not be transferable. At all times during which a place of business is open for business, at least one designated representative, in the case of a wholesaler, or designated representative-3PL in the case of a third-party logistics provider, shall be present.

(2) A wholesaler and a third-party logistics provider under common ownership may be licensed at the same place of business provided that all of the following requirements are satisfied:

(A) The wholesaler and the third-party logistics provider each separately maintain the records required under Section 4081.

(B) Dangerous drugs and dangerous devices owned by the wholesaler are not commingled with the dangerous drugs and dangerous devices handled by the third-party logistics provider.

(C) Any individual acting as a designated representative for the wholesaler is not concurrently acting as a designated representative-3PL on behalf of the third-party logistics provider. Nothing in this subparagraph shall be construed to prohibit an individual from concurrently holding a license to act as a designated representative and to act as a designated representative-3PL.

(D) The wholesaler has its own designated representative-in-charge responsible for the operations of the wholesaler and the third-party logistics provider has its own responsible manager responsible for the operations of the third-party logistics provider. The same individual shall not concurrently serve as the responsible manager and the designated representative-in-charge for a wholesaler and a third-party logistics provider licensed at the same place of business.

(E) The third-party logistics provider does not handle the prescription drugs or prescription devices owned by a prescriber.

(F) The third-party logistics provider is not a reverse third-party logistics provider.

(G) The wholesaler is not acting as a reverse distributor.

(d) Every wholesaler shall be supervised or managed by a designated representative-in-charge. The designated representative-in-charge shall be responsible for the wholesaler's compliance with state and federal laws governing wholesalers. As part of its initial application for a license, and for each renewal, each wholesaler shall, on a form designed by the board, provide identifying information and the California license number for a

designated representative or pharmacist proposed to serve as the designated representative-in-charge. The proposed designated representative-in-charge shall be subject to approval by the board. The board shall not issue or renew a wholesaler license without identification of an approved designated representative-in-charge for the wholesaler. The designated representative-in-charge shall maintain an active license as a designated representative with the board at all times during which he or she is designated as the designated representative-in-charge.

(e) Each place of business of a third-party logistics provider shall be supervised and managed by a responsible manager. The responsible manager shall be responsible for the compliance of the place of business with state and federal laws governing third-party logistics providers and with the third-party logistics provider's customer specifications, except where the customer's specifications conflict with state or federal laws. As part of its initial application for a license, and for each renewal, each third-party logistics provider shall, on a form designated by the board, provide identifying information and the California license number for a designated representative-3PL proposed to serve as the responsible manager. The proposed responsible manager shall be subject to approval by the board. The board shall not issue or renew a third-party logistics provider license without identification of an approved responsible manager for the third-party logistics provider. The responsible manager shall maintain an active license as a designated representative-3PL with the board at all times during which he or she is designated as the responsible manager.

(f) A wholesaler shall notify the board in writing, on a form designed by the board, within 30 days of the date when a designated representative-in-charge ceases to act as the designated representative-in-charge, and shall on the same form propose another designated representative or pharmacist to take over as the designated representative-in-charge. The proposed replacement designated representative-in-charge shall be subject to approval by the board. If disapproved, the wholesaler shall propose another replacement within 15 days of the date of disapproval, and shall continue to name proposed replacements until a designated representative-in-charge is approved by the board.

(g) A third-party logistics provider shall notify the board in writing, on a form designed by the board, within 30 days of the date when a responsible manager ceases to act as the responsible manager, and shall on the same form propose another designated representative-3PL to take over as the responsible manager. The proposed replacement responsible manager shall be subject to approval by the board. If disapproved, the third-party logistics provider shall propose another replacement within 15 days of the date of disapproval, and shall continue to name proposed replacements until a responsible manager is approved by the board.

(h) A drug manufacturer premises licensed by the Food and Drug Administration or licensed pursuant to Section 111615 of the Health and Safety Code that only distributes dangerous drugs and dangerous devices of its own manufacture is exempt from this section and Section 4161.

(i) The board may issue a temporary license, upon conditions and for periods of time as the board determines to be in the public interest. A temporary license fee shall be required in an amount established by the board as specified in subdivision (f) of Section 4400. When needed to protect public safety, a temporary license may be issued for a period not to exceed 180 days, subject to terms and conditions that the board deems necessary. If the board determines that a temporary license was issued by mistake or denies the application for a permanent license, the temporary license shall terminate upon either personal service of the notice of termination upon the licenseholder or service by certified mail, return receipt requested, at the licenseholder's address of record with the board, whichever occurs first. Neither for purposes of retaining a temporary license, nor for purposes of any disciplinary or license denial proceeding before the board, shall the temporary licenseholder be deemed to have a vested property right or interest in the license.

SEC. 18. Section 4161 of the Business and Professions Code is amended to read:

4161. (a) A person located outside this state that (1) ships, sells, mails, warehouses, distributes, or delivers dangerous drugs or dangerous devices into this state or (2) sells, brokers, warehouses, or distributes dangerous drugs or devices within this state shall be considered a nonresident wholesaler or a nonresident third-party logistics provider.

(b) A nonresident wholesaler or nonresident third-party logistics provider shall be licensed by the board prior to shipping, selling, mailing, warehousing, distributing, or delivering dangerous drugs or dangerous devices to a site located in this state or selling, brokering, warehousing, or distributing dangerous drugs or devices within this state.

(c) (1) A separate license shall be required for each place of business owned or operated by a nonresident wholesaler or nonresident third-party logistics provider from or through which dangerous drugs or dangerous

devices are shipped, sold, mailed, warehoused, distributed, or delivered to a site located in this state or sold, brokered, warehoused, or distributed within this state. Each place of business may only be issued a single license by the board, except as provided in paragraph (2). A license shall be renewed annually and shall not be transferable.

(2) A nonresident wholesaler and a nonresident third-party logistics provider under common ownership may be licensed at the same place of business provided that all of the following requirements are satisfied:

(A) The wholesaler and the third-party logistics provider each separately maintain the records required under Section 4081.

(B) Dangerous drugs and dangerous devices owned by the wholesaler are not commingled with the dangerous drugs and dangerous devices handled by the third-party logistics provider.

(C) Any individual acting as a designated representative for the wholesaler is not concurrently acting as a designated representative-3PL on behalf of the third-party logistics provider. Nothing in this subparagraph shall be construed to prohibit an individual from concurrently holding a license to act as a designated representative and to act as a designated representative-3PL.

(D) The wholesaler has its own designated representative-in-charge responsible for the operations of the wholesaler and the third-party logistics provider has its own responsible manager responsible for the operations of the third-party logistics provider. The same individual shall not concurrently serve as the responsible manager and the designated representative-in-charge for a wholesaler and a third-party logistics provider licensed at the same place of business.

(E) The third-party logistics provider does not handle the prescription drugs or prescription devices owned by a prescriber.

(F) The third-party logistics provider is not a reverse third-party logistics provider.

(G) The wholesaler is not acting as a reverse distributor.

(d) The following information shall be reported, in writing, to the board at the time of initial application for licensure by a nonresident wholesaler or a nonresident third-party logistics provider, on renewal of a nonresident wholesaler or nonresident third-party logistics provider license, or within 30 days of a change in that information:

(1) Its agent for service of process in this state.

(2) Its principal corporate officers, as specified by the board, if any.

(3) Its general partners, as specified by the board, if any.

(4) Its owners if the applicant is not a corporation or partnership.

(e) A report containing the information in subdivision (d) shall be made within 30 days of any change of ownership, office, corporate officer, or partner.

(f) A nonresident wholesaler or nonresident third-party logistics provider shall comply with all directions and requests for information from the regulatory or licensing agency of the state in which it is licensed, as well as with all requests for information made by the board.

(g) A nonresident wholesaler or nonresident third-party logistics provider shall maintain records of dangerous drugs and dangerous devices sold, traded, transferred, warehoused, or distributed to persons in this state or within this state, so that the records are in a readily retrievable form.

(h) A nonresident wholesaler or nonresident third-party logistics provider shall at all times maintain a valid, unexpired license, permit, or registration to conduct the business of the wholesaler or nonresident third-party logistics provider in compliance with the laws of the state in which it is a resident. An application for a nonresident wholesaler or nonresident third-party logistics provider license in this state shall include a license verification from the licensing authority in the applicant's state of residence.

(i) (1) The board shall not issue or renew a nonresident wholesaler license until the nonresident wholesaler identifies a designated representative-in-charge and notifies the board in writing of the identity and license number of the designated representative-in-charge.

(2) The board shall not issue or renew a nonresident third-party logistics provider license until the nonresident third-party logistics provider identifies a responsible manager and notifies the board in writing of the identity and license number of the designated representative-3PL who will be the responsible manager.

(j) The designated representative-in-charge shall be responsible for the compliance of the nonresident wholesaler with state and federal laws governing wholesalers. The responsible manager shall be responsible for the compliance of the nonresident third-party logistics provider's place of business with state and federal laws governing third-party logistics providers. A nonresident wholesaler or nonresident third-party logistics provider shall identify and notify the board of a new designated representative-in-charge or responsible manager within 30 days of the date that the prior designated representative-in-charge or responsible manager ceases to be the designated representative-in-charge or responsible manager.

(k) The board may issue a temporary license, upon conditions and for periods of time as the board determines to be in the public interest. A temporary license fee shall be five hundred fifty dollars (\$550) or another amount established by the board not to exceed the annual fee for renewal of a license to compound injectable sterile drug products. When needed to protect public safety, a temporary license may be issued for a period not to exceed 180 days, subject to terms and conditions that the board deems necessary. If the board determines that a temporary license was issued by mistake or denies the application for a permanent license, the temporary license shall terminate upon either personal service of the notice of termination upon the licenseholder or service by certified mail, return receipt requested, at the licenseholder's address of record with the board, whichever occurs first. Neither for purposes of retaining a temporary license, nor for purposes of any disciplinary or license denial proceeding before the board, shall the temporary licenseholder be deemed to have a vested property right or interest in the license.

(l) The registration fee shall be the fee specified in subdivision (f) of Section 4400.

SEC. 19. *Section 4161.5 is added to the Business and Professions Code, to read:*

4161.5. *At such time as federal regulations are promulgated to implement Section 584 of the federal Food, Drug, and Cosmetic Act (21 U.S.C. Sec. 360eee-3), the board shall immediately identify any standard, requirement, or regulation in California law governing interstate commerce that is in conflict with the federal regulations and act to remove the conflict in the manner permitted by law.*

SEC. 20. Section 4162 of the Business and Professions Code is amended to read:

4162. (a) (1) An applicant for the issuance or renewal of a wholesaler license, which is not government owned and operated, shall submit a surety bond of one hundred thousand dollars (\$100,000) or other equivalent means of security acceptable to the board payable to the Pharmacy Board Contingent Fund. The purpose of the surety bond is to secure payment of any administrative fine imposed by the board and any cost recovery ordered pursuant to Section 125.3.

(2) An applicant for the issuance or renewal of a third-party logistics provider license, which is not government owned and operated, shall submit a surety bond of ninety thousand dollars (\$90,000) or other equivalent means of security acceptable to the board payable to the Pharmacy Board Contingent Fund. The purpose of the surety bond is to secure payment of any administrative fine imposed by the board and any cost recovery ordered pursuant to Section 125.3.

(3) For purposes of paragraphs (1) and (2), the board may accept a surety bond less than the amount required under paragraph (1) or (2) if the annual gross receipts of the previous tax year for the wholesaler or third-party logistics provider is ten million dollars (\$10,000,000) or less, in which case the surety bond shall be twenty-five thousand dollars (\$25,000).

(4) A person to whom an approved new drug application has been issued by the United States Food and Drug Administration who engages in the wholesale distribution of only the dangerous drug specified in the new drug application, and is licensed or applies for licensure as a wholesaler or third-party logistics provider, shall not be required to post a surety bond as provided in paragraph (1) or (2).

(5) For licensees subject to paragraph (3) or (4), the board may require a bond up to one hundred thousand dollars (\$100,000) for any licensee who has been disciplined by any state or federal agency or has been issued an administrative fine pursuant to this chapter.

(b) The board may make a claim against the bond if the licensee fails to pay a fine within 30 days after the order imposing the fine, or costs become final.

(c) A single surety bond or other equivalent means of security acceptable to the board shall satisfy the requirement of subdivision (a) for all licensed sites under common control as defined in Section 4126.5.

SEC. 21. Section 4162.5 of the Business and Professions Code is amended to read:

4162.5. (a) (1) An applicant for the issuance or renewal of a nonresident wholesaler license shall submit a surety bond of one hundred thousand dollars (\$100,000), or other equivalent means of security acceptable to the board, such as an irrevocable letter of credit, or a deposit in a trust account or financial institution, payable to the Pharmacy Board Contingent Fund. The purpose of the surety bond is to secure payment of any administrative fine imposed by the board and any cost recovery ordered pursuant to Section 125.3.

(2) An applicant for the issuance or renewal of a nonresident third-party logistics provider license shall submit a surety bond of ninety thousand dollars (\$90,000), or other equivalent means of security acceptable to the board, such as an irrevocable letter of credit, or a deposit in a trust account or financial institution, payable to the Pharmacy Board Contingent Fund. The purpose of the surety bond is to secure payment of any administrative fine imposed by the board and any cost recovery ordered pursuant to Section 125.3.

(3) For purposes of paragraphs (1) and (2), the board may accept a surety bond less than the amount required under paragraph (1) or (2) if the annual gross receipts of the previous tax year for the nonresident wholesaler or the nonresident third-party logistics provider is ten million dollars (\$10,000,000) or less, in which case the surety bond shall be twenty-five thousand dollars (\$25,000).

(4) For applicants who satisfy paragraph (3), the board may require a bond up to one hundred thousand dollars (\$100,000) for any nonresident wholesaler or nonresident third-party logistics provider who has been disciplined by any state or federal agency or has been issued an administrative fine pursuant to this chapter.

(5) A person to whom an approved new drug application or a biologics license application has been issued by the United States Food and Drug Administration who engages in the wholesale distribution of only the dangerous drug specified in the new drug application or biologics license application, and is licensed or applies for licensure as a nonresident wholesaler or a nonresident third-party logistics provider, shall not be required to post a surety bond as provided in this section.

(b) The board may make a claim against the bond if the licensee fails to pay a fine within 30 days of the issuance of the fine or when the costs become final.

(c) A single surety bond or other equivalent means of security acceptable to the board shall satisfy the requirement of subdivision (a) for all licensed sites under common control as defined in Section 4126.5.

SEC. 22. Section 4164 of the Business and Professions Code is amended to read:

4164. (a) A wholesaler or third-party logistics provider licensed by the board that distributes controlled substances, dangerous drugs, or dangerous devices within or into this state shall report to the board all distributions of dangerous drugs and controlled substances that are subject to abuse, as determined by the board.

(b) Each wholesaler shall develop and maintain a system for tracking individual sales of dangerous drugs at preferential or contract prices to pharmacies that primarily or solely dispense prescription drugs to patients of long-term care facilities. The system shall be capable of identifying purchases of any dangerous drug at preferential or contract prices by customers that vary significantly from prior ordering patterns for the same customer, including by identifying purchases in the preceding 12 calendar months by that customer or similar customers and identifying current purchases that exceed prior purchases by either that customer or similar customers by a factor of 20 percent.

(c) Upon written, oral, or electronic request by the board, a wholesaler shall furnish data tracked pursuant to subdivision (b) to the board in written, hardcopy, or electronic form. The board shall specify the dangerous drugs, the customers, or both the dangerous drugs and customers for which data are to be furnished, and the wholesaler shall have 30 calendar days to comply with the request.

(d) As used in this section, "preferential or contract prices" means and refers to purchases by contract of dangerous drugs at prices below the market wholesale price for those drugs.

SEC. 23. Section 4165 of the Business and Professions Code is amended to read:

4165. A wholesaler or third-party logistics provider licensed by the board who sells or transfers any dangerous drug or dangerous device into this state or who receives, by sale or otherwise, any dangerous drug or dangerous device from any person in this state shall, on request, furnish an authorized officer of the law with all records or other documentation of that sale or transfer.

SEC. 24. Section 4166 of the Business and Professions Code is amended to read:

4166. (a) A wholesaler that uses the services of a third-party logistics provider or carrier, including, but not limited to, the United States Postal Service or a common carrier, shall be liable for the security and integrity of any dangerous drugs or dangerous devices through that provider or carrier until the drugs or devices are delivered to the transferee at its board-licensed premises.

(b) A third-party logistics provider that uses the services of a carrier, including, but not limited to, the United States Postal Service or a common carrier, shall have in place and comply with written policies and procedures that provide for both of the following:

(1) Verification that the third-party logistics provider, or the owner of the dangerous drugs or dangerous devices stored at the third-party logistics provider, has imposed obligations on the carrier that provide for the security and integrity of any dangerous drugs or dangerous devices transported by the carrier until the drugs or devices are delivered to the transferee at its premises.

(2) Confirmation, prior to shipping a dangerous drug or dangerous device, that the intended recipient is legally authorized to receive the dangerous drug or dangerous device.

(c) Nothing in this section is intended to affect the liability of a wholesaler, third-party logistics provider, or other distributor for dangerous drugs or dangerous devices after their delivery to the transferee.

SEC. 25. Section 4167 of the Business and Professions Code is amended to read:

4167. A wholesaler or third-party logistics provider shall not obtain, by purchase or otherwise, any dangerous drugs or dangerous devices that it cannot maintain, in a secure manner, at the place of business licensed by the board.

SEC. 26. Section 4168 of the Business and Professions Code is amended to read:

4168. A county or municipality shall not issue a business license for any establishment that requires a wholesaler or third-party logistics provider license unless the establishment possesses a current wholesaler or third-party logistics provider license issued by the board. For purposes of this section, an "establishment" is the licensee's physical location in California.

SEC. 27. Section 4169 of the Business and Professions Code is amended to read:

4169. (a) A person or entity shall not do any of the following:

(1) Purchase, trade, sell, warehouse, distribute, or transfer dangerous drugs or dangerous devices at wholesale with a person or entity that is not licensed with the board as a wholesaler, third-party logistics provider, or pharmacy.

(2) Purchase, trade, sell, or transfer dangerous drugs that the person knew or reasonably should have known were adulterated, as set forth in Article 2 (commencing with Section 111250) of Chapter 6 of Part 5 of Division 104 of the Health and Safety Code.

(3) Purchase, trade, sell, or transfer dangerous drugs that the person knew or reasonably should have known were misbranded, as defined in Section 111335 of the Health and Safety Code.

(4) Purchase, trade, sell, or transfer dangerous drugs or dangerous devices after the beyond use date on the label.

(5) Fail to maintain records of the acquisition or disposition of dangerous drugs or dangerous devices for at least three years.

(b) Notwithstanding any other law, a violation of this section may subject the person or entity that has committed the violation to a fine not to exceed the amount specified in Section 125.9 for each occurrence, pursuant to a citation issued by the board.

(c) Amounts due from any person under this section shall be offset as provided under Section 12419.5 of the Government Code. Amounts received by the board under this section shall be deposited into the Pharmacy Board Contingent Fund.

(d) This section shall not apply to a pharmaceutical manufacturer licensed by the Food and Drug Administration or by the State Department of Public Health.

SEC. 28. Section 4201 of the Business and Professions Code is amended to read:

4201. (a) Each application to conduct a pharmacy, wholesaler, third-party logistics provider, or veterinary food-animal drug retailer, shall be made on a form furnished by the board, and shall state the name, address, usual occupation, and professional qualifications, if any, of the applicant. If the applicant is other than a natural person, the application shall state the information as to each person beneficially interested therein.

(b) As used in this section, and subject to subdivision (c), the term "person beneficially interested" means and includes:

(1) If the applicant is a partnership or other unincorporated association, each partner or member.

(2) If the applicant is a corporation, each of its officers, directors, and stockholders, provided that no natural person shall be deemed to be beneficially interested in a nonprofit corporation.

(3) If the applicant is a limited liability company, each officer, manager, or member.

(c) If the applicant is a partnership or other unincorporated association, a limited liability company, or a corporation, and the number of partners, members, or stockholders, as the case may be, exceeds five, the application shall so state, and shall further state the information required by subdivision (a) as to each of the five partners, members, or stockholders who own the five largest interests in the applicant entity. Upon request by the executive officer, the applicant shall furnish the board with the information required by subdivision (a) as to partners, members, or stockholders not named in the application, or shall refer the board to an appropriate source of that information.

(d) The application shall contain a statement to the effect that the applicant has not been convicted of a felony and has not violated any of the provisions of this chapter. If the applicant cannot make this statement, the application shall contain a statement of the violation, if any, or reasons which will prevent the applicant from being able to comply with the requirements with respect to the statement.

(e) Upon the approval of the application by the board and payment of the fee required by this chapter for each pharmacy, wholesaler, third-party logistics provider, or veterinary food-animal drug retailer, the executive officer of the board shall issue a license to conduct a pharmacy, wholesaler, third-party logistics provider, or veterinary food-animal drug retailer, if all of the provisions of this chapter have been complied with.

(f) Notwithstanding any other law, the pharmacy license shall authorize the holder to conduct a pharmacy. The license shall be renewed annually and shall not be transferable.

(g) Notwithstanding any other law, the wholesaler license shall authorize the holder to wholesale dangerous drugs and dangerous devices. The license shall be renewed annually and shall not be transferable.

(h) Notwithstanding any other law, the third-party logistics provider license shall authorize the holder to provide or coordinate warehousing, distribution, or other similar services of dangerous drugs and dangerous devices. The license shall be renewed annually and shall not be transferable.

(i) Notwithstanding any other law, the veterinary food-animal drug retailer license shall authorize the holder to conduct a veterinary food-animal drug retailer and to sell and dispense veterinary food-animal drugs as defined in Section 4042.

(j) For licenses referred to in subdivisions (f), (g), (h), and (i), any change in the proposed beneficial ownership interest shall be reported to the board within 30 days thereafter upon a form to be furnished by the board.

SEC. 29. Section 4305.5 of the Business and Professions Code is amended to read:

4305.5. (a) A person that is licensed as a wholesaler, third-party logistics provider, or veterinary food-animal drug retailer, shall notify the board within 30 days of the termination of employment of the designated representative-in-charge or responsible manager. Failure to notify the board within the 30-day period shall constitute grounds for disciplinary action.

(b) A person that is licensed as a wholesaler, third-party logistics provider, or veterinary food-animal drug retailer, that willfully fails to notify the board of the termination of employment of the designated representative-in-charge or responsible manager at its licensed place of business, and that continues to operate the place of business in the absence of the designated representative-in-charge or responsible manager for that place of business shall be subject to summary suspension or revocation of its license as a wholesaler, third-party logistics provider, or veterinary food-animal drug retailer at that place of business.

(c) A designated representative-in-charge of a wholesaler or veterinary food-animal drug retailer, or a responsible manager of a third-party logistics provider, who terminates his or her employment at the licensed place of business, shall notify the board within 30 days of the termination of employment. Failure to notify the board within the 30-day period shall constitute grounds for disciplinary action.

SEC. 30. Section 4312 of the Business and Professions Code is amended to read:

4312. (a) The board may cancel the license of a wholesaler, third-party logistics provider, pharmacy, or veterinary food-animal drug retailer if the licensed premises remain closed, as defined in subdivision (e), other than by order of the board. For good cause shown, the board may cancel a license after a shorter period of closure. To cancel a license pursuant to this subdivision, the board shall make a diligent, good faith effort to give notice by personal service on the licensee. If a written objection is not received within 10 days after personal service is made or a diligent, good faith effort to give notice by personal service on the licensee has failed, the board may cancel the license without the necessity of a hearing. If the licensee files a written objection, the board shall file an accusation based on the licensee remaining closed. Proceedings shall be conducted in accordance with Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code, and the board shall have all the powers granted in that chapter.

(b) If the license of a wholesaler, third-party logistics provider, pharmacy, or veterinary food-animal drug retailer is canceled pursuant to subdivision (a) or revoked pursuant to Article 19 (commencing with Section 4300), or a wholesaler, third-party logistics provider, pharmacy, or veterinary food-animal drug retailer notifies the board of its intent to remain closed or to discontinue business, the licensee shall, within 10 days thereafter, arrange for the transfer of all dangerous drugs and controlled substances or dangerous devices to another licensee authorized to possess the dangerous drugs and controlled substances or dangerous devices. The licensee transferring the dangerous drugs and controlled substances or dangerous devices shall immediately confirm in writing to the board that the transfer has taken place.

(c) If a wholesaler, third-party logistics provider, pharmacy, or veterinary food-animal drug retailer fails to comply with subdivision (b), the board may seek and obtain an order from the superior court in the county in which the wholesaler, third-party logistics provider, pharmacy, or veterinary food-animal drug retailer is located, authorizing the board to enter the wholesaler, third-party logistics provider, pharmacy, or veterinary food-animal drug retailer and inventory and store, transfer, sell, or arrange for the sale of, all dangerous drugs and controlled substances and dangerous devices found in the wholesaler, third-party logistics provider, pharmacy, or veterinary food-animal drug retailer.

(d) If the board sells or arranges for the sale of any dangerous drugs, controlled substances, or dangerous devices pursuant to subdivision (c), the board may retain from the proceeds of the sale an amount equal to the cost to the board of obtaining and enforcing an order issued pursuant to subdivision (c), including the cost of disposing of the dangerous drugs, controlled substances, or dangerous devices. The remaining proceeds, if any, shall be returned to the licensee from whose premises the dangerous drugs or controlled substances or dangerous devices were removed.

(1) The licensee shall be notified of his or her right to the remaining proceeds by personal service or by certified mail, postage prepaid.

(2) If a statute or regulation requires the licensee to file with the board his or her address, and any change of address, the notice required by this subdivision may be sent by certified mail, postage prepaid, to the latest address on file with the board and service of notice in this manner shall be deemed completed on the 10th day after the mailing.

(3) If the licensee is notified as provided in this subdivision, and the licensee fails to contact the board for the remaining proceeds within 30 calendar days after personal service has been made or service by certified mail, postage prepaid, is deemed completed, the remaining proceeds shall be deposited by the board into the Pharmacy Board Contingent Fund. These deposits shall be deemed to have been received pursuant to Chapter 7 (commencing with Section 1500) of Title 10 of Part 3 of the Code of Civil Procedure and shall be subject to claim or other disposition as provided in that chapter.

(e) For the purposes of this section, "closed" means not engaged in the ordinary activity for which a license has been issued for at least one day each calendar week during any 120-day period.

(f) Nothing in this section shall be construed as requiring a pharmacy to be open seven days a week.

SEC. 31. Section 4331 of the Business and Professions Code is amended to read:

4331. (a) A person who is not a pharmacist, a designated representative-in-charge, or a designated representative and who takes charge of a wholesaler or veterinary food-animal drug retailer or who dispenses a prescription or furnishes dangerous devices, except as otherwise provided in this chapter, is guilty of a misdemeanor.

(b) A person who is not a responsible manager or a designated representative-3PL who takes charge of a third-party logistics provider or coordinates the warehousing or distribution of dangerous drugs or dangerous devices within a third-party logistics provider, except as otherwise provided in this chapter, is guilty of a misdemeanor.

(c) A person licensed as a veterinary food-animal drug retailer that fails to place in charge of that veterinary food-animal drug retailer a pharmacist or designated representative, or any person who, by himself or herself, or by any other person, permits the dispensing of prescriptions, except by a pharmacist or designated representative, or as otherwise provided in this chapter, is guilty of a misdemeanor.

(d) A person licensed as a wholesaler that fails to place in charge of that wholesaler a pharmacist or designated representative, or any person who, by himself or herself, or by any other person, permits the furnishing of dangerous drugs or dangerous devices, except by a pharmacist or designated representative, or as otherwise provided in this chapter, is guilty of a misdemeanor.

(e) A person licensed as a third-party logistics provider that fails to place in charge of a licensed place of business of the third-party logistics provider a responsible manager, or any person who, by himself or herself, or by any other person, permits the furnishing of dangerous drugs or dangerous devices, except by a facility manager, or as otherwise provided in this chapter, is guilty of a misdemeanor.

SEC. 32. Section 4400 of the Business and Professions Code, as added by Section 9 of Chapter 565 of the Statutes of 2013, 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).

(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).

(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 (\$550).

(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.

(l) 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 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 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) This section shall become operative on July 1, 2014.

SEC. 33. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.

Attachment 2



SB-1159 Professions and vocations: license applicants: individual tax identification number. (2013-2014)

Senate Bill No. 1159

CHAPTER 752

An act to amend Sections 30, 2103, 2111, 2112, 2113, 2115, 3624, and 6533 of, and to add Section 135.5 to, the Business and Professions Code, to amend Section 17520 of the Family Code, and to amend Section 19528 of the Revenue and Taxation Code, relating to professions and vocations.

[Approved by Governor September 28, 2014. Filed with Secretary of State
September 28, 2014.]

LEGISLATIVE COUNSEL'S DIGEST

SB 1159, Lara. Professions and vocations: license applicants: individual tax identification number.

Existing law provides for the licensure and regulation of various professions and vocations by boards within the Department of Consumer Affairs, among other licensing bodies. Existing law requires those licensing bodies to require a licensee, at the time of issuance of the license, to provide its federal employer identification number if the licensee is a partnership, or his or her social security number for all other licensees. Existing law requires those licensing bodies to report to the Franchise Tax Board any licensee who fails to provide the federal employer identification number or social security number, and subjects the licensee to a penalty for failing to provide the information after notification, as specified.

This bill, no later than January 1, 2016, would require those licensing bodies to require an applicant to provide either an individual tax identification number or social security number if the applicant is an individual. The bill would require the licensing bodies to report to the Franchise Tax Board, and subject a licensee to a penalty, for failure to provide that information, as described above. The bill would prohibit, except as specified, any entity within the department from denying licensure to an applicant based on his or her citizenship status or immigration status. The bill would require every board within the department to implement regulatory and procedural changes necessary to implement these provisions no later than January 1, 2016, and would authorize implementation at any time prior to that date. The bill would make other conforming changes.

Vote: majority Appropriation: no Fiscal Committee: yes Local Program: no

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

SECTION 1. Section 30 of the Business and Professions Code is amended to read:

30. (a) (1) Notwithstanding any other law, any board, as defined in Section 22, and the State Bar and the Bureau of Real Estate shall, at the time of issuance of the license, require that the applicant provide its federal employer identification number, if the applicant is a partnership, or the applicant's social security number for all other applicants.

(2) No later than January 1, 2016, in accordance with Section 135.5, a board, as defined in Section 22, and the State Bar and the Bureau of Real Estate shall require either the individual taxpayer identification number or social security number if the applicant is an individual for purposes of this subdivision.

(b) A licensee failing to provide the federal employer identification number, or the individual taxpayer identification number or social security number shall be reported by the licensing board to the Franchise Tax Board. If the licensee fails to provide that information after notification pursuant to paragraph (1) of subdivision (b) of Section 19528 of the Revenue and Taxation Code, the licensee shall be subject to the penalty provided in paragraph (2) of subdivision (b) of Section 19528 of the Revenue and Taxation Code.

(c) In addition to the penalty specified in subdivision (b), a licensing board may not process an application for an initial license unless the applicant provides its federal employer identification number, or individual taxpayer identification number or social security number where requested on the application.

(d) A licensing board shall, upon request of the Franchise Tax Board, furnish to the Franchise Tax Board the following information with respect to every licensee:

(1) Name.

(2) Address or addresses of record.

(3) Federal employer identification number if the licensee is a partnership, or the licensee's individual taxpayer identification number or social security number for all other licensees.

(4) Type of license.

(5) Effective date of license or a renewal.

(6) Expiration date of license.

(7) Whether license is active or inactive, if known.

(8) Whether license is new or a renewal.

(e) For the purposes of this section:

(1) "Licensee" means a person or entity, other than a corporation, authorized by a license, certificate, registration, or other means to engage in a business or profession regulated by this code or referred to in Section 1000 or 3600.

(2) "License" includes a certificate, registration, or any other authorization needed to engage in a business or profession regulated by this code or referred to in Section 1000 or 3600.

(3) "Licensing board" means any board, as defined in Section 22, the State Bar, and the Bureau of Real Estate.

(f) The reports required under this section shall be filed on magnetic media or in other machine-readable form, according to standards furnished by the Franchise Tax Board.

(g) Licensing boards shall provide to the Franchise Tax Board the information required by this section at a time that the Franchise Tax Board may require.

(h) Notwithstanding Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1 of the Government Code, a federal employer identification number, individual taxpayer identification number, or social security number furnished pursuant to this section shall not be deemed to be a public record and shall not be open to the public for inspection.

(i) A deputy, agent, clerk, officer, or employee of a licensing board described in subdivision (a), or any former officer or employee or other individual who, in the course of his or her employment or duty, has or has had access to the information required to be furnished under this section, may not disclose or make known in any manner that information, except as provided in this section to the Franchise Tax Board or as provided in subdivision (k).

(j) It is the intent of the Legislature in enacting this section to utilize the federal employer identification number, individual taxpayer identification number, or social security number for the purpose of establishing the identification of persons affected by state tax laws and for purposes of compliance with Section 17520 of the Family Code and, to that end, the information furnished pursuant to this section shall be used exclusively for those purposes.

(k) If the board utilizes a national examination to issue a license, and if a reciprocity agreement or comity exists between the State of California and the state requesting release of the individual taxpayer identification number or social security number, any deputy, agent, clerk, officer, or employee of any licensing board described in

subdivision (a) may release an individual taxpayer identification number or social security number to an examination or licensing entity, only for the purpose of verification of licensure or examination status.

(l) For the purposes of enforcement of Section 17520 of the Family Code, and notwithstanding any other law, a board, as defined in Section 22, and the State Bar and the Bureau of Real Estate shall at the time of issuance of the license require that each licensee provide the individual taxpayer identification number or social security number of each individual listed on the license and any person who qualifies for the license. For the purposes of this subdivision, "licensee" means an entity that is issued a license by any board, as defined in Section 22, the State Bar, the Bureau of Real Estate, and the Department of Motor Vehicles.

SEC. 2. Section 135.5 is added to the Business and Professions Code, to read:

135.5. (a) The Legislature finds and declares that it is in the best interests of the State of California to provide persons who are not lawfully present in the United States with the state benefits provided by all licensing acts of entities within the department, and therefore enacts this section pursuant to subsection (d) of Section 1621 of Title 8 of the United States Code.

(b) Notwithstanding subdivision (a) of Section 30, and except as required by subdivision (e) of Section 7583.23, no entity within the department shall deny licensure to an applicant based on his or her citizenship status or immigration status.

(c) Every board within the department shall implement all required regulatory or procedural changes necessary to implement this section no later than January 1, 2016. A board may implement the provisions of this section at any time prior to January 1, 2016.

SEC. 3. Section 2103 of the Business and Professions Code is amended to read:

2103. An applicant shall be eligible for a physician's and surgeon's certificate if he or she has completed the following requirements:

(a) Submitted official evidence satisfactory to the board of completion of a resident course or professional instruction equivalent to that required in Section 2089 in a medical school located outside the United States or Canada. However, nothing in this section shall be construed to require the board to evaluate for equivalency any coursework obtained at a medical school disapproved by the board pursuant to Article 4 (commencing with Section 2080).

(b) Submitted official evidence satisfactory to the board of completion of all formal requirements of the medical school for graduation, except the applicant shall not be required to have completed an internship or social service or be admitted or licensed to practice medicine in the country in which the professional instruction was completed.

(c) Attained a score satisfactory to an approved medical school on a qualifying examination acceptable to the board.

(d) Successfully completed one academic year of supervised clinical training in a program approved by the board pursuant to Section 2104. The board shall also recognize as compliance with this subdivision the successful completion of a one-year supervised clinical medical internship operated by a medical school pursuant to Chapter 85 of the Statutes of 1972 and as amended by Chapter 888 of the Statutes of 1973 as the equivalent of the year of supervised clinical training required by this section.

(1) Training received in the academic year of supervised clinical training approved pursuant to Section 2104 shall be considered as part of the total academic curriculum for purposes of meeting the requirements of Sections 2089 and 2089.5.

(2) An applicant who has passed the basic science and English language examinations required for certification by the Educational Commission for Foreign Medical Graduates may present evidence of those passing scores along with a certificate of completion of one academic year of supervised clinical training in a program approved by the board pursuant to Section 2104 in satisfaction of the formal certification requirements of subdivision (b) of Section 2102.

(e) Satisfactorily completed the postgraduate training required under Section 2096.

(f) Passed the written examination required for certification as a physician and surgeon under this chapter.

SEC. 4. Section 2111 of the Business and Professions Code is amended to read:

2111. (a) Physicians who are not citizens but who meet the requirements of subdivision (b) and who seek postgraduate study in an approved medical school may, after receipt of an appointment from the dean of the California medical school and application to and approval by the Division of Licensing, be permitted to participate in the professional activities of the department or division in the medical school to which they are appointed. The physician shall be under the direction of the head of the department to which he or she is appointed, supervised by the staff of the medical school's medical center, and known for these purposes as a "visiting fellow." The visiting fellow shall wear a visible name tag containing the title "visiting fellow" when he or she provides clinical services.

(b) (1) Application for approval shall be made on a form prescribed by the division and shall be accompanied by a fee fixed by the division in an amount necessary to recover the actual application processing costs of the program. The application shall show that the person does not immediately qualify for a physician's and surgeon's certificate under this chapter and that the person has completed at least three years of postgraduate basic residency requirements. The application shall include a written statement of the recruitment procedures followed by the medical school before offering the appointment to the applicant.

(2) Approval shall be granted only for appointment to one medical school, and no physician shall be granted more than one approval for the same period of time.

(3) Approval may be granted for a maximum of three years and shall be renewed annually. The medical school shall submit a request for renewal on a form prescribed by the division, which shall be accompanied by a renewal fee fixed by the division in an amount necessary to recover the actual application processing costs of the program.

(c) Except to the extent authorized by this section, the visiting fellow may not engage in the practice of medicine. Neither the visiting fellow nor the medical school may assess any charge for the medical services provided by the visiting fellow, and the visiting fellow may not receive any other compensation therefor.

(d) The time spent under appointment in a medical school pursuant to this section may not be used to meet the requirements for licensure under Section 2102.

(e) The division shall notify both the visiting fellow and the dean of the appointing medical school of any complaint made about the visiting fellow.

The division may terminate its approval of an appointment for any act that would be grounds for discipline if done by a licensee. The division shall provide both the visiting fellow and the dean of the medical school with a written notice of termination including the basis for that termination. The visiting fellow may, within 30 days after the date of the notice of termination, file a written appeal to the division. The appeal shall include any documentation the visiting fellow wishes to present to the division.

(f) Nothing in this section shall preclude any United States citizen who has received his or her medical degree from a medical school located in a foreign country and recognized by the division from participating in any program established pursuant to this section.

SEC. 5. Section 2112 of the Business and Professions Code is amended to read:

2112. (a) Physicians who are not citizens and who seek postgraduate study, may, after application to and approval by the Division of Licensing, be permitted to participate in a fellowship program in a specialty or subspecialty field, providing the fellowship program is given in a hospital in this state which is approved by the Joint Committee on Accreditation of Hospitals and providing the service is satisfactory to the division. Such physicians shall at all times be under the direction and supervision of a licensed, board-certified physician and surgeon who is recognized as a clearly outstanding specialist in the field in which the foreign fellow is to be trained. The supervisor, as part of the application process, shall submit his or her curriculum vitae and a protocol of the fellowship program to be completed by the foreign fellow. Approval of the program and supervisor is for a period of one year, but may be renewed annually upon application to and approval by the division. The approval may not be renewed more than four times. The division may determine a fee, based on the cost of operating this program, which shall be paid by the applicant at the time the application is filed.

(b) Except to the extent authorized by this section, no such visiting physician may engage in the practice of medicine or receive compensation therefor. The time spent under appointment in a medical school pursuant to this section may not be used to meet the requirements for licensure under Section 2101 or 2102.

(c) Nothing in this section shall preclude any United States citizen who has received his or her medical degree from a medical school located in a foreign country from participating in any program established pursuant to this section.

SEC. 6. Section 2113 of the Business and Professions Code is amended to read:

2113. (a) Any person who does not immediately qualify for a physician's and surgeon's certificate under this chapter and who is offered by the dean of an approved medical school in this state a full-time faculty position may, after application to and approval by the Division of Licensing, be granted a certificate of registration to engage in the practice of medicine only to the extent that the practice is incident to and a necessary part of his or her duties as approved by the division in connection with the faculty position. A certificate of registration does not authorize a registrant to admit patients to a nursing or a skilled or assisted living facility unless that facility is formally affiliated with the sponsoring medical school. A clinical fellowship shall not be submitted as a faculty service appointment.

(b) Application for a certificate of registration shall be made on a form prescribed by the division and shall be accompanied by a registration fee fixed by the division in an amount necessary to recover the actual application processing costs of the program. To qualify for the certificate, an applicant shall submit all of the following:

(1) If the applicant is a graduate of a medical school other than in the United States or Canada, documentary evidence satisfactory to the division that he or she has been licensed to practice medicine and surgery for not less than four years in another state or country whose requirements for licensure are satisfactory to the division, or has been engaged in the practice of medicine in the United States for at least four years in approved facilities, or has completed a combination of that licensure and training.

(2) If the applicant is a graduate of an approved medical school in the United States or Canada, documentary evidence that he or she has completed a resident course of professional instruction as required in Section 2089.

(3) Written certification by the head of the department in which the applicant is to be appointed of all of the following:

(A) The applicant will be under his or her direction.

(B) The applicant will not be permitted to practice medicine unless incident to and a necessary part of his or her duties as approved by the division in subdivision (a).

(C) The applicant will be accountable to the medical school's department chair or division chief for the specialty in which the applicant will practice.

(D) The applicant will be proctored in the same manner as other new faculty members, including, as appropriate, review by the medical staff of the school's medical center.

(E) The applicant will not be appointed to a supervisory position at the level of a medical school department chair or division chief.

(4) Demonstration by the dean of the medical school that the applicant has the requisite qualifications to assume the position to which he or she is to be appointed and that shall include a written statement of the recruitment procedures followed by the medical school before offering the faculty position to the applicant.

(c) A certificate of registration shall be issued only for a faculty position at one approved medical school, and no person shall be issued more than one certificate of registration for the same period of time.

(d) (1) A certificate of registration is valid for one year from its date of issuance and may be renewed twice.

A request for renewal shall be submitted on a form prescribed by the division and shall be accompanied by a renewal fee fixed by the division in an amount necessary to recover the actual application processing costs of the program.

(2) The dean of the medical school may request renewal of the registration by submitting a plan at the beginning of the third year of the registrant's appointment demonstrating the registrant's continued progress toward licensure and, if the registrant is a graduate of a medical school other than in the United States or Canada, that the registrant has been issued a certificate by the Educational Commission for Foreign Medical Graduates. The division may, in its discretion, extend the registration for a two-year period to facilitate the registrant's completion of the licensure process.

(e) If the registrant is a graduate of a medical school other than in the United States or Canada, he or she shall meet the requirements of Section 2102 or 2135, as appropriate, in order to obtain a physician's and surgeon's certificate. Notwithstanding any other provision of law, the division may accept clinical practice in an appointment pursuant to this section as qualifying time to meet the postgraduate training requirements in Section 2102, and may, in its discretion, waive the examination and the Educational Commission for Foreign Medical Graduates certification requirements specified in Section 2102 in the event the registrant applies for a physician's and surgeon's certificate. As a condition to waiving any examination or the Educational Commission for Foreign Medical Graduates certification requirement, the division in its discretion, may require an applicant to pass the clinical competency examination referred to in subdivision (d) of Section 2135. The division shall not waive any examination for an applicant who has not completed at least one year in the faculty position.

(f) Except to the extent authorized by this section, the registrant shall not engage in the practice of medicine, bill individually for medical services provided by the registrant, or receive compensation therefor, unless he or she is issued a physician's and surgeon's certificate.

(g) When providing clinical services, the registrant shall wear a visible name tag containing the title "visiting professor" or "visiting faculty member," as appropriate, and the institution at which the services are provided shall obtain a signed statement from each patient to whom the registrant provides services acknowledging that the patient understands that the services are provided by a person who does not hold a physician's and surgeon's certificate but who is qualified to participate in a special program as a visiting professor or faculty member.

(h) The division shall notify both the registrant and the dean of the medical school of a complaint made about the registrant. The division may terminate a registration for any act that would be grounds for discipline if done by a licensee. The division shall provide both the registrant and the dean of the medical school with written notice of the termination and the basis for that termination. The registrant may, within 30 days after the date of the notice of termination, file a written appeal to the division. The appeal shall include any documentation the registrant wishes to present to the division.

SEC. 7. Section 2115 of the Business and Professions Code is amended to read:

2115. (a) Physicians who are not citizens and who seek postgraduate study may, after application to and approval by the Division of Licensing, be permitted to participate in a fellowship program in a specialty or subspecialty field, providing the fellowship program is given in a clinic or hospital in a medically underserved area of this state that is licensed by the State Department of Health Services or is exempt from licensure pursuant to subdivision (b) or (c) of Section 1206 of the Health and Safety Code, and providing service is satisfactory to the division. These physicians shall at all times be under the direction and supervision of a licensed, board certified physician and surgeon who has an appointment with a medical school in California and is a specialist in the field in which the fellow is to be trained. The supervisor, as part of the application process, shall submit his or her curriculum vitae and a protocol of the fellowship program to be completed by the foreign fellow. Approval of the program and supervisor is for a period of one year, but may be renewed annually upon application to and approval by the division. The approval may not be renewed more than four times. The division may determine a fee, based on the cost of operating this program, which shall be paid by the applicant at the time the application is filed.

(b) Except to the extent authorized by this section, no visiting physician may engage in the practice of medicine or receive compensation therefor. The time spent under appointment in a clinic pursuant to this section may not be used to meet the requirements for licensure under Section 2102.

(c) Nothing in this section shall preclude any United States citizen who has received his or her medical degree from a medical school located in a foreign country from participating in any program established pursuant to this section.

(d) For purposes of this section, a medically underserved area means a federally designated Medically Underserved Area, a federally designated Health Professional Shortage Area, and any other clinic or hospital determined by the board to be medically underserved. Clinics or hospitals determined by the board pursuant to this subdivision shall be reported to the Office of Statewide Health Planning and Development.

SEC. 8. Section 3624 of the Business and Professions Code is amended to read:

3624. (a) The committee may grant a certificate of registration to practice naturopathic medicine to a person who does not hold a naturopathic doctor's license under this chapter and is offered a faculty position by the

dean of a naturopathic medical education program approved by the committee, if all of the following requirements are met to the satisfaction of the committee:

- (1) The applicant submits an application on a form prescribed by the committee.
 - (2) The dean of the naturopathic medical education program demonstrates that the applicant has the requisite qualifications to assume the position to which he or she is to be appointed.
 - (3) The dean of the naturopathic medical education program certifies in writing to the committee that the applicant will be under his or her direction and will not be permitted to practice naturopathic medicine unless incidental to and a necessary part of the applicant's duties as approved by the committee.
- (b) The holder of a certificate of registration issued under this section shall not receive compensation for or practice naturopathic medicine unless it is incidental to and a necessary part of the applicant's duties in connection with the holder's faculty position.
- (c) A certificate of registration issued under this section is valid for two years.

SEC. 9. Section 6533 of the Business and Professions Code is amended to read:

6533. In order to meet the qualifications for licensure as a professional fiduciary a person shall meet all of the following requirements:

- (a) Be at least 21 years of age.
- (b) Have not committed any acts that are grounds for denial of a license under Section 480 or 6536.
- (c) Submit fingerprint images as specified in Section 6533.5 in order to obtain criminal offender record information.
- (d) Have completed the required prelicensing education described in Section 6538.
- (e) Have passed the licensing examination administered by the bureau pursuant to Section 6539.
- (f) Have at least one of the following:
 - (1) A baccalaureate degree of arts or sciences from a college or university accredited by a nationally recognized accrediting body of colleges and universities or a higher level of education.
 - (2) An associate of arts or sciences degree from a college or university accredited by a nationally recognized accrediting body of colleges and universities, and at least three years of experience working as a professional fiduciary or working with substantive fiduciary responsibilities for a professional fiduciary, public agency, or financial institution acting as a conservator, guardian, trustee, personal representative, or agent under a power of attorney.
 - (3) Experience of not less than five years, prior to July 1, 2012, working as a professional fiduciary or working with substantive fiduciary responsibilities for a professional fiduciary, public agency, or financial institution acting as a conservator, guardian, trustee, personal representative, or agent under a power of attorney.
- (g) Agree to adhere to the Professional Fiduciaries Code of Ethics and to all statutes and regulations.
- (h) Consent to the bureau conducting a credit check on the applicant.
- (i) File a completed application for licensure with the bureau on a form provided by the bureau and signed by the applicant under penalty of perjury.
- (j) Submit with the license application a nonrefundable application fee, as specified in this chapter.

SEC. 10. Section 17520 of the Family Code is amended to read:

17520. (a) As used in this section:

- (1) "Applicant" means a person applying for issuance or renewal of a license.
- (2) "Board" means an entity specified in Section 101 of the Business and Professions Code, the entities referred to in Sections 1000 and 3600 of the Business and Professions Code, the State Bar, the Bureau of Real Estate, the Department of Motor Vehicles, the Secretary of State, the Department of Fish and Wildlife, and any other

state commission, department, committee, examiner, or agency that issues a license, certificate, credential, permit, registration, or any other authorization to engage in a business, occupation, or profession, or to the extent required by federal law or regulations, for recreational purposes. This term includes all boards, commissions, departments, committees, examiners, entities, and agencies that issue a license, certificate, credential, permit, registration, or any other authorization to engage in a business, occupation, or profession. The failure to specifically name a particular board, commission, department, committee, examiner, entity, or agency that issues a license, certificate, credential, permit, registration, or any other authorization to engage in a business, occupation, or profession does not exclude that board, commission, department, committee, examiner, entity, or agency from this term.

(3) "Certified list" means a list provided by the local child support agency to the Department of Child Support Services in which the local child support agency verifies, under penalty of perjury, that the names contained therein are support obligors found to be out of compliance with a judgment or order for support in a case being enforced under Title IV-D of the federal Social Security Act.

(4) "Compliance with a judgment or order for support" means that, as set forth in a judgment or order for child or family support, the obligor is no more than 30 calendar days in arrears in making payments in full for current support, in making periodic payments in full, whether court ordered or by agreement with the local child support agency, on a support arrearage, or in making periodic payments in full, whether court ordered or by agreement with the local child support agency, on a judgment for reimbursement for public assistance, or has obtained a judicial finding that equitable estoppel as provided in statute or case law precludes enforcement of the order. The local child support agency is authorized to use this section to enforce orders for spousal support only when the local child support agency is also enforcing a related child support obligation owed to the obligee parent by the same obligor, pursuant to Sections 17400 and 17604.

(5) "License" includes membership in the State Bar, and a certificate, credential, permit, registration, or any other authorization issued by a board that allows a person to engage in a business, occupation, or profession, or to operate a commercial motor vehicle, including appointment and commission by the Secretary of State as a notary public. "License" also includes any driver's license issued by the Department of Motor Vehicles, any commercial fishing license issued by the Department of Fish and Wildlife, and to the extent required by federal law or regulations, any license used for recreational purposes. This term includes all licenses, certificates, credentials, permits, registrations, or any other authorization issued by a board that allows a person to engage in a business, occupation, or profession. The failure to specifically name a particular type of license, certificate, credential, permit, registration, or other authorization issued by a board that allows a person to engage in a business, occupation, or profession, does not exclude that license, certificate, credential, permit, registration, or other authorization from this term.

(6) "Licensee" means a person holding a license, certificate, credential, permit, registration, or other authorization issued by a board, to engage in a business, occupation, or profession, or a commercial driver's license as defined in Section 15210 of the Vehicle Code, including an appointment and commission by the Secretary of State as a notary public. "Licensee" also means a person holding a driver's license issued by the Department of Motor Vehicles, a person holding a commercial fishing license issued by the Department of Fish and Game, and to the extent required by federal law or regulations, a person holding a license used for recreational purposes. This term includes all persons holding a license, certificate, credential, permit, registration, or any other authorization to engage in a business, occupation, or profession, and the failure to specifically name a particular type of license, certificate, credential, permit, registration, or other authorization issued by a board does not exclude that person from this term. For licenses issued to an entity that is not an individual person, "licensee" includes an individual who is either listed on the license or who qualifies for the license.

(b) The local child support agency shall maintain a list of those persons included in a case being enforced under Title IV-D of the federal Social Security Act against whom a support order or judgment has been rendered by, or registered in, a court of this state, and who are not in compliance with that order or judgment. The local child support agency shall submit a certified list with the names, social security numbers, and last known addresses of these persons and the name, address, and telephone number of the local child support agency who certified the list to the department. The local child support agency shall verify, under penalty of perjury, that the persons listed are subject to an order or judgment for the payment of support and that these persons are not in compliance with the order or judgment. The local child support agency shall submit to the department an updated certified list on a monthly basis.

(c) The department shall consolidate the certified lists received from the local child support agencies and, within 30 calendar days of receipt, shall provide a copy of the consolidated list to each board that is responsible for the regulation of licenses, as specified in this section.

(d) On or before November 1, 1992, or as soon thereafter as economically feasible, as determined by the department, all boards subject to this section shall implement procedures to accept and process the list provided by the department, in accordance with this section. Notwithstanding any other law, all boards shall collect social security numbers or individual taxpayer identification numbers from all applicants for the purposes of matching the names of the certified list provided by the department to applicants and licensees and of responding to requests for this information made by child support agencies.

(e) (1) Promptly after receiving the certified consolidated list from the department, and prior to the issuance or renewal of a license, each board shall determine whether the applicant is on the most recent certified consolidated list provided by the department. The board shall have the authority to withhold issuance or renewal of the license of an applicant on the list.

(2) If an applicant is on the list, the board shall immediately serve notice as specified in subdivision (f) on the applicant of the board's intent to withhold issuance or renewal of the license. The notice shall be made personally or by mail to the applicant's last known mailing address on file with the board. Service by mail shall be complete in accordance with Section 1013 of the Code of Civil Procedure.

(A) The board shall issue a temporary license valid for a period of 150 days to any applicant whose name is on the certified list if the applicant is otherwise eligible for a license.

(B) Except as provided in subparagraph (D), the 150-day time period for a temporary license shall not be extended. Except as provided in subparagraph (D), only one temporary license shall be issued during a regular license term and it shall coincide with the first 150 days of that license term. As this paragraph applies to commercial driver's licenses, "license term" shall be deemed to be 12 months from the date the application fee is received by the Department of Motor Vehicles. A license for the full or remainder of the license term shall be issued or renewed only upon compliance with this section.

(C) In the event that a license or application for a license or the renewal of a license is denied pursuant to this section, any funds paid by the applicant or licensee shall not be refunded by the board.

(D) This paragraph shall apply only in the case of a driver's license, other than a commercial driver's license. Upon the request of the local child support agency or by order of the court upon a showing of good cause, the board shall extend a 150-day temporary license for a period not to exceed 150 extra days.

(3) (A) The department may, when it is economically feasible for the department and the boards to do so as determined by the department, in cases where the department is aware that certain child support obligors listed on the certified lists have been out of compliance with a judgment or order for support for more than four months, provide a supplemental list of these obligors to each board with which the department has an interagency agreement to implement this paragraph. Upon request by the department, the licenses of these obligors shall be subject to suspension, provided that the licenses would not otherwise be eligible for renewal within six months from the date of the request by the department. The board shall have the authority to suspend the license of any licensee on this supplemental list.

(B) If a licensee is on a supplemental list, the board shall immediately serve notice as specified in subdivision (f) on the licensee that his or her license will be automatically suspended 150 days after notice is served, unless compliance with this section is achieved. The notice shall be made personally or by mail to the licensee's last known mailing address on file with the board. Service by mail shall be complete in accordance with Section 1013 of the Code of Civil Procedure.

(C) The 150-day notice period shall not be extended.

(D) In the event that any license is suspended pursuant to this section, any funds paid by the licensee shall not be refunded by the board.

(E) This paragraph shall not apply to licenses subject to annual renewal or annual fee.

(f) Notices shall be developed by each board in accordance with guidelines provided by the department and subject to approval by the department. The notice shall include the address and telephone number of the local child support agency that submitted the name on the certified list, and shall emphasize the necessity of obtaining a release from that local child support agency as a condition for the issuance, renewal, or continued valid status of a license or licenses.

(1) In the case of applicants not subject to paragraph (3) of subdivision (e), the notice shall inform the applicant that the board shall issue a temporary license, as provided in subparagraph (A) of paragraph (2) of subdivision (e), for 150 calendar days if the applicant is otherwise eligible and that upon expiration of that time period the license will be denied unless the board has received a release from the local child support agency that submitted the name on the certified list.

(2) In the case of licensees named on a supplemental list, the notice shall inform the licensee that his or her license will continue in its existing status for no more than 150 calendar days from the date of mailing or service of the notice and thereafter will be suspended indefinitely unless, during the 150-day notice period, the board has received a release from the local child support agency that submitted the name on the certified list. Additionally, the notice shall inform the licensee that any license suspended under this section will remain so until the expiration of the remaining license term, unless the board receives a release along with applications and fees, if applicable, to reinstate the license during the license term.

(3) The notice shall also inform the applicant or licensee that if an application is denied or a license is suspended pursuant to this section, any funds paid by the applicant or licensee shall not be refunded by the board. The Department of Child Support Services shall also develop a form that the applicant shall use to request a review by the local child support agency. A copy of this form shall be included with every notice sent pursuant to this subdivision.

(g) (1) Each local child support agency shall maintain review procedures consistent with this section to allow an applicant to have the underlying arrearage and any relevant defenses investigated, to provide an applicant information on the process of obtaining a modification of a support order, or to provide an applicant assistance in the establishment of a payment schedule on arrearages if the circumstances so warrant.

(2) It is the intent of the Legislature that a court or local child support agency, when determining an appropriate payment schedule for arrearages, base its decision on the facts of the particular case and the priority of payment of child support over other debts. The payment schedule shall also recognize that certain expenses may be essential to enable an obligor to be employed. Therefore, in reaching its decision, the court or the local child support agency shall consider both of these goals in setting a payment schedule for arrearages.

(h) If the applicant wishes to challenge the submission of his or her name on the certified list, the applicant shall make a timely written request for review to the local child support agency who certified the applicant's name. A request for review pursuant to this section shall be resolved in the same manner and timeframe provided for resolution of a complaint pursuant to Section 17800. The local child support agency shall immediately send a release to the appropriate board and the applicant, if any of the following conditions are met:

(1) The applicant is found to be in compliance or negotiates an agreement with the local child support agency for a payment schedule on arrearages or reimbursement.

(2) The applicant has submitted a request for review, but the local child support agency will be unable to complete the review and send notice of its findings to the applicant within the time specified in Section 17800.

(3) The applicant has filed and served a request for judicial review pursuant to this section, but a resolution of that review will not be made within 150 days of the date of service of notice pursuant to subdivision (f). This paragraph applies only if the delay in completing the judicial review process is not the result of the applicant's failure to act in a reasonable, timely, and diligent manner upon receiving the local child support agency's notice of findings.

(4) The applicant has obtained a judicial finding of compliance as defined in this section.

(i) An applicant is required to act with diligence in responding to notices from the board and the local child support agency with the recognition that the temporary license will lapse or the license suspension will go into effect after 150 days and that the local child support agency and, where appropriate, the court must have time to act within that period. An applicant's delay in acting, without good cause, which directly results in the inability of the local child support agency to complete a review of the applicant's request or the court to hear the request for judicial review within the 150-day period shall not constitute the diligence required under this section which would justify the issuance of a release.

(j) Except as otherwise provided in this section, the local child support agency shall not issue a release if the applicant is not in compliance with the judgment or order for support. The local child support agency shall notify the applicant in writing that the applicant may, by filing an order to show cause or notice of motion, request any or all of the following:

- (1) Judicial review of the local child support agency's decision not to issue a release.
- (2) A judicial determination of compliance.
- (3) A modification of the support judgment or order.

The notice shall also contain the name and address of the court in which the applicant shall file the order to show cause or notice of motion and inform the applicant that his or her name shall remain on the certified list if the applicant does not timely request judicial review. The applicant shall comply with all statutes and rules of court regarding orders to show cause and notices of motion.

This section shall not be deemed to limit an applicant from filing an order to show cause or notice of motion to modify a support judgment or order or to fix a payment schedule on arrearages accruing under a support judgment or order or to obtain a court finding of compliance with a judgment or order for support.

(k) The request for judicial review of the local child support agency's decision shall state the grounds for which review is requested and judicial review shall be limited to those stated grounds. The court shall hold an evidentiary hearing within 20 calendar days of the filing of the request for review. Judicial review of the local child support agency's decision shall be limited to a determination of each of the following issues:

- (1) Whether there is a support judgment, order, or payment schedule on arrearages or reimbursement.
- (2) Whether the petitioner is the obligor covered by the support judgment or order.
- (3) Whether the support obligor is or is not in compliance with the judgment or order of support.
- (4) (A) The extent to which the needs of the obligor, taking into account the obligor's payment history and the current circumstances of both the obligor and the obligee, warrant a conditional release as described in this subdivision.

(B) The request for judicial review shall be served by the applicant upon the local child support agency that submitted the applicant's name on the certified list within seven calendar days of the filing of the petition. The court has the authority to uphold the action, unconditionally release the license, or conditionally release the license.

(C) If the judicial review results in a finding by the court that the obligor is in compliance with the judgment or order for support, the local child support agency shall immediately send a release in accordance with subdivision (l) to the appropriate board and the applicant. If the judicial review results in a finding by the court that the needs of the obligor warrant a conditional release, the court shall make findings of fact stating the basis for the release and the payment necessary to satisfy the unrestricted issuance or renewal of the license without prejudice to a later judicial determination of the amount of support arrearages, including interest, and shall specify payment terms, compliance with which are necessary to allow the release to remain in effect.

(l) The department shall prescribe release forms for use by local child support agencies. When the obligor is in compliance, the local child support agency shall mail to the applicant and the appropriate board a release stating that the applicant is in compliance. The receipt of a release shall serve to notify the applicant and the board that, for the purposes of this section, the applicant is in compliance with the judgment or order for support. Any board that has received a release from the local child support agency pursuant to this subdivision shall process the release within five business days of its receipt.

If the local child support agency determines subsequent to the issuance of a release that the applicant is once again not in compliance with a judgment or order for support, or with the terms of repayment as described in this subdivision, the local child support agency may notify the board, the obligor, and the department in a format prescribed by the department that the obligor is not in compliance.

The department may, when it is economically feasible for the department and the boards to develop an automated process for complying with this subdivision, notify the boards in a manner prescribed by the department, that the obligor is once again not in compliance. Upon receipt of this notice, the board shall immediately notify the obligor on a form prescribed by the department that the obligor's license will be suspended on a specific date, and this date shall be no longer than 30 days from the date the form is mailed. The obligor shall be further notified that the license will remain suspended until a new release is issued in accordance with subdivision (h). Nothing in this section shall be deemed to limit the obligor from seeking judicial review of suspension pursuant to the procedures described in subdivision (k).

(m) The department may enter into interagency agreements with the state agencies that have responsibility for the administration of boards necessary to implement this section, to the extent that it is cost effective to implement this section. These agreements shall provide for the receipt by the other state agencies and boards of federal funds to cover that portion of costs allowable in federal law and regulation and incurred by the state agencies and boards in implementing this section. Notwithstanding any other provision of law, revenue generated by a board or state agency shall be used to fund the nonfederal share of costs incurred pursuant to this section. These agreements shall provide that boards shall reimburse the department for the nonfederal share of costs incurred by the department in implementing this section. The boards shall reimburse the department for the nonfederal share of costs incurred pursuant to this section from moneys collected from applicants and licensees.

(n) Notwithstanding any other law, in order for the boards subject to this section to be reimbursed for the costs incurred in administering its provisions, the boards may, with the approval of the appropriate department director, levy on all licensees and applicants a surcharge on any fee or fees collected pursuant to law, or, alternatively, with the approval of the appropriate department director, levy on the applicants or licensees named on a certified list or supplemental list, a special fee.

(o) The process described in subdivision (h) shall constitute the sole administrative remedy for contesting the issuance of a temporary license or the denial or suspension of a license under this section. The procedures specified in the administrative adjudication provisions of the Administrative Procedure Act (Chapter 4.5 (commencing with Section 11400) and Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code) shall not apply to the denial, suspension, or failure to issue or renew a license or the issuance of a temporary license pursuant to this section.

(p) In furtherance of the public policy of increasing child support enforcement and collections, on or before November 1, 1995, the State Department of Social Services shall make a report to the Legislature and the Governor based on data collected by the boards and the district attorneys in a format prescribed by the State Department of Social Services. The report shall contain all of the following:

(1) The number of delinquent obligors certified by district attorneys under this section.

(2) The number of support obligors who also were applicants or licensees subject to this section.

(3) The number of new licenses and renewals that were delayed, temporary licenses issued, and licenses suspended subject to this section and the number of new licenses and renewals granted and licenses reinstated following board receipt of releases as provided by subdivision (h) by May 1, 1995.

(4) The costs incurred in the implementation and enforcement of this section.

(q) Any board receiving an inquiry as to the licensed status of an applicant or licensee who has had a license denied or suspended under this section or has been granted a temporary license under this section shall respond only that the license was denied or suspended or the temporary license was issued pursuant to this section. Information collected pursuant to this section by any state agency, board, or department shall be subject to the Information Practices Act of 1977 (Chapter 1 (commencing with Section 1798) of Title 1.8 of Part 4 of Division 3 of the Civil Code).

(r) Any rules and regulations issued pursuant to this section by any state agency, board, or department may be adopted as emergency regulations in accordance with the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code). The adoption of these regulations shall be deemed an emergency and necessary for the immediate preservation of the public peace, health, and safety, or general welfare. The regulations shall become effective immediately upon filing with the Secretary of State.

(s) The department and boards, as appropriate, shall adopt regulations necessary to implement this section.

(t) The Judicial Council shall develop the forms necessary to implement this section, except as provided in subdivisions (f) and (l).

(u) The release or other use of information received by a board pursuant to this section, except as authorized by this section, is punishable as a misdemeanor.

(v) The State Board of Equalization shall enter into interagency agreements with the department and the Franchise Tax Board that will require the department and the Franchise Tax Board to maximize the use of information collected by the State Board of Equalization, for child support enforcement purposes, to the extent it is cost effective and permitted by the Revenue and Taxation Code.

(w) (1) The suspension or revocation of any driver's license, including a commercial driver's license, under this section shall not subject the licensee to vehicle impoundment pursuant to Section 14602.6 of the Vehicle Code.

(2) Notwithstanding any other law, the suspension or revocation of any driver's license, including a commercial driver's license, under this section shall not subject the licensee to increased costs for vehicle liability insurance.

(x) If any provision of this section or the application thereof to any person or circumstance is held invalid, that invalidity shall not affect other provisions or applications of this section which can be given effect without the invalid provision or application, and to this end the provisions of this section are severable.

(y) All rights to administrative and judicial review afforded by this section to an applicant shall also be afforded to a licensee.

SEC. 11. Section 19528 of the Revenue and Taxation Code is amended to read:

19528. (a) Notwithstanding any other law, the Franchise Tax Board may require any board, as defined in Section 22 of the Business and Professions Code, and the State Bar, the Bureau of Real Estate, and the Insurance Commissioner (hereinafter referred to as licensing board) to provide to the Franchise Tax Board the following information with respect to every licensee:

(1) Name.

(2) Address or addresses of record.

(3) Federal employer identification number, if the licensee is a partnership, or the licensee's individual taxpayer identification number or social security number of all other licensees.

(4) Type of license.

(5) Effective date of license or renewal.

(6) Expiration date of license.

(7) Whether license is active or inactive, if known.

(8) Whether license is new or renewal.

(b) The Franchise Tax Board may do the following:

(1) Send a notice to any licensee failing to provide the federal employer identification number, individual taxpayer identification number, or social security number as required by subdivision (a) of Section 30 of the Business and Professions Code and subdivision (a) of Section 1666.5 of the Insurance Code, describing the information that was missing, the penalty associated with not providing it, and that failure to provide the information within 30 days will result in the assessment of the penalty.

(2) After 30 days following the issuance of the notice described in paragraph (1), assess a one-hundred-dollar (\$100) penalty, due and payable upon notice and demand, for any licensee failing to provide either its federal employer identification number (if the licensee is a partnership) or his or her individual taxpayer identification number or social security number (for all others) as required in Section 30 of the Business and Professions Code and Section 1666.5 of the Insurance Code.

(c) Notwithstanding Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1 of the Government Code, the information furnished to the Franchise Tax Board pursuant to Section 30 of the Business and Professions Code or Section 1666.5 of the Insurance Code shall not be deemed to be a public record and shall not be open to the public for inspection.



SB-1226 Veterans: professional licensing. (2013-2014)

SECTION 1. *Section 115.4 is added to the Business and Professions Code, to read:*

115.4. (a) *Notwithstanding any other law, on and after July 1, 2016, a board within the department shall expedite, and may assist, the initial licensure process for an applicant who supplies satisfactory evidence to the board that the applicant has served as an active duty member of the Armed Forces of the United States and was honorably discharged.*

(b) A board may adopt regulations necessary to administer this section.

SEC. 2. Section 7574.18 of the Business and Professions Code is amended to read:

7574.18. (a) Except for a person who has completed the course of training required by Section 7583.45, a person registered and hired as a proprietary private security officer shall complete training in security officer skills within six months from the date upon which registration is issued, or within six months of his or her employment with a proprietary private security employer.

(b) (1) Except as provided in paragraph (2), a course provider shall issue a certificate to a proprietary private security officer upon satisfactory completion of a required course, conducted in accordance with the department's requirements.

(2) If a proprietary private security employer administers a course of training pursuant to this section, that proprietary private security employer shall issue a certificate to a proprietary private security officer for the completion of training in security officer skills that each proprietary private security officer is required to complete, as determined by the department, including, but not limited to, power-to-arrest training. However, the employer shall not be required to provide a certificate for training courses provided pursuant to a curriculum adopted by the department that are specific to that employer's business and where the subject of training is not specifically required by the department.

(c) An employer of a proprietary private security officer may provide training programs and courses in addition to the training required in this section.

(d) The department shall develop and establish by regulation a standard course and curriculum, which shall include a minimum number of hours of instruction, for the skills training required by subdivision (a) to promote and protect the safety of persons and the security of property. For this purpose, the regulations adopted by the department pursuant to Section 7574.5, as added by Chapter 721 of the Statutes of 2007, are continued in existence, and shall be amended by the department as necessary.

(e) The course of training required by subdivision (a) may be administered, tested, and certified by any proprietary private security employer, organization, or school approved by the department. The department may approve any proprietary private security employer, organization, or school to teach the course.

(f) (1) A proprietary private security employer shall annually provide each employee registered pursuant to this chapter with specifically dedicated review or practice of security officer skills prescribed in the training required in this section. The bureau shall adopt and approve by regulation the minimum number of hours required for annual review.

(2) A proprietary private security employer shall maintain at the principal place of business or branch office a record verifying completion of the review or practice training for a period of not less than two years. The records shall be available for inspection by the department upon request.

(g) This section does not apply to a peace officer, as defined in Chapter 4.5 (commencing with Section 830) of Title 3 of Part 2 of the Penal Code, who has successfully completed a course of study in the exercise of the power to arrest approved by the Commission on Peace Officer Standards and Training. This section does not apply to armored vehicle guards.

(h) A person registered and hired as a proprietary private security officer may submit Verification of Military Experience and Training (VMET) records that document that the person has completed equivalent military training in lieu of completing a course of training in security officer skills pursuant to subdivision (a). The department shall determine the type of equivalent military training that qualifies to serve as a substitute.

Psychological Association (APA). Those standards shall be applied by the board as the accepted standard of care in all licensing examination development and in all board enforcement policies and disciplinary case evaluations.

To facilitate consumers in receiving appropriate psychological services, all licensees and registrants shall be required to post, in a conspicuous location in their principal psychological business office, a notice which reads as follows:

"NOTICE TO CONSUMERS: The Department of Consumer Affairs Board of Psychology receives and responds to questions and complaints regarding the practice of psychology. If you have questions or complaints, you may contact the board by email at bopmail@dca.ca.gov, on the Internet at www.psychology.ca.gov, by calling 1-866-503-3221, or by writing to the following address:

Board of Psychology
1625 North Market Boulevard, Suite -215
Sacramento, California 95834"

SEC. 11. Section 2987.3 of the Business and Professions Code is repealed.

SEC. 12. Section 4021.5 of the Business and Professions Code is amended to read:

4021.5. "Correctional pharmacy" means a pharmacy, licensed by the board, located within a correctional facility for the purpose of providing pharmaceutical care to inmates of the correctional facility.

SEC. 13. Section 4053 of the Business and Professions Code is amended to read:

4053. (a) Notwithstanding Section 4051, the board may issue a license as a designated representative to provide sufficient and qualified supervision in a wholesaler or veterinary food-animal drug retailer. The designated representative shall protect the public health and safety in the handling, storage, and shipment of dangerous drugs and dangerous devices in the wholesaler or veterinary food-animal drug retailer.

(b) An individual who is at least 18 years of age may apply for a designated representative license. In order to obtain and maintain that license, the individual shall meet all of the following requirements:

(1) He or she shall be a high school graduate or possess a general education development certificate equivalent.

(2) He or she shall have a minimum of one year of paid work experience in a licensed pharmacy, or with a drug wholesaler, drug distributor, or drug manufacturer, in the past three years, related to the distribution or dispensing of dangerous drugs or dangerous devices or meet all of the prerequisites to take the examination required for licensure as a pharmacist by the board.

(3) He or she shall complete a training program approved by the board that, at a minimum, addresses each of the following subjects:

(A) Knowledge and understanding of California law and federal law relating to the distribution of dangerous drugs and dangerous devices.

(B) Knowledge and understanding of California law and federal law relating to the distribution of controlled substances.

(C) Knowledge and understanding of quality control systems.

(D) Knowledge and understanding of the United States Pharmacopoeia standards relating to the safe storage and handling of drugs.

(E) Knowledge and understanding of prescription terminology, abbreviations, dosages, and format.

(4) The board may, by regulation, require training programs to include additional material.

(5) The board may not issue a license as a designated representative until the applicant provides proof of completion of the required training to the board.

(c) The veterinary food-animal drug retailer or wholesaler shall not operate without a pharmacist or a designated representative on its premises.

(d) Only a pharmacist or a designated representative shall prepare and affix the label to veterinary food-animal drugs.

(e) Section 4051 shall not apply to any laboratory licensed under Section 351 of Title III of the Public Health Service Act (Public Law 78-410).

SEC. 14. *The heading of Chapter 13 (commencing with Section 4980) of Division 2 of the Business and Professions Code is amended to read:*

CHAPTER 13. Licensed Marriage and Family Therapists

SEC. 15. Section 4980 of the Business and Professions Code is amended to read:

4980. (a) (1) Many California families and many individual Californians are experiencing difficulty and distress, and are in need of wise, competent, caring, compassionate, and effective counseling in order to enable them to improve and maintain healthy family relationships.

(2) Healthy individuals and healthy families and healthy relationships are inherently beneficial and crucial to a healthy society, and are our most precious and valuable natural resource. Licensed marriage and family therapists provide a crucial support for the well-being of the people and the State of California.

(b) No person may engage in the practice of marriage and family therapy as defined by Section 4980.02, unless he or she holds a valid license as a marriage and family therapist, or unless he or she is specifically exempted from that requirement, nor may any person advertise himself or herself as performing the services of a marriage, family, child, domestic, or marital consultant, or in any way use these or any similar titles, including the letters "L.M.F.T." "M.F.T.," or "M.F.C.C.," or other name, word initial, or symbol in connection with or following his or her name to imply that he or she performs these services without a license as provided by this chapter. Persons licensed under Article 4 (commencing with Section 4996) of Chapter 14 of Division 2, or under Chapter 6.6 (commencing with Section 2900) may engage in such practice or advertise that they practice marriage and family therapy but may not advertise that they hold the marriage and family therapist's license.

SEC. 16. Section 4980.36 of the Business and Professions Code is amended to read:

4980.36. (a) This section shall apply to the following:

(1) Applicants for licensure or registration who begin graduate study before August 1, 2012, and do not complete that study on or before December 31, 2018.

(2) Applicants for licensure or registration who begin graduate study before August 1, 2012, and who graduate from a degree program that meets the requirements of this section.

(3) Applicants for licensure or registration who begin graduate study on or after August 1, 2012.

(b) To qualify for a license or registration, applicants shall possess a doctoral or master's degree meeting the requirements of this section in marriage, family, and child counseling, marriage and family therapy, couple and family therapy, psychology, clinical psychology, counseling psychology, or counseling with an emphasis in either marriage, family, and child counseling or marriage and family therapy, obtained from a school, college, or university approved by the Bureau for Private Postsecondary Education, or accredited by either the Commission on Accreditation for Marriage and Family Therapy Education, or a regional accrediting agency that is recognized by the United States Department of Education. The board has the authority to make the final determination as to whether a degree meets all requirements, including, but not limited to, course requirements, regardless of accreditation or approval.

(c) A doctoral or master's degree program that qualifies for licensure or registration shall do the following:

(1) Integrate all of the following throughout its curriculum:

(A) Marriage and family therapy principles.

(B) The principles of mental health recovery-oriented care and methods of service delivery in recovery-oriented practice environments, among others.

(C) An understanding of various cultures and the social and psychological implications of socioeconomic position, and an understanding of how poverty and social stress impact an individual's mental health and recovery.

Attachment 3

Board of Pharmacy Licensing Statistics - Fiscal Year 2013/14

I. APPLICATIONS (continued)	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	FYTD
C. Pending													
Pharmacist (exam applications)	806	811	758	685	363	586							0
Pharmacist (eligible)	1532	1370	1102	1102	934	998							0
Intern pharmacist	244	526	341	427	181	156							0
Pharmacy technician	2789	3232	4035	3112	2640	2639							0
Pharmacy	208	188	500	542	554	562							0
Pharmacy - Exempt	0	1	1	0	0	0							0
Sterile Compounding	55	55	51	60	60	66							0
Sterile Compounding - Exempt	4	4	3	2	0	7							0
Nonresident Sterile Compounding	31	321	29	22	24	28							0
Clinics	52	51	61	52	60	66							0
Clinics - Exempt	20	24	24	17	19	19							0
Hospitals	11	11	13	20	17	18							0
Hospitals - Exempt	1	1	1	1	1	1							0
Drug Room	0	0	0	0	0	1							0
Drug Room - Exempt	1	0	0	0	0	0							0
Nonresident Pharmacy	145	138	140	156	161	175							0
Licensed Correctional Facility	0	0	0	0	0	0							0
Hypodermic Needle and Syringes	13	14	15	8	8	11							0
Hypodermic Needle and Syringes - Exempt	0	0	0	0	0	0							0
Nonresident Wholesalers	76	82	101	93	91	101							0
Wholesalers	77	78	77	64	61	59							0
Wholesalers - Exempt	0	0	0	0	0	1							0
Veterinary Food-Animal Drug Retailer	2	2	2	2	2	3							0
Designated Representatives	201	200	203	218	213	220							0
Designated Representatives Vet	0	2	2	2	3	2							0
Centralized Hospital Packaging (updated 6/2014)	0	0	0	0	0	0							0
Total	6268	7111	7459	6585	5392	5719	0	0	0	0	0	0	0

Board of Pharmacy Licensing Statistics - Fiscal Year 2013/14

I. APPLICATIONS (continued)	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	FYTD
D. Withdrawn													
Pharmacist (exam applications)	0	2	0	0	0	0							2
Pharmacist (eligible)	0	0	0	0	0	0							0
Intern pharmacist	0	0	2	2	0	0							4
Pharmacy technician	3	3	11	4	10	14							45
Pharmacy	2	0	2	0	1	1						1	6
Pharmacy - Exempt	0	0	0	0	0	0							0
Sterile Compounding	1	0	1	0	1	0							3
Sterile Compounding - Exempt	0	0	0	0	0	0							0
Nonresident Sterile Compounding	0	0	0	0	0	0							0
Clinics	0	0	0	15	0	0							15
Clinics - Exempt	0	0	0	7	0	0							7
Hospitals	0	0	0	1	0	0							1
Hospitals - Exempt	0	0	0	0	0	0							0
Drug Room	0	0	0	0	0	0							0
Drug Room - Exempt	0	0	0	0	0	0							0
Nonresident Pharmacy	0	0	0	0	0	0							0
Licensed Correctional Facility	0	0	0	0	0	0							0
Hypodermic Needle and Syringes	0	0	0	0	0	0							0
Hypodermic Needle and Syringes - Exempt	0	0	0	0	0	0							0
Nonresident Wholesalers	0	0	0	1	2	0							3
Wholesalers	0	0	0	0	0	1							1
Wholesalers - Exempt	0	0	4	0	0	0							4
Veterinary Food-Animal Drug Retailer	0	0	0	0	0	0							0
Designated Representatives	1	2	3	4	3	0							13
Designated Representatives Vet	0	0	0	0	0	0							0
Centralized Hospital Packaging	0	0	0	0	0	0							0
Total	7	7	23	34	17	16	0	0	0	0	0	0	104

Board of Pharmacy Licensing Statistics - Fiscal Year 2013/14

I. APPLICATIONS (continued)	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	FYTD
E. Denied													
Pharmacist (exam applications)	0	0	3	0	0	0						0	3
Pharmacist (eligible)	0	0	2	0	0	0						0	2
Intern pharmacist	0	0	0	0	0	0						0	0
Pharmacy technician	3	3	4	5	3	4						0	22
Pharmacy	4	1	0	3	0	0						0	8
Pharmacy - Exempt	0	0	0	0	0	0						0	0
Pharmacy - Temp	0	0	0	0	0	0						0	0
Sterile Compounding	1	1	0	0	0	0						0	2
Sterile Compounding - Exempt	0	0	0	0	0	0						0	0
Sterile Compounding - Temp	0	0	0	0	0	0						0	0
Nonresident Sterile Compounding Clinics	0	0	0	0	0	0						0	0
Clinics	0	0	0	0	0	0						0	0
Clinics - Exempt	0	0	0	0	0	0						0	0
Hospitals	0	0	0	0	0	0						0	0
Hospitals - Exempt	0	0	0	0	0	0						0	0
Hospitals - Temp	0	0	0	0	0	0						0	0
Drug Room	0	0	0	0	0	0						0	0
Drug Room - Exempt	0	0	0	0	0	0						0	0
Nonresident Pharmacy	0	0	0	0	0	0						0	0
Nonresident Pharmacy - Temp	0	0	0	0	0	0						0	0
Licensed Correctional Facility	0	0	0	0	0	0						0	0
Hypodermic Needle and Syringes	0	0	0	0	0	0						0	0
Hypodermic Needle and Syringes - Exempt	0	0	0	0	0	0						0	0
Nonresident Wholesalers	0	0	0	0	0	0						0	0
Nonresident Wholesalers - Temp	0	0	0	0	0	0						0	0
Wholesalers	0	0	0	0	0	1						0	1
Wholesalers - Exempt	0	0	0	0	0	0						0	0
Wholesalers - Temp	0	0	0	0	0	0						0	0
Veterinary Food-Animal Drug Retailer	0	0	0	0	0	0						0	0
Veterinary Food-Animal Drug Retailer - Temp	0	0	0	0	0	0						0	0
Designated Representatives	0	0	1	0	0	0						0	1
Designated Representatives Vet	0	0	0	0	0	0						0	0
Centralized Hospital Packaging	0	0	0	1	0	0						0	1
Total	8	5	10	9	3	5	0	0	0	0	0	0	40

Board of Pharmacy Licensing Statistics - Fiscal Year 2013/14

II. RESPOND TO STATUS REQUESTS

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	FYTD
A. E-mail status requests and inquiries													
Pharmacist/Intern	497	0	10	165	178	188							1038
Pharmacy Technicians	368	0	13	10	2	7							400
Site Licenses (pharmacy, clinic)	n/a	n/a	250	75	71	75							471
Site Licenses (wholesalers)	n/a	n/a	287	217	517	224							1245
Pharmacist-in-Charge	123	110	24	227	206	137							827
Renewals	0	89	128	101	123	62							503
B. Telephone status requests and inquiries													
Site Licenses (pharmacy, clinic)	n/a	n/a	160	65	58	60							343
Site Licenses (wholesalers)	n/a	n/a	52	30	48	48							178
Pharmacist-in-Charge	36	65	38	42	68	69							318
Renewals	0	260	475	561	324	337							1957

III. UPDATE LICENSING RECORDS

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	FYTD
A. Change of Pharmacist-in-Charge***													
Received	151	142	162	162	113	141							871
Processed	41	53	72	69	68	150							453
Pending	305	458	652	181	187	189							0
B. Change of Exemptee-in-Charge***													
Received	15	15	16	16	9	5							76
Processed	35	3	14	47	8	14							121
Pending	47	56	69	55	54	54							0
C. Change of Permits													
Received	97	106	139	144	69	121							676
Processed	11	6	3	563	36	5							624
Pending	281	353	469	415	540	574							0
D. Discontinuance of Business***													
Received	31	16	20	60	2	4							133
Processed	7	17	4	12	29	70							139
Pending	92	109	130	201	112	85							0
E. Requests processed													
Address/Name Changes	1625	1134	1103	1018	824	881							6585
Off-site storage		30			98								128
Transfer of intern hours	22	23	13	11	6	3							78
License verification	151	110	143	139	169	201							913

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IV. AVERAGE PROCESSING TIMES

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
A. Average days to process initial applications												
Pharmacist (exam application)	51	46	35	23	13	8						
Pharmacy Intern	11	14	13	13	16	6						
Pharmacy Technician	81	72	65	63	61	45						
Pharmacies	40	70	92	65	53	42						
Non-Resident Pharmacies	100	100	91	100	74	60						
Wholesaler	53	53	30	43	35	60						
Veterinary Drug Retailers	n/a	n/a	n/a	n/a	n/a	n/a						
Designated Representatives	40	27	30	24	24	24						
Out-of-State Distributors	53	53	30	22	40	53						
Clinics	45	45	55	72	42	62						
Hypodermic Needle & Syringe Distributors	12	11	n/a	n/a	n/a	n/a						
Sterile Compounding	60	60	60	10	73	50						
Change of Permit	21	27	27	100	40	19						
Change of Pharmacist-in-Charge	23	18	20	31	42	31						
Change of Designated Representative-in-Charge	28	19	20	60	75	50						
Discontinuance of Business	24	23	23	61	60	90						

B. Average days to process deficiency documents

* NOTE this information will be made available for the third quarter

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IV. AVERAGE PROCESSING TIMES (cont.)

C. Average days to issue a license after all deficiencies are corrected

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
Pharmacist (initial licensing)	1	1	2	2	2	3						
Pharmacy Intern	5	2	2	2	3	3						
Pharmacy Technician	2	2	2	2	3	3						
Pharmacies	18	28	13	20	14	4						
Non-Resident Pharmacies	18	28	13	20	14	4						
Wholesaler	18	28	13	20	14	4						
Veterinary Drug Retailers	18	28	13	20	14	4						
Designated Representatives	18	28	13	6	8	5						
Out-of-State Distributors	18	28	13	20	14	4						
Clinics	18	28	13	20	14	4						
Hypodermic Needle & Syringe Distributors	18	28	13	20	14	4						
Sterile Compounding	18	28	13	20	14	4						

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V. Revenue Received	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	FYTD
A. Revenue Received													
Applications	148,326	354,049	380,480	343,865	166,492								\$1,393,212
Renewals	796,834	1,106,272	2,134,257	1,537,512	677,523								\$6,252,398
Cite and Fine	141,727	176,352	120,304	146,784	154,298								\$739,465
Probation/Cost Recovery	30,279	15,902	36,570	42,869	41,204								\$166,824
Request for Information/Lic. Verification	1,130	2,035	2,275	2,675	2,830								\$10,945
Fingerprint Fee	6,556	6,484	8,192	12,215	5,112								\$38,559
B. Renewals Received													
Pharmacist	1901	1589	1361	2208	1147	1482							9688
Pharmacy technician	2900	2585	2011	3755	1993	2275							15519
Pharmacy	269	290	168	1010	132	347							2216
Pharmacy - Exempt	0	0	78	36	0	0							114
Sterile Compounding	15	41	47	152	39	52							346
Sterile Compounding - Exempt	0	0	0	86	1	2							89
Nonresident Sterile Compounding	10	5	2	3	17	3							40
Clinics	99	97	55	94	59	48							452
Clinics - Exempt	10	1	72	105	7	1							196
Hospitals	15	20	19	93	21	25							193
Hospitals - Exempt		1	60	20	2	0							83
Drug Room	3	1	1	2	0	1							8
Drug Room - Exempt	0	0	0	0	1	0							1
Nonresident Pharmacy	46	23	34	49	30	26							208
Licensed Correctional Facility	0	1	28	21	0	0							50
Hypodermic Needle and Syringes	20	17	13	34	25	20							129
Hypodermic Needle and Syringes - Exempt	0	0	0	0	0	0							0
Nonresident Wholesalers	69	50	73	73	52	0							317
Wholesalers	58	68	29	45	31	30							261
Wholesalers - Exempt	0	0	7	2	1	1							11
Veterinary Food-Animal Drug Retailer	5	1	0	2	2	2							12
Designated Representatives	234	231	206	293	65	156							1185
Designated Representatives Vet	6	8	4	5	1	3							27
Total	5660	5029	4268	8088	3626	4474	0	0	0	0	0	0	31145
VI. Current Licensees	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	
Pharmacist	44127	44659	44935	44935	45269	45289							
Intern	6054	5946	5896	5896	6310	6326							
Pharmacy technician	73403	73814	73981	73981	74334	74236							
Pharmacy	6349	6353	6364	6364	6368	7016							
Pharmacy - Exempt	120	120	125	120	119	119							
Sterile Compounding	794	795	796	796	807	818							
Sterile Compounding - Exempt	117	117	118	118	118	117							
Nonresident Sterile Compounding	87	87	8	86	87	89							
Clinics	1152	1151	1152	1152	1152	1141							
Clinics - Exempt	233	233	233	223	233	231							

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Hospitals	406	405	406	406	405	403						
Hospitals - Exempt	87	87	87	87	88	88						
Drug Room	26	25	25	25	25	25						
Drug Room - Exempt	14	15	15	15	15	15						
Nonresident Pharmacy	514	512	517	517	520	527						
Licensed Correctional Facility	53	53	58	53	53	53						

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Hypodermic Needle and Syringes	343	342	342	342	352	352						
Hypodermic Needle and Syringes - Exempt	0	0	0	0	0	0						
Nonresident Wholesalers	821	820	823	823	830	826						
Wholesalers	608	609	610	610	614	615						
Wholesalers - Exempt	15	15	15	15	15	15						
Veterinary Food-Animal Drug Retailer	25	25	25	25	25	25						
Designated Representatives	3527	3554	3571	3571	3616	3652						
Designated Representatives Vet	78	77	78	78	77	77						
Centralized Hospital Packaging	2	2	2	2	2	2						
Total	138955	139816	140182	140240	141434	142057	0	0	0	0	0	0