

AMENDED IN SENATE JUNE 29, 2015

AMENDED IN ASSEMBLY APRIL 22, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 180

Introduced by Assembly Member Bonilla

(Coauthor: Senator Hill)

(Principal coauthor: Senator Hill)

January 26, 2015

An act to amend Section 9625 of, and to amend and repeal Section 9613 of, the Business and Professions Code, relating to cemeteries. An act to amend Sections 205, 7600, 7602, 7607, 7608, 7609, 7622.2, 7685.3, 7685.5, 7725.2, and 7727 of, to amend the heading of Chapter 12 (commencing with Section 7600) of Division 3 of, to add Sections 7610.1, 7700.1, 7711.2, 7711.3, 7711.4, 7711.5, 7711.6, 7711.7, 7711.8, 7711.9, 7711.10, 7711.11, 7711.12, 7729.1, 7729.2, 7729.3, 7729.4, 7729.5, 7729.6, 7729.7, 7729.8, 7729.9, 7729.10, 7730, 7730.1, 7730.2, 7730.3, 7730.4, 7730.5, 7730.6, 7730.7, 7730.8, 7730.9, 7730.10, 7731, 7731.1, 7731.2, 7731.3, and 7731.4 to, to add Article 1.5 (commencing with Section 7611), Article 2.5 (commencing with Section 7637), Article 3.5 (commencing with Section 7651), Article 4.5 (commencing with Section 7672), and Article 6.5 (commencing with Section 7712) to Chapter 12 of Division 3 of, to repeal Sections 7619.2, 7620, and 7261 of, to repeal Chapter 19 (commencing with Section 9600) of Division 3 of, and to repeal and add Section 7606 of, the Business and Professions Code, relating to professions and vocations, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 180, as amended, Bonilla. Cemetery and Funeral Bureau.

Existing law provides for the licensure and regulation of funeral directors, funeral establishments, and embalmers, by the Cemetery and Funeral Bureau pursuant to the Funeral Directors and Embalmers Law, and a violation of the law is a crime. Existing law provides for the licensure and regulation of cemetery managers, cemetery brokers, cemetery salespersons, crematories, and crematory managers, pursuant to the Cemetery Act, by the Cemetery and Funeral Bureau. Existing law directs charges imposed under the law and the act to be deposited into the State Funeral Directors and Embalmers Fund or the Cemetery Fund, respectively. Under existing law, these funds are continuously appropriated. Existing law, the Cemetery Act, requires the bureau to survey each of its licensees to obtain information to determine if the endowment care fund levels of the licensee's cemetery are sufficient to cover the cost of future operation, as specified, and required the bureau to report its findings and recommendations to the Legislature by January 1, 2008.

This bill would consolidate the Funeral Directors and Embalmers Law and the Cemetery Act into the Cemetery and Funeral Bureau Act and direct charges imposed under the act to be deposited into the renamed Cemetery and Funeral Fund, a continuously appropriated fund. Because additional moneys would be deposited into a continuously appropriated fund, the bill would make an appropriation. The bill would subject the powers and duties of the bureau to review by the appropriate policy committees of the Legislature and require the review to be performed as if the act is scheduled to be repealed on January 1, 2020. The bill would require the bureau to conduct a study to obtain information to determine if the endowment care fund levels of its licensees' cemeteries are sufficient to cover the cost of future maintenance, as specified, and to report its findings and recommendations to those policy committees by November 1, 2018. The bill would no longer require an applicant to include specified information or proof when applying to become a funeral director. The bill would also remove obsolete references and make additional nonsubstantive changes.

By expanding the scope of a crime, the bill would impose a state-mandated local program.

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

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

~~The Cemetery Act provides for the licensure and regulation of cemeteries, crematories, and their personnel by the Cemetery and Funeral Bureau, which is within the Department of Consumer Affairs. The act authorizes the Director of Consumer Affairs with the approval of the Director of Finance to appoint a chief of the bureau who is vested with the duty to enforce the act and serves at the pleasure of the director. The act also required the bureau to survey each of its licensees to obtain information to determine if the endowment care fund levels of the licensee’s cemetery are sufficient to cover the cost of future operation, as specified, and report its findings and recommendations to the Legislature by January 1, 2008.~~

~~This bill would provide that the powers and duties of the bureau under the act are subject to review by the appropriate policy committees of the Legislature and that the review is required to be performed as if the act is scheduled to be repealed on January 1, 2020. The bill would require the bureau to conduct a study to obtain information to determine if the endowment care fund levels of its licensees’ cemeteries are sufficient to cover the cost of future operation, as specified, and report its findings and recommendations to the Senate Committee on Business, Professions and Economic Development and the Assembly Committee on Business and Professions by November 1, 2018. The bill would repeal that reporting requirement on January 1, 2020.~~

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

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

1 SECTION 1. Section 205 of the Business and Professions Code
2 is amended to read:

3 205. (a) There is in the State Treasury the Professions and
4 Vocations Fund. The fund shall consist of the following special
5 funds:

- 6 (1) Accountancy Fund.
- 7 (2) California Architects Board Fund.

- 1 (3) Athletic Commission Fund.
- 2 (4) Barbering and Cosmetology Contingent Fund.
- 3 (5) Cemetery *and Funeral* Fund.
- 4 (6) Contractors' License Fund.
- 5 (7) State Dentistry Fund.
- 6 ~~(8) State Funeral Directors and Embalmers Fund.~~
- 7 ~~(9)~~
- 8 (8) Guide Dogs for the Blind Fund.
- 9 ~~(10)~~
- 10 (9) Home Furnishings and Thermal Insulation Fund.
- 11 ~~(11)~~
- 12 (10) California Architects Board-Landscape Architects Fund.
- 13 ~~(12)~~
- 14 (11) Contingent Fund of the Medical Board of California.
- 15 ~~(13)~~
- 16 (12) Optometry Fund.
- 17 ~~(14)~~
- 18 (13) Pharmacy Board Contingent Fund.
- 19 ~~(15)~~
- 20 (14) Physical Therapy Fund.
- 21 ~~(16)~~
- 22 (15) Private Investigator Fund.
- 23 ~~(17)~~
- 24 (16) Professional Engineer's and Land Surveyor's Fund.
- 25 ~~(18)~~
- 26 (17) Consumer Affairs Fund.
- 27 ~~(19)~~
- 28 (18) Behavioral Sciences Fund.
- 29 ~~(20)~~
- 30 (19) Licensed Midwifery Fund.
- 31 ~~(21)~~
- 32 (20) Court Reporters' Fund.
- 33 ~~(22)~~
- 34 (21) Veterinary Medical Board Contingent Fund.
- 35 ~~(23)~~
- 36 (22) Vocational Nurses Account of the Vocational Nursing and
- 37 Psychiatric Technicians Fund.
- 38 ~~(24)~~
- 39 (23) Electronic and Appliance Repair Fund.
- 40 ~~(25)~~

- 1 (24) Geology and Geophysics Account of the Professional
- 2 Engineer's and Land Surveyor's Fund.
- 3 ~~(26)~~
- 4 (25) Dispensing Opticians Fund.
- 5 ~~(27)~~
- 6 (26) Acupuncture Fund.
- 7 ~~(28)~~
- 8 (27) Physician Assistant Fund.
- 9 ~~(29)~~
- 10 (28) Board of Podiatric Medicine Fund.
- 11 ~~(30)~~
- 12 (29) Psychology Fund.
- 13 ~~(31)~~
- 14 (30) Respiratory Care Fund.
- 15 ~~(32)~~
- 16 (31) Speech-Language Pathology and Audiology and Hearing
- 17 Aid Dispensers Fund.
- 18 ~~(33)~~
- 19 (32) Board of Registered Nursing Fund.
- 20 ~~(34)~~
- 21 (33) Psychiatric Technician Examiners Account of the
- 22 Vocational Nursing and Psychiatric Technicians Fund.
- 23 ~~(35)~~
- 24 (34) Animal Health Technician Examining Committee Fund.
- 25 ~~(36)~~
- 26 (35) State Dental Hygiene Fund.
- 27 ~~(37)~~
- 28 (36) State Dental Assistant Fund.
- 29 ~~(38)~~
- 30 (37) Structural Pest Control Fund.
- 31 ~~(39)~~
- 32 (38) Structural Pest Control Eradication and Enforcement Fund.
- 33 ~~(40)~~
- 34 (39) Structural Pest Control Research Fund.
- 35 (b) For accounting and recordkeeping purposes, the Professions
- 36 and Vocations Fund shall be deemed to be a single special fund,
- 37 and each of the several special funds therein shall constitute and
- 38 be deemed to be a separate account in the Professions and
- 39 Vocations Fund. Each account or fund shall be available for

1 expenditure only for the purposes as are now or may hereafter be
 2 provided by law.

3 *SEC. 2. The heading of Chapter 12 (commencing with Section*
 4 *7600) of Division 3 of the Business and Professions Code is*
 5 *amended to read:*

6
 7 CHAPTER 12. CEMETERY AND FUNERAL ~~DIRECTORS AND~~
 8 EMBALMERS ACT

9
 10 *SEC. 3. Section 7600 of the Business and Professions Code is*
 11 *amended to read:*

12 7600. This chapter of the Business and Professions Code
 13 constitutes the chapter on ~~funeral directors cemetery and~~
 14 ~~embalmers: funeral law~~. It may be cited as the ~~Funeral Directors~~
 15 ~~and Embalmers Law: Cemetery and Funeral Act~~.

16 *SEC. 4. Section 7602 of the Business and Professions Code is*
 17 *amended to read:*

18 7602. (a) (1) There is in the department the Cemetery and
 19 Funeral Bureau, under the supervision and control of the director.

20 ~~The~~

21 (2) The director may appoint a chief at a salary to be fixed and
 22 determined by the director, with the approval of the Director of
 23 Finance. The duty of enforcing and administering this chapter is
 24 vested in the chief, and he or she is responsible to the director
 25 therefor. The chief shall serve at the pleasure of the director.

26 ~~Every~~

27 (3) Every power granted or duty imposed upon the director
 28 under this chapter may be exercised or performed in the name of
 29 the director by a deputy director or by the chief, subject to such
 30 conditions and limitations as the director may prescribe.

31 (b) *Notwithstanding any other law, the powers and duties of*
 32 *the bureau, as set forth in this chapter, shall be subject to review*
 33 *by the appropriate policy committees of the Legislature. The review*
 34 *shall be performed as if this chapter is scheduled to repeal on*
 35 *January 1, 2020.*

36 *SEC. 5. Section 7606 of the Business and Professions Code is*
 37 *repealed.*

38 ~~7606. The bureau may, pursuant to the provisions of the~~
 39 ~~Administrative Procedure Act, adopt and enforce reasonably~~
 40 ~~necessary rules and regulations relating to:~~

1 ~~(a) The practice of embalming.~~

2 ~~(b) The business of a funeral director.~~

3 ~~(c) The sanitary conditions of places where such practice or~~
4 ~~business is conducted with particular regard to plumbing, sewage,~~
5 ~~ventilation and equipment.~~

6 ~~(d) Specifying conditions for approval of funeral establishments~~
7 ~~for apprentices and for approval of mortuary science programs.~~

8 ~~(e) The scope of examinations.~~

9 ~~(f) Carrying out generally the various provisions of this chapter~~
10 ~~for the protection of the peace, health, safety, welfare and morals~~
11 ~~of the public.~~

12 *SEC. 6. Section 7606 is added to the Business and Professions*
13 *Code, to read:*

14 *7606. The bureau may establish necessary rules and*
15 *regulations for the administration and enforcement of this act and*
16 *the laws subject to its jurisdiction and prescribe the form of*
17 *statements and reports provided for in this act. The rules and*
18 *regulations shall be adopted, amended, or repealed in accordance*
19 *with the provisions of the Administrative Procedure Act (Chapter*
20 *3.5 (commencing with Section 11340) of Part 1 of Division 3 of*
21 *Title 2 of the Government Code).*

22 *SEC. 7. Section 7607 of the Business and Professions Code is*
23 *amended to read:*

24 *7607. The bureau may inspect the premises in which the*
25 *business of a funeral-director establishment, cemetery, or crematory*
26 *is conducted, where embalming is practiced, or where human*
27 *remains are stored.*

28 *SEC. 8. Section 7608 of the Business and Professions Code is*
29 *amended to read:*

30 *7608. The Director of Consumer Affairs may employ and*
31 *appoint all employees necessary to properly administer the work*
32 *of the bureau, in accordance with civil service regulations.*

33 *With the approval of the Director of Finance, and, subject to the*
34 *provisions of Section 159.5, the bureau shall employ investigators*
35 *and attorneys to assist the bureau in prosecuting violations of this*
36 *chapter, whose compensation and expenses shall be payable ~~only~~*
37 *out of the State Funeral Directors and Embalmers from the*
38 *Cemetery and Funeral Fund.*

39 *SEC. 9. Section 7609 of the Business and Professions Code is*
40 *amended to read:*

1 7609. This chapter does not apply to, or in any way interfere
 2 with, the duties of any officer of any public institution or of any
 3 duly accredited medical college, nor does it apply to any hospital
 4 licensed pursuant to Chapter 2 (commencing with Section 1250)
 5 of Division 2 of the Health and Safety Code, *or anyone engaged*
 6 *only in the furnishing of burial receptacles, or anyone engaged in*
 7 *the operation of a cemetery solely for the interment of human dead.*
 8 *receptacles.*

9 *SEC. 10. Section 7610.1 is added to the Business and*
 10 *Professions Code, to read:*

11 *7610.1. In the enforcement of this act and the laws subject to*
 12 *its jurisdiction, the bureau has all the powers and is subject to all*
 13 *the responsibilities vested in and imposed upon the head of a*
 14 *department under Chapter 2 (commencing with Section 11150) of*
 15 *Part 1 of Division 3 of Title 2 of the Government Code.*

16 *SEC. 11. Article 1.5 (commencing with Section 7611) is added*
 17 *to Chapter 12 of Division 3 of the Business and Professions Code,*
 18 *to read:*

19
 20 *Article 1.5. Definitions and Regulation of Cemeteries*
 21

22 *7611. The definitions in this article govern the meaning of*
 23 *terms used in the act except as otherwise provided expressly or by*
 24 *necessary implication.*

25 *7611.1. “Act” means the Cemetery and Funeral Bureau Act.*

26 *7611.2. A “cemetery broker” is a person who, other than in*
 27 *reference to an occasional sale, sells or offers for sale, buys, or*
 28 *offers to buy, lists, leases or offers to lease, or solicits, or negotiates*
 29 *the purchase or sale, lease, or exchange of cemetery property or*
 30 *interment services, or interest therein, for his or her own account*
 31 *or for another.*

32 *7611.3. A “cemetery salesperson” is a natural person who,*
 33 *other than in reference to an occasional sale, is employed by a*
 34 *cemetery broker to sell, or offer for sale, list or offer to list, or to*
 35 *buy, or to offer to buy, or to lease, or offer to lease, or to solicit,*
 36 *or to negotiate the purchase or sale or lease or exchange of*
 37 *cemetery property or interment services, or any interest therein,*
 38 *for his or her own account or for another.*

39 *7611.4. (a) A “cemetery manager” is a person engaged in or*
 40 *conducting, or holding himself or herself out as engaged in those*

1 activities involved in, or incidental to, the maintaining, operating,
2 or improving a cemetery licensed under this chapter, the interring
3 of human remains, and the care, preservation, and embellishment
4 of cemetery property.

5 (b) For persons licensed pursuant to Section 7637.1, a
6 “cemetery manager” is a person engaged in or conducting, or
7 holding himself or herself out as engaged in those activities
8 involved in, or incidental to, the following:

9 (1) The maintaining, operating, or improving of a cemetery
10 licensed under this chapter.

11 (2) The interment of human remains.

12 (3) The care, preservation, and embellishment of cemetery
13 property.

14 (4) Activities described in Section 7637.2.

15 7611.5. A “crematory manager” is a person engaged in or
16 conducting, or holding himself or herself out as engaged in those
17 activities involved in, or incidental to, the maintaining or operating
18 a crematory licensed under this chapter, and the cremation of
19 human remains.

20 7611.6. The definitions in Chapter 1 (commencing with Section
21 7000) of Part 1 of Division 7 of the Health and Safety Code are
22 applicable to this act.

23 7611.7. “Cemetery licensee” means any cemetery broker,
24 cemetery salesperson, or cemetery manager.

25 7611.8. “Crematory licensee” shall mean a corporation,
26 partnership, or natural person licensed pursuant to Article 6.5
27 (commencing with Section 7712) and shall mean a cemetery
28 licensee for purposes of disciplinary action under Article 6
29 (commencing with Section 7686).

30 7611.9. A “cremated remains disposer” is a person who, for
31 his or her own account or for another, disposes of, or offers to
32 dispose of, cremated human remains by scattering over or on land
33 or sea.

34 7611.10. “Endowment care” or “endowed care” shall include
35 both general and special care funds.

36 7612. An “occasional sale” is a sale of cemetery property not
37 acquired or held for purposes of resale or speculation, provided
38 such sale is not one of a series of sales sufficient in number, scope,
39 and character to constitute engaging in the business of selling or
40 reselling or holding for speculation cemetery property.

1 7612.1. *“Public cemetery” means a cemetery owned and*
2 *operated by a city, county, city and county, or public cemetery*
3 *district.*

4 7612.2. *This act does not apply to any of the following:*

5 (a) *A religious corporation, church, religious society or*
6 *denomination, a corporation sole administering temporalities of*
7 *any church or religious society or denomination, or any cemetery*
8 *organized, controlled, and operated by any of them.*

9 (b) *A public cemetery.*

10 (c) *Any private or fraternal burial park not exceeding 10 acres*
11 *in area, established prior to September 19, 1939; however, (1)*
12 *those cemeteries shall be subject to the cemetery brokerage*
13 *provisions of this act, and (2) any cemetery shall be subject to all*
14 *of the provisions of this act if it collects a care, maintenance, or*
15 *embellishment deposit or sets up a trust for burial purposes*
16 *pursuant to Section 8775 of the Health and Safety Code, including*
17 *funeral services such as mortuary, cremation, or other commodities*
18 *or services furnished at the time of and in connection with that*
19 *funeral or cremation.*

20 7612.3. *The bureau shall disclose on its Internet Web site,*
21 *information about each cemetery subject to the jurisdiction of the*
22 *bureau. In addition to the information required by Section 27, the*
23 *bureau shall disclose the name of the owner of each cemetery, the*
24 *name of the cemetery, the business address of the cemetery owner,*
25 *and the physical address of the cemetery.*

26 7612.4. (a) *Notwithstanding Section 8115 of the Health and*
27 *Safety Code, in order to protect consumers, the bureau shall adopt*
28 *regulations that establish minimum standards of maintenance for*
29 *endowment care cemeteries under the jurisdiction of the bureau.*
30 *The regulations shall consider differences in cemetery size,*
31 *location, topography, and type of interments. The regulations shall*
32 *also consider the extent to which funds are available from the*
33 *cemetery’s endowment care funds to perform maintenance.*

34 (b) *The standards established pursuant to this section shall not*
35 *supersede any standards of a higher level of care established*
36 *pursuant to Section 8115 of the Health and Safety Code.*

37 7612.5. (a) (1) *Any person who holds or has held, or was*
38 *named on, any license or registration under the jurisdiction of the*
39 *bureau that has been, within the immediately preceding 10 years,*
40 *revoked, suspended, placed on probation, or surrendered under*

1 *a stipulated decision, and who is employed by, or who seeks*
2 *employment with, a licensed cemetery, a licensed crematory, or a*
3 *licensed cemetery broker in any capacity, shall inform the licensed*
4 *cemetery manager, the licensed crematory manager, or the licensed*
5 *cemetery broker of that revocation, suspension, probation, or*
6 *surrender.*

7 (2) *A person subject to this subdivision shall inform the licensed*
8 *cemetery manager, the licensed crematory manager, or the licensed*
9 *cemetery broker upon application for employment by completing*
10 *a form that shall be made available by the bureau.*

11 (b) *The cemetery manager, crematory manager, or cemetery*
12 *broker who is informed pursuant to subdivision (a) shall notify*
13 *the bureau by submitting the form within 30 days of being so*
14 *informed. Failure of the cemetery manager, crematory manager,*
15 *or cemetery broker to notify the bureau shall be a cause for a*
16 *warning. A cemetery manager, crematory manager, or cemetery*
17 *broker shall not be subject to a warning if his or her failure to*
18 *notify the bureau is due to a false statement made by an employee.*

19 (c) *Any person required to notify the cemetery manager,*
20 *crematory manager, or cemetery broker under subdivision (a) who*
21 *fails to do so or who makes a false statement on the required form*
22 *shall be subject to disciplinary action if that person is a licensee*
23 *of the bureau, or that failure or false statement shall be cause for*
24 *denial of a license under Section 480.*

25 (d) *For purposes of subdivision (a), the term “named on”*
26 *applies to a person who was an owner, partner, or corporate*
27 *officer of an entity that was licensed or registered under the act*
28 *at the time that entity’s license or registration under the act was*
29 *revoked, suspended, placed on probation, or surrendered.*

30 7612.6. (a) *Each cemetery authority shall file with the bureau*
31 *annually, on or before June 1, or within five months after close of*
32 *their fiscal year provided approval has been granted by the bureau*
33 *as provided for in Section 7612.7, a written report in a form*
34 *prescribed by the bureau setting forth the following:*

35 (1) *The number of square feet of grave space and the number*
36 *of crypts and niches sold or disposed of under endowment care by*
37 *specific periods as set forth in the form prescribed.*

38 (2) *The amount collected and deposited in both the general and*
39 *special endowment care funds segregated as to the amounts for*
40 *crypts, niches, and grave space by specific periods as set forth*

1 *either on the accrual or cash basis at the option of the cemetery*
2 *authority.*

3 *(3) A statement showing separately the total amount of the*
4 *general and special endowment care funds invested in each of the*
5 *investments authorized by law and the amount of cash on hand*
6 *not invested, which statement shall actually show the financial*
7 *condition of the funds.*

8 *(4) A statement showing separately the location, description,*
9 *and character of the investments in which the special endowment*
10 *care funds are invested. The statement shall show the valuations*
11 *of any securities held in the endowment care fund as valued*
12 *pursuant to Section 7614.7.*

13 *(5) A statement showing the transactions entered into between*
14 *the corporation or any officer, employee, or stockholder thereof*
15 *and the trustees of the endowment care funds with respect to those*
16 *endowment care funds. The statement shall show the dates,*
17 *amounts of the transactions, and shall contain a statement of the*
18 *reasons for those transactions.*

19 *(b) The report shall be verified by the president or vice president*
20 *and one other officer of the cemetery corporation. The information*
21 *submitted pursuant to paragraphs (2), (3), (4), and (5) of*
22 *subdivision (a) shall be accompanied by an annual audit report*
23 *of the endowment care fund and special care fund signed by a*
24 *certified public accountant or public accountant. The scope of the*
25 *audit shall include the inspection, review, and audit of the general*
26 *purpose financial statements of the endowment care fund and*
27 *special care fund, which shall include the balance sheet, the*
28 *statement of revenues, expenditures, and changes in fund balance.*

29 *(c) If a cemetery authority files a written request prior to the*
30 *date the report is due, the bureau may, in its discretion, grant an*
31 *additional 30 days within which to file the report.*

32 *7612.7. Each cemetery authority requesting a change of filing*
33 *date of the endowment care fund report from a calendar year to*
34 *a fiscal year or a change in fiscal year shall file a petition with*
35 *the bureau prior to the close of the year of request. The bureau*
36 *may approve such petition provided that no report shall be for a*
37 *period of more than 12 months.*

38 *7612.8. The report shall state the name of the trustee or trustees*
39 *of the endowment care fund. Any change of trustee shall be*

1 reported to the bureau within a period of 30 days after the change
2 is made.

3 7612.9. A copy of each annual audit report shall be transmitted
4 to the bureau and shall be a public record. It shall also be open
5 for public inspection at the offices of the cemetery authority during
6 normal business hours. If the cemetery authority does not maintain
7 offices in the county in which its cemetery is located, it shall file
8 a copy of the annual audit report with the county clerk of the
9 county, which shall be subject to public inspection.

10 7612.10. (a) Any cemetery authority that does not file its report
11 within the time prescribed by Section 7612.6 may be assessed a
12 fine by the bureau in an amount not to exceed four hundred dollars
13 (\$400) per month for a maximum of five months. The amount of
14 the fine shall be established by regulation in accordance with the
15 Administrative Procedure Act (Chapter 3.5 (commencing with
16 Section 11340) of Part 1 of Division 3 of Title 2 of the Government
17 Code). Failure to pay the fine within 15 days after receipt of written
18 notification of the assessment or, where a timely request for waiver
19 or reduction of the fine has been filed, within 15 days after receipt
20 of written notification of the bureau's decision in the matter, shall
21 be cause for disciplinary action.

22 (b) A cemetery authority may request waiver or reduction of a
23 fine by making a written request therefor. The request shall be
24 postmarked within the time specified above for payment of the fine
25 and shall be accompanied by a statement showing good cause for
26 the request.

27 (c) The bureau may waive or reduce the fine where a timely
28 request is made and where it determines, in its discretion, that the
29 cemetery authority has made a sufficient showing of good cause
30 for the waiver or reduction.

31 7612.11. (a) The bureau shall conduct a study to obtain
32 information to determine if the endowment care fund levels of each
33 licensee's cemetery are sufficient to cover the cost of future
34 maintenance. The bureau shall also review the levels of endowment
35 care funds that have previously been reported pursuant to this
36 chapter by licensed cemeteries.

37 (b) The bureau shall report its findings and recommendations
38 to the Senate Committee on Business, Professions and Economic
39 Development and the Assembly Committee on Business and
40 Profession by November 1, 2018.

1 7613. The bureau shall examine the reports filed with it as to
2 their compliance with the requirements of the Health and Safety
3 Code as to the amount of endowment care funds collected and as
4 to the manner of investment of those funds.

5 7613.1. The bureau shall examine the endowment care funds
6 of a cemetery authority:

7 (a) Whenever it deems necessary and at least once every five
8 years.

9 (b) Whenever the cemetery authority in charge of endowment
10 care funds fails to file the report required by this article.

11 (c) Whenever the accountant or auditor qualifies his or her
12 certification of the report that is prepared and signed by a certified
13 public accountant licensed in the state and prepared in accordance
14 with Section 7612.6.

15 (d) The reasonable and necessary cost of the examination
16 performed under subdivision (b) or (c) shall be paid by the
17 cemetery authority.

18 (e) A certified copy of the actual costs, or a good faith estimate
19 of the costs where actual costs are not available, signed by the
20 director or his or her designee, shall be prima facie evidence of
21 the reasonable and necessary costs of the examination.

22 (f) The actual and necessary expense of the examination under
23 subdivision (a) shall, in the discretion of the bureau, be paid by
24 the cemetery authority whenever the examination requires more
25 than one day and the need for continuing the examination is
26 directly related to identified omissions and errors in the
27 management of endowment care funds.

28 7613.2. If any cemetery authority refuses to pay such expenses,
29 the bureau shall refuse it a certificate of authority and shall revoke
30 any existing certificate of authority. All examination expense
31 moneys collected by the bureau shall be paid into the State
32 Treasury to the credit of the Cemetery and Funeral Fund.

33 7613.3. (a) In making the examination, the bureau:

34 (1) Shall have free access to the books and records relating to
35 the trust funds, their collection and investment, and the number of
36 graves, crypts, and niches under endowment care.

37 (2) Shall inspect and examine the trust funds to determine their
38 condition and the existence of the investments.

39 (3) Shall ascertain if the cemetery corporation has complied
40 with all the laws applicable to trust funds.

1 ***(b) Upon request by the bureau, a cemetery authority shall***
2 *provide records to substantiate the expenditures of the income of*
3 *the trust funds. If a cemetery authority fails to reasonably comply*
4 *with this request, the bureau may have access to books, records,*
5 *and accounts of a cemetery authority for purposes of ascertaining*
6 *compliance with applicable laws.*

7 **7613.4. (a) Subject to subdivision (b), a limited liability**
8 *company certificated as a cemetery authority pursuant to Section*
9 *7018 of the Health and Safety Code may provide services of*
10 *licensed cemetery brokers, cemetery salespersons, cemetery*
11 *managers, funeral directors, embalmers, crematorium licensees,*
12 *and any other person licensed under this code to provide services*
13 *relating to cemeteries and funerals by employing one or more of*
14 *these licensed persons.*

15 ***(b) At the time of certification, and at all times during which a***
16 *limited liability company transacts intrastate business as a*
17 *cemetery authority, the company shall be required to provide*
18 *security for claims against it based upon acts, errors, or omissions*
19 *of its licensed employees as described in subdivision (a) by*
20 *complying with one, or a combination, of the following:*

21 ***(1) (A) Maintaining a policy or policies of insurance against***
22 *liability imposed on or against it by law for damages arising out*
23 *of claims. However, the total aggregate limit of liability under the*
24 *policy or policies of insurance for a limited liability company that*
25 *employs five or fewer licensed persons shall not be less than one*
26 *million dollars (\$1,000,000), and for a limited liability company*
27 *that employs more than five licensees, an additional one hundred*
28 *thousand dollars (\$100,000) of insurance shall be obtained for*
29 *each additional licensee except that the maximum amount of*
30 *insurance is not required to exceed five million dollars*
31 *(\$5,000,000) in any one designated period, less amounts paid in*
32 *defending, settling, or discharging claims as set forth in this*
33 *paragraph. The policy or policies may be issued on a claims-made*
34 *or occurrence basis, and shall cover:*

35 ***(i) In the case of a claims-made policy, claims initially asserted***
36 *in the designated period.*

37 ***(ii) In the case of an occurrence policy, occurrences during the***
38 *designated period.*

1 (B) For purposes of this paragraph, “designated period” means
2 a policy year or any other designated period in the policy that is
3 not greater than 12 months.

4 (C) The impairment or exhaustion of the aggregate limit of
5 liability by amounts paid under the policy in connection with the
6 settlement, discharge, or defense of claims applicable to a
7 designated period shall not require the limited liability company
8 to acquire additional insurance coverage for that designated
9 period. The policy or policies of insurance may be in a form
10 reasonably available in the commercial insurance market and may
11 be subject to those terms, conditions, exclusions, and endorsements
12 that are typically contained in those policies. A policy or policies
13 of insurance maintained pursuant to this paragraph may be subject
14 to a deductible or self-insured retention.

15 (D) Upon the dissolution and winding up of the limited liability
16 company, the company shall, with respect to any insurance policy
17 or policies then maintained pursuant to this paragraph, maintain
18 or obtain an extended reporting period endorsement or equivalent
19 provision in the maximum aggregate limit of liability required to
20 comply with this paragraph for a minimum of three years if
21 reasonably available from the insurer.

22 (2) Maintaining in trust or bank escrow, cash, bank certificates
23 of deposit, United States Treasury obligations, bank letters of
24 credit, or bonds of insurance or surety companies as security for
25 payment of liabilities imposed by law for damages arising out of
26 all claims. However, the maximum amount of security for a limited
27 liability company that employs five or fewer licensed persons shall
28 not be less than one million dollars (\$1,000,000), and for a limited
29 liability company that employs more than five licensees rendering
30 professional services on behalf of the company, an additional one
31 hundred thousand dollars (\$100,000) of security shall be obtained
32 for each additional licensee except that the maximum amount of
33 security is not required to exceed five million dollars (\$5,000,000).
34 The limited liability company remains in compliance with this
35 section during a calendar year notwithstanding amounts paid
36 during that calendar year from the accounts, funds, Treasury
37 obligations, letters of credit, or bonds in defending, settling, or
38 discharging claims of the type described in this paragraph,
39 provided that the amount of those accounts, funds, Treasury
40 obligations, letters of credit, or bonds was at least the amount

1 *specified in the preceding sentence as of the first business day of*
2 *that calendar year. Notwithstanding the pendency of other claims*
3 *against the limited liability company, it shall be deemed to be in*
4 *compliance with this paragraph as to a claim if within 30 days*
5 *after the time that a claim is initially asserted through service of*
6 *a summons, complaint, or comparable pleading in a judicial or*
7 *administrative proceeding, the limited liability company has*
8 *provided the required amount of security by designating and*
9 *segregating funds in compliance with the requirements of this*
10 *paragraph.*

11 *(3) Unless the limited liability company has satisfied paragraph*
12 *(4), each member of a limited liability company certificated as a*
13 *cemetery authority that provides professional services rendered*
14 *by employees who are licensed professionals described in*
15 *subdivision (a), by virtue of that person's status as a member,*
16 *thereby automatically guarantees payment of the difference*
17 *between the maximum amount of security required for the limited*
18 *liability company by this subdivision and the security otherwise*
19 *provided in accordance with paragraphs (1) and (2), provided*
20 *that the aggregate amount paid by all members under these*
21 *guarantees shall not exceed the difference. Neither withdrawal by*
22 *a member nor the dissolution and winding up of the limited liability*
23 *company shall affect the rights or obligations of a member arising*
24 *prior to withdrawal or dissolution and winding up, and the*
25 *guarantee provided for in this paragraph shall apply only to*
26 *conduct that occurred prior to the withdrawal or dissolution and*
27 *winding up. Nothing contained in this subdivision shall affect or*
28 *impair the rights or obligations of the members among themselves,*
29 *or the limited liability company, including, but not limited to, rights*
30 *of contribution, subrogation, or indemnification.*

31 *(4) Confirming, pursuant to the procedure in subdivision (c) of*
32 *Section 16956 of the Corporations Code, that, as of the most*
33 *recently completed fiscal year of the limited liability company, it*
34 *had a net worth equal to or exceeding ten million dollars*
35 *(\$10,000,000). The limited liability company shall transmit*
36 *evidence of this paragraph to the bureau in a form similar to the*
37 *form submitted by a limited liability partnership providing*
38 *alternative security provisions pursuant to subdivision (c) of*
39 *Section 16956 of the Corporations Code.*

1 (c) (1) A limited liability company may aggregate the security
2 required pursuant to paragraphs (1) to (4), inclusive, of subdivision
3 (b).

4 (2) For purposes of compliance with this section, the provisions
5 of subdivision (d) of Section 16956 of the Corporations Code shall
6 apply to a limited liability company certificated as a cemetery
7 authority.

8 7613.5. (a) A person licensed under this code as a cemetery
9 broker, cemetery salesperson, cemetery manager, funeral director,
10 embalmer, crematorium licensee, or other person licensed to
11 provide services related to cemeteries and funerals shall not have
12 any ownership interest as a member in a limited liability company
13 certificated as a cemetery authority pursuant to Section 7018 of
14 the Health and Safety Code.

15 (b) If a limited liability company admits, as a member with
16 ownership interest, a licensed person described in subdivision (a),
17 the limited liability company, by operation of law, shall be deemed
18 in violation of subdivision (e) of Section 17701.04 of the
19 Corporations Code, and the members shall be treated as partners
20 with joint and several liability for claims made upon acts, errors,
21 or omissions arising out of services provided by any licensed
22 person described in subdivision (a).

23 (c) If the bureau determines that a licensed cemetery broker,
24 cemetery salesperson, cemetery manager, funeral director,
25 embalmer, crematorium licensee, or other person licensed to
26 provide services related to cemeteries and funerals has an
27 ownership interest as a member in the limited liability company,
28 the bureau shall suspend the limited liability company's certificate
29 of authority. The bureau shall reinstate the certificate of authority
30 only upon finding that the licensed cemetery broker, cemetery
31 salesperson, cemetery manager, funeral director, embalmer,
32 crematorium licensee, or other person licensed to provide services
33 related to cemeteries and funerals has been divested of his or her
34 ownership interest in the limited liability company or has
35 voluntarily surrendered his or her license.

36 7613.6. The bureau may administer oaths and examine under
37 oath any person relative to the endowment care fund. The
38 examination shall be conducted in the principal office of the person
39 or body in charge of the endowment care fund and shall be private.

1 7613.7. *If any examination made by the bureau, or any report*
2 *filed with it, shows that there has not been collected and deposited*
3 *in the endowment care funds the minimum amounts required by*
4 *the Health and Safety Code since September 19, 1939, the bureau*
5 *shall require a cemetery corporation to comply with Sections 8743*
6 *and 8744 of the Health and Safety Code.*

7 7613.8. *Whenever the bureau finds, after notice and hearing,*
8 *that any endowment care funds have been invested in violation of*
9 *the Health and Safety Code, it shall by written order mailed to the*
10 *person or body in charge of the fund require the reinvestment of*
11 *the funds in conformity to that code within a period which shall*
12 *be not less than two years if the investment was made prior to*
13 *October 1, 1949, not less than six months if the investment was*
14 *made on or after October 1, 1949, and before the effective date of*
15 *the amendment of this section by the 1969 Regular Session of the*
16 *Legislature, and not less than 30 days if the investment is made*
17 *on or after the effective date of the amendment. The period may*
18 *be extended by the bureau in its discretion.*

19 7613.9. *The superior court of the county in which the principal*
20 *office of the cemetery authority in charge of endowment care funds*
21 *is located shall, upon the filing by the bureau of a verified*
22 *application showing any of the following conditions hereinafter*
23 *enumerated to exist, issue its order vesting title to any endowment*
24 *care funds of a cemetery authority in the bureau, and directing*
25 *the bureau forthwith to take possession of all necessary books,*
26 *records, property, real and personal, and assets, and to conduct*
27 *as conservator, the management of such endowment care funds,*
28 *or so much thereof as to the bureau may seem appropriate:*

29 (a) *That the cemetery authority has refused to submit its books,*
30 *papers, accounts, or affairs to the reasonable examination of the*
31 *bureau.*

32 (b) *That the cemetery authority has neglected to observe an*
33 *order of the bureau to make good within the time prescribed by*
34 *law any deficiency in its investments of endowment care funds.*

35 (c) *That the cemetery authority is found, after an examination,*
36 *to be in such condition that its further management of its*
37 *endowment care funds will be hazardous to its members,*
38 *plotholders, or to the public.*

39 (d) *That the cemetery authority has violated its articles of*
40 *incorporation or any law of the state.*

1 (e) That any officer, director, agent, servant or employee of the
2 cemetery authority person refuses to be examined under oath
3 relative to the endowment care funds thereof.

4 (f) That any person has embezzled or otherwise wrongfully
5 diverted any of the endowment care funds of the cemetery authority.

6 (g) The order shall continue in force and effect until, on the
7 application either of the bureau or of the cemetery authority, it
8 shall, after a full hearing, appear to the court that the ground for
9 the order does not exist or has been removed and that the cemetery
10 authority can properly resume title and possession of its property
11 and the management of its endowment care funds.

12 7613.10. When it has been alleged by verified petition pursuant
13 to Section 7613.1 or when the bureau on its own investigation
14 determines that there is probable cause to believe that any of the
15 conditions set forth in Section 7613.9 exist or that irreparable loss
16 and injury to the endowment care funds of a cemetery authority
17 has occurred or may occur unless the bureau so acts immediately,
18 the bureau, without notice and before applying to the court for
19 any order, may take possession of the endowment care funds and
20 the books, records, and accounts relating thereto of the cemetery
21 authority, and retain possession subject to the order of the court.
22 Any person having possession of and refusing to deliver any assets,
23 books or records of a cemetery authority against which a seizure
24 order has been issued by the bureau shall be guilty of a
25 misdemeanor and punishable by a fine not exceeding one thousand
26 dollars (\$1,000) or imprisonment not exceeding one year, or by
27 both that fine and imprisonment.

28 7614. If any city, county, or city and county exercises its
29 authority to address public health, safety, or welfare issues in
30 connection with a cemetery within its jurisdiction and if the
31 certificate of authority of the cemetery has been revoked or
32 suspended or has not been renewed, and the bureau holds the
33 endowment care fund of the certificate of authority under
34 applicable provisions of this code, the costs of any action that
35 constitutes care, maintenance, or embellishment of the cemetery
36 within the meaning of Section 8726 of the Health and Safety Code
37 shall be eligible for reimbursement from available income from
38 any endowment care fund in existence for the cemetery. For
39 purposes of this section, local jurisdiction action may be based on
40 charter, ordinance, or inherent police powers. Any claim for money

1 *or damages for an act or omission by the local jurisdiction acting*
2 *in accord with this section shall be subject to all otherwise*
3 *applicable immunities contained in Division 3.6 (commencing with*
4 *Section 810) of Title 1 of the Government Code.*

5 7614.1. *Whenever the bureau makes any seizure as provided*
6 *in Section 7613.10, it shall, on demand of the bureau, be the duty*
7 *of the sheriff of any county of this state, and of the police*
8 *department of any municipal corporation therein, to furnish the*
9 *bureau with deputies, patrolmen or officers as may be necessary*
10 *to assist the bureau in making and enforcing that seizure.*

11 7614.2. *Immediately after effecting a seizure pursuant to*
12 *Section 7613.10, the bureau shall institute a proceeding as*
13 *provided for in Section 7613.9.*

14 7614.3. *Notwithstanding any other law, the bureau shall be*
15 *the custodian of all moneys collected or surrendered pursuant to*
16 *Sections 7613.9 and 7613.10. As custodian, the bureau may deposit*
17 *those moneys, or any part thereof, without court approval, in any*
18 *of the following: a bank or trust company legally authorized and*
19 *empowered by the state to act as a trustee in the handling of trust*
20 *funds; in a centralized State Treasury system bank account; or in*
21 *funds administered by the State Treasurer.*

22 7614.4. *The bureau shall maintain, regulate, operate, and*
23 *control the property situated in the County of Amador, referred*
24 *to as the Elkin Property in Judicial Council Coordination*
25 *Proceedings Nos. 1814 and 1817, Order Re Proposed Neptune*
26 *Memorial, Disposition of the Elkin Property, and Order Re Final*
27 *Disposition of Ashes of the Sacramento Superior Court, and legally*
28 *described as “Parcel 16-B as shown on the certain Record or*
29 *Survey for Eugene S. Lowrance, et ux, filed for record May 17,*
30 *1971, in Book 17 of Maps and Plats at page 87, Amador County*
31 *Records”. The bureau shall administer and supervise endowment*
32 *funds established by the court for the property. The bureau shall*
33 *exercise the authority granted by this section for the sole purpose*
34 *of protecting the human remains resting on the property and*
35 *preserving the property in its natural state.*

36 7614.5. *The bureau is authorized to bring action to enforce*
37 *the provisions of the law subject to its jurisdiction, in which actions*
38 *it shall be represented by the Attorney General.*

39 7614.6. *The bureau shall enforce and administer Part 1*
40 *(commencing with Section 8100), Part 3 (commencing with Section*

1 8250), and Part 5 (commencing with Section 9501) of Division 8
2 of the Health and Safety Code.

3 7614.7. In any report to the bureau, all bonds, debentures, or
4 other evidences of debt held by a cemetery corporation if amply
5 secured and if not in default as to principal or interest may be
6 valued as follows:

7 (a) If purchased at par at the par value.

8 (b) If purchased above or below par on the basis of the purchase
9 price adjusted so as to bring the value to par at maturity and so
10 as to yield the effective rate of interest on the basis at which the
11 purchase was made.

12 (c) In such valuation, the purchase price shall in no case be
13 taken at a higher figure than the actual market value at the time
14 of purchase.

15 7614.8. Any security or other evidence of debt if in default as
16 to principal or interest or if not amply secured shall not be valued
17 as an asset of the endowment care fund above its market value.

18 7614.9. Notwithstanding any other law, every cemetery
19 authority shall present to the survivor of the deceased who is
20 handling the burial or cremation arrangements or the responsible
21 party a copy of any preneed agreement that has been signed and
22 paid in full, or in part, by or on behalf of the deceased and is in
23 the possession of the cemetery authority. The copy may be
24 presented in person, by certified mail, or by facsimile transmission,
25 as agreed upon by the survivor of the deceased or the responsible
26 party. A cemetery authority who knowingly fails to present the
27 preneed agreement to the survivor of the deceased or the
28 responsible party shall be liable for a civil fine equal to three times
29 the cost of the preneed agreement, or one thousand dollars
30 (\$1,000), whichever is greater.

31 SEC. 12. Section 7619.2 of the Business and Professions Code
32 is repealed.

33 ~~7619.2. The bureau shall grant a funeral director's license to~~
34 ~~any applicant who complies with this article, notwithstanding~~
35 ~~Section 7619, if the applicant can demonstrate that he or she has~~
36 ~~complied with Section 7622 on or before July 1, 1999.~~

37 SEC. 13. Section 7620 of the Business and Professions Code
38 is repealed.

1 ~~7620. The application shall specify the address at which the~~
2 ~~applicant proposes to engage in or conduct a place of business as~~
3 ~~a funeral director.~~

4 *SEC. 14. Section 7621 of the Business and Professions Code*
5 *is repealed.*

6 ~~7621. The applicant shall also furnish the bureau with~~
7 ~~satisfactory proof that the facility in which he or she intends to~~
8 ~~conduct business as a funeral director is or will be constructed,~~
9 ~~equipped and maintained in all respects as a licensed funeral~~
10 ~~establishment as defined in this chapter.~~

11 *SEC. 15. Section 7622.2 of the Business and Professions Code*
12 *is amended to read:*

13 ~~7622.2. No person, partnership, association, corporation, or~~
14 ~~other organization~~ *A person shall not open or maintain a place or*
15 *establishment at which to engage in or conduct, or hold himself,*
16 *herself, or itself out as engaging in or conducting, the activities of*
17 *a funeral director without a license.*

18 *SEC. 16. Article 2.5 (commencing with Section 7637) is added*
19 *to Chapter 12 of Division 3 of the Business and Professions Code,*
20 *to read:*

21
22 *Article 2.5. Cemetery Brokerage Regulations*

23
24 ~~7637. This article does not apply to the following cases or to~~
25 ~~the following persons:~~

26 ~~(a) A person acting with reference to an occasional sale of his~~
27 ~~or her own property.~~

28 ~~(b) The regular officers of a cemetery corporation holding a~~
29 ~~certificate of authority acting with reference to the corporation's~~
30 ~~property when they receive no special compensation therefor.~~

31 ~~(c) Persons making an occasional sale under a duly executed~~
32 ~~power of attorney from others.~~

33 ~~(d) The services rendered by an attorney at law in performing~~
34 ~~his or her duties in that capacity.~~

35 ~~(e) A receiver, trustee in bankruptcy, any person acting under~~
36 ~~orders of any court, or a trustee selling under a deed of trust.~~

37 ~~(f) A real estate broker or real estate salesperson, acting in that~~
38 ~~capacity in connection with the sale, lease, or exchange of real~~
39 ~~property, or interest therein, when the transfer of cemetery property~~
40 ~~is purely incidental to the sale, lease, or exchange of real property.~~

1 7637.1. A person shall not engage in the business of, act in the
2 capacity of, advertise or assume to act as, a cemetery broker or
3 cemetery salesperson in this state without first obtaining a license
4 from the bureau.

5 7637.2. Any act other than an occasional sale of buying or
6 selling, leasing, or exchanging cemetery property or interment
7 services of or for another or on his or her own account, or offering
8 for another or for his or her own account to buy or sell, lease, or
9 exchange cemetery property or interment services, or negotiating
10 the purchase or sale, lease, or exchange of cemetery property or
11 interment services, or negotiating the purchase or sale, lease, or
12 exchange, or listing or soliciting, or negotiating a loan on or
13 leasing of cemetery property or interment services constitutes the
14 person making such offer, sale or purchase, lease, or exchange,
15 or negotiating the loan, or listing or soliciting, a cemetery broker
16 or cemetery salesperson.

17 7637.3. A person engaged in the business or acting in the
18 capacity of a broker or a salesperson within this state shall not
19 bring or maintain any action in the courts of this state for the
20 collection of compensation for the performance of any of the acts
21 mentioned in this article without alleging and proving that he or
22 she was a duly licensed cemetery broker or cemetery salesperson
23 at the time the alleged cause of action arose.

24 7637.4. (a) A cemetery broker shall not employ or compensate,
25 directly or indirectly, any person for performing any of the acts
26 within the scope of this article who is not a licensed cemetery
27 broker, or a cemetery salesperson licensed under the cemetery
28 broker employing or compensating him or her. A cemetery
29 salesperson shall not be employed by or accept compensation from
30 any person other than the cemetery broker under whom he or she
31 is at the time licensed.

32 (b) A salesperson shall not pay any compensation for performing
33 any of the acts within the scope of this article to any licensee except
34 through the cemetery broker under whom he or she is at the time
35 licensed.

36 (c) For a violation of any of the provisions of this section, the
37 bureau may temporarily suspend or permanently revoke the license
38 of the cemetery licensee in accordance with the provisions of this
39 act relating to disciplinary proceedings.

1 7637.5. (a) *It is a misdemeanor, punishable by a fine not*
2 *exceeding one hundred dollars (\$100) for each offense, for any*
3 *person, whether obligor, escrowholder, or otherwise, to pay or*
4 *deliver to anyone a compensation for performing any of the acts*
5 *within the scope of this article who is not known to be or who does*
6 *not present evidence to such payer that he or she is a licensed*
7 *cemetery broker at the time compensation is earned.*

8 (b) *For violation of any of the provisions of this section, the*
9 *bureau may temporarily suspend or permanently revoke the license*
10 *of the cemetery licensee in accordance with the provisions of this*
11 *act relating to disciplinary proceedings.*

12 7637.6. *Any person acting as a cemetery broker or cemetery*
13 *salesperson without a license, or who advertises so as to indicate*
14 *he or she is a cemetery broker without being so licensed, is guilty*
15 *of a misdemeanor. If that person is a corporation, it shall be*
16 *punished by a fine of not to exceed five thousand dollars (\$5,000).*

17 7637.7. (a) *Any cemetery salesperson or cemetery broker who*
18 *sells, causes to be sold, or offers for sale any cemetery property*
19 *upon the promise, guarantee, or representation to the purchaser*
20 *that the same may be resold or repurchased at a financial profit*
21 *is guilty of a misdemeanor.*

22 (b) *For violation of any of the provisions of this section, the*
23 *bureau may temporarily suspend or permanently revoke the license*
24 *of the cemetery salesperson or cemetery broker in accordance*
25 *with the provisions of this act relating to disciplinary proceedings.*

26 (c) *No violation of any of the provisions of this section by any*
27 *cemetery salesperson or employee of any licensed cemetery broker*
28 *shall cause the suspension or revocation of the license of the*
29 *employer of the salesperson or employee unless it appears upon*
30 *a hearing by the bureau that the employer had guilty knowledge*
31 *of the violation.*

32 7637.8. *Every officer, agent, or employee of any company, and*
33 *every other person who knowingly authorizes, directs, or aids in*
34 *the publication, advertisement, distribution, or circularization of*
35 *any false statement or representation concerning any cemetery or*
36 *cemetery brokerage business and every person who, with*
37 *knowledge that any advertisement, pamphlet, prospectus, or letter*
38 *concerning any cemetery brokerage business or any written*
39 *statement that is false or fraudulent, issues, circulates, publishes,*
40 *or distributes the same, or causes it to be issued, circulated,*

1 *published, or distributed, or who in any other respect willfully*
 2 *violates or fails, omits, or neglects to obey, observe, or comply*
 3 *with any order, permit, decision, demand, or requirement of the*
 4 *bureau under the provisions of this act relating to cemetery*
 5 *brokerage, is guilty of a misdemeanor, and, if a cemetery licensee,*
 6 *he or she shall be held to trial by the bureau for a suspension or*
 7 *revocation of this cemetery license, as provided in the provisions*
 8 *of this act relating to disciplinary proceedings.*

9 *7637.9. Each cemetery broker, other than a cemetery*
 10 *corporation holding a certificate of authority, and each cemetery*
 11 *salesperson shall include in any advertising a statement that he*
 12 *or she is acting as a cemetery broker or cemetery salesperson.*

13 *7637.10. For violation of any of the provisions of Section*
 14 *7637.9, the bureau may temporarily suspend or permanently revoke*
 15 *the license of the cemetery licensee in accordance with the*
 16 *provisions of this act relating to disciplinary proceedings.*

17 *7638. Any person, other than a person making an occasional*
 18 *sale, who advertises cemetery property for sale or exchange,*
 19 *without being duly licensed as a cemetery broker or a cemetery*
 20 *salesperson, or without possessing a certificate of authority as a*
 21 *cemetery corporation, is guilty of a misdemeanor. If such person*
 22 *is a corporation, it shall be punished by a fine of not to exceed five*
 23 *thousand dollars (\$5,000).*

24 *SEC. 17. Article 3.5 (commencing with Section 7651) is added*
 25 *to Chapter 12 of Division 3 of the Business and Professions Code,*
 26 *to read:*

27
 28 *Article 3.5. Licenses and Certificates of Authority*
 29

30 *7651. Application for license as a cemetery broker shall be*
 31 *made in writing on the form prescribed by the bureau and filed at*
 32 *the principal office of the bureau. The application shall be*
 33 *accompanied by the original cemetery broker's license fee.*

34 *7651.1. The bureau shall not grant an original cemetery*
 35 *broker's license to any person who is not a resident of this state.*
 36 *Change of residence to another state shall terminate the license.*

37 *7651.2. The bureau shall not grant an original cemetery*
 38 *broker's license to any person who has not held a cemetery*
 39 *salesperson's license for at least two years prior to the date of his*
 40 *or her application for the broker's license, and during that time*

1 was not actively engaged in the business of a cemetery salesperson
2 except that if an applicant for a cemetery broker's license having
3 at least the equivalent of two years' general cemetery experience
4 files a written petition with the bureau setting forth his or her
5 qualifications and experience and the bureau approves, he or she
6 may be issued a cemetery broker's license immediately upon
7 passing the appropriate examinations and satisfying the other
8 requirements of this article.

9 7651.3. Application for license as a cemetery salesperson shall
10 be made in writing on the form prescribed by the bureau and filed
11 at the principal office of the bureau. The application shall be signed
12 by the applicant, and shall be accompanied by the cemetery
13 salesperson's license fee.

14 7651.4. Notwithstanding any other provision of this chapter,
15 Section 7651.7 does not apply to an applicant for a cemetery
16 salesperson's license.

17 7651.5. The bureau shall investigate the qualifications of the
18 applicants. Except as otherwise prescribed in this article, it may
19 issue the license applied for to an applicant on a showing
20 satisfactory to it that the following facts exist:

21 (a) The applicant is properly qualified to perform the duties of
22 a cemetery broker or salesperson.

23 (b) Granting the license will not be against public interest.

24 (c) The applicant intends actively and in good faith to carry on
25 the business of a cemetery broker or a cemetery salesperson.

26 (d) In the case of a corporate applicant, the articles of
27 incorporation permit it to act as a cemetery broker.

28 (e) In the case of an association or copartnership applying for
29 such a license, its articles of association or agreement of
30 partnership authorize it to act as a cemetery broker.

31 (f) The license is not being secured for the purpose of permitting
32 the applicant to advertise as a cemetery broker or salesperson
33 without actually engaging in such business.

34 (g) The applicant has not committed acts or crimes constituting
35 grounds for denial of licensure under Section 480.

36 7651.6. All cemetery brokers who do not possess a certificate
37 of authority shall, in addition to the requirements of this chapter,
38 file with the bureau a satisfactory bond to the people of the State
39 of California, duly executed by a sufficient surety or sureties to be
40 approved by the bureau, in the amount of ten thousand dollars

1 (\$10,000). That bond shall be conditioned for the honest and
2 faithful performance by such broker and his or her salespersons
3 and employees of any undertaking as a licensed cemetery broker
4 or salesperson or employee of said broker at any time when
5 licensed under this chapter, and the strict compliance with the
6 provisions of this chapter and of Division 8 (commencing with
7 Section 8100) of the Health and Safety Code, relating to cemeteries,
8 and the honest and faithful application of all funds received. That
9 bond shall be further conditioned upon the payment of all damages
10 suffered by any person damaged or defrauded by reason of the
11 violation of any of the provisions of this chapter or of Division 8
12 (commencing with Section 8100) of the Health and Safety Code
13 relating to cemeteries, or by reason of the violation of the
14 obligation of such broker as an agent, as such obligations are laid
15 down by the Civil Code, or by reason of any fraud connected with
16 or growing out of any transactions contemplated by this chapter
17 or Division 8 (commencing with Section 8100) of the Health and
18 Safety Code.

19 7651.7. The bureau shall ascertain by written examination that
20 the applicant, and, in case of a copartnership or corporation
21 applicant for a cemetery broker's license, that each officer, agent
22 or member thereof through whom it proposes to act as a cemetery
23 licensee has:

24 (a) Appropriate knowledge of the English language, including
25 reading, writing and spelling, and of elementary arithmetic.

26 (b) A fair understanding of:

27 (1) Cemetery associations, cemetery corporations, and duties
28 of directors.

29 (2) Plot ownership, deeds, certificates of ownership, contracts
30 of sale, liens, and leases.

31 (3) Establishing, dedicating, maintaining, managing, operating,
32 improving, and conducting a cemetery.

33 (4) The care, preservation, and embellishment of cemetery
34 property.

35 (5) The care and preservation of endowment care funds, trust
36 funds, and the investment thereof.

37 (c) A general and fair understanding of the obligations between
38 principal and agent, of the principles of cemetery brokerage
39 practice and the business ethics pertaining thereto, as well as of
40 the provisions of this act relating to cemetery brokerage.

1 7651.8. *The bureau may, in its discretion, waive the*
2 *examination of any applicant for a cemetery broker's license who*
3 *held an unrevoked or unsuspended cemetery license on June 30*
4 *of the preceding fiscal year as an individual broker, an officer of*
5 *a corporation, or member of a copartnership.*

6 7651.9. *An application on the form prescribed by the bureau*
7 *for the renewal of any unrevoked and unsuspended license filed*
8 *before midnight of June 30 of the year for which such unrevoked*
9 *and unsuspended license was issued, accompanied by the*
10 *applicable renewal fee, entitles the applicant to continue operating*
11 *under his or her existing license after its usual expiration date, if*
12 *not previously suspended or revoked, and until such date as he or*
13 *she is notified in writing that the application has been granted or*
14 *denied.*

15 7651.10. *A cemetery license does not give authority to do any*
16 *act specified in this act to any person other than the person to*
17 *whom the license is issued.*

18 7652. *When a cemetery brokerage license is issued to a*
19 *cemetery brokerage corporation, if it desires any of its officers*
20 *other than the officer through whom it is already licensed to act*
21 *under its license as a cemetery broker, it shall procure an*
22 *additional license for each such officer. When a cemetery*
23 *brokerage license is granted to cemetery brokerage copartnership,*
24 *if it desires any of its members other than the one through whom*
25 *it is already licensed to act as a cemetery broker, it shall procure*
26 *an additional license for each such member.*

27 7652.1. *Each officer of a corporation through whom it is*
28 *licensed to act as a cemetery broker, and each member of a*
29 *copartnership through whom it is licensed to act as a cemetery*
30 *broker, is, while so employed under such license, a licensed*
31 *cemetery broker, but licensed only to act as such for and on behalf*
32 *of the corporation or the copartnership, as officer or member,*
33 *respectively.*

34 7652.2. *The cemetery licenses of both broker and salesperson*
35 *shall be prominently displayed in the office of the broker.*

36 *The cemetery salesperson's license shall remain in the possession*
37 *of the licensed cemetery broker employer until canceled or until*
38 *the salesperson leaves the employ of the broker.*

39 7652.3. *Immediately upon the salesperson's withdrawal from*
40 *the employ of the broker, the broker shall return the salesperson's*

1 license to the bureau for cancellation. A license canceled but not
2 suspended or revoked may be reinstated within the fiscal year upon
3 receipt of application therefor and the fee for the reinstatement of
4 the license.

5 7652.4. (a) Every licensed cemetery broker shall have and
6 maintain a definite place of business in this state which shall serve
7 as his or her office for the transaction of business.

8 (b) No cemetery license authorizes the licensee to do business
9 except from the location for which the cemetery license was issued.

10 (c) Notice in writing shall be given the bureau of change of
11 business location of a cemetery broker, whereupon the bureau
12 shall issue a new cemetery license for the unexpired period. The
13 change or abandonment of business location without notification
14 to the bureau shall automatically cancel the license theretofore
15 issued.

16 7652.5. (a) If the applicant for a cemetery broker's license
17 maintains more than one place of business within the state, he or
18 she shall apply for and procure an additional license for each
19 branch office so maintained. Every such application shall state
20 the name of the person and the location of the place of business
21 for which such license is desired.

22 (b) The bureau may determine whether or not a broker is doing
23 a cemetery brokerage business at or from any particular location
24 which requires him or her to have a branch office license.

25 7652.6. Each cemetery broker shall erect and maintain a sign
26 in a conspicuous place on the premises to indicate that he or she
27 is a licensed cemetery broker and his or her name shall be clearly
28 shown thereon. The size and place of the sign shall conform to
29 regulations that may be adopted by the bureau.

30 7652.7. For a violation of any of the provisions of Sections
31 7652.2, 7652.3, 7652.4, and 7652.6, the bureau may temporarily
32 suspend or permanently revoke the license of the cemetery licensee
33 in accordance with the provisions of this act relating to disciplinary
34 proceedings.

35 7652.8. Application for a certificate of authority shall be made
36 in writing on the form prescribed by the bureau and filed at the
37 principal office of the bureau. The application shall be
38 accompanied by the fee provided for in this act and shall show
39 that the cemetery authority owns or is actively operating a cemetery

1 *in this state which is subject to the provisions of the act or that the*
2 *applicant is in a position to commence operating a cemetery.*

3 7652.9. *Each cemetery for which a certificate of authority is*
4 *required shall be operated under the supervision of a manager*
5 *who is qualified in accordance with the regulations adopted by*
6 *the bureau. Each cemetery manager shall be required to*
7 *successfully pass a written examination evidencing an*
8 *understanding of the applicable provisions of this code and of the*
9 *Health and Safety Code. A person shall not engage in the business*
10 *of, act in the capacity of, or advertise or assume to act as, a*
11 *cemetery manager without first obtaining a license from the*
12 *bureau.*

13 7652.10. *The bureau may require such proof as it deems*
14 *advisable concerning the compliance by such applicant to all the*
15 *laws, rules, regulations, ordinances and orders applicable.*

16 7653. (a) *The bureau shall adopt, and may from time to time*
17 *amend, rules and regulations prescribing standards of knowledge*
18 *and experience and financial responsibility for applicants for*
19 *certificates of authority. In reviewing an application for a*
20 *certificate of authority, the bureau may consider acts of*
21 *incorporators, officers, directors, and stockholders of the applicant,*
22 *which shall constitute grounds for the denial of a certificate of*
23 *authority under Division 1.5 (commencing with Section 475).*

24 (b) *Upon receipt of an application for a certificate of authority,*
25 *the bureau may cause an investigation to be made of the physical*
26 *status, plans, specifications and financing of the proposed*
27 *cemetery, and any other qualifications required of the applicant*
28 *under this act, and for this purpose may subpoena witnesses,*
29 *administer oaths, and take testimony.*

30 (c) *At the time of the filing of the application required by this*
31 *section, the applicant shall pay to the Cemetery and Funeral Fund*
32 *the sum fixed by the bureau at not in excess of four hundred dollars*
33 *(\$400) to defray the expenses of investigation. In the event the sum*
34 *shall be insufficient to defray all of the expenses, the applicant*
35 *shall, within five days after request, deposit an additional sum*
36 *sufficient to defray those expenses, provided that the total sum*
37 *shall not exceed the sum of nine hundred dollars (\$900).*

38 7653.1. (a) *The bureau may, in accordance with its rules and*
39 *regulations, authorize interments in cemeteries for which there is*
40 *no currently valid certificate of authority outstanding if the bureau*

1 *finds that rights to interment therein will otherwise be impaired.*
2 *However, nothing in this section authorizes sales of lots, vaults,*
3 *or niches by cemeteries for which there is no currently valid*
4 *certificate of authority. Interments permitted under this section*
5 *shall be conducted by persons authorized by the bureau in*
6 *accordance with its regulations, and Section 7731.2 shall not be*
7 *applicable to such interments.*

8 *(b) The bureau or its representative shall be entitled to inspect*
9 *and copy any cemetery records necessary to the performance of*
10 *interments under this section, and any person having custody of*
11 *those records shall permit inspection and copying thereof for that*
12 *purpose. The bureau may apply to the superior court for the county*
13 *in which the cemetery is located for an order temporarily*
14 *transferring custody of cemetery records to it for purposes of this*
15 *section.*

16 *7653.2. The bureau shall inspect the books, records, and*
17 *premises of any crematory licensed under this chapter. In making*
18 *those inspections, the bureau shall have access to all books and*
19 *records, the crematory building, the cremation chambers or*
20 *furnaces, and the storage areas for human remains before and*
21 *after cremation, during regular office hours or the hours the*
22 *crematory is in operation. No prior notification of the inspection*
23 *is required to be given to the crematory licensee. If any crematory*
24 *licensee fails to allow that inspection or any part thereof, it shall*
25 *be grounds for the suspension or revocation of a license or other*
26 *disciplinary action against the licensee. All proceedings under*
27 *this section shall be conducted in accordance with the provisions*
28 *of this chapter relating to disciplinary proceedings.*

29 *7653.3. The bureau shall annually conduct a minimum of one*
30 *unannounced inspection of each licensed crematory.*

31 *7653.4. The bureau shall inspect the books, records, and*
32 *premises of any cemetery where a certificate of authority is*
33 *required under this chapter. In making the inspections, the bureau*
34 *shall have access to all books and records, buildings, mausoleums,*
35 *columbariums, storage areas, including storage areas for human*
36 *remains, during regular office hours or the hours the cemetery is*
37 *in operation. No prior notification of the inspection is required to*
38 *be given to the holder of the certificate of authority. If any*
39 *certificate holder fails to allow the inspection or any part thereof,*
40 *disciplinary action including, but not limited to, revocation or*

1 *suspension may be taken against the certificate of authority. All*
2 *disciplinary proceedings shall be conducted in accordance with*
3 *this chapter.*

4 7653.5. *The bureau shall annually conduct a minimum of one*
5 *unannounced inspection of each cemetery for which a certificate*
6 *of authority is required.*

7 7653.6. *A cemetery licensed under this chapter shall at all*
8 *times employ a licensed cemetery manager to manage, supervise,*
9 *and direct its operations. Notwithstanding any other provision of*
10 *this chapter, licensed cemeteries within close geographical*
11 *proximity of each other may request the bureau to allow a licensed*
12 *cemetery manager to manage, supervise, and direct the business*
13 *or profession of more than one facility.*

14 (a) *Every cemetery shall designate a licensed cemetery manager*
15 *to manage the cemetery, and shall report the designation to the*
16 *bureau within 10 days of the effective date. Any change in the*
17 *designated manager shall be reported to the bureau within 10*
18 *days.*

19 (b) *The designated cemetery manager shall be responsible for*
20 *exercising direct supervision and control over the operations,*
21 *employees, and agents of the cemetery as is necessary to ensure*
22 *full compliance with the applicable provisions of this code, the*
23 *Health and Safety Code, and any regulations adopted thereto.*
24 *Failure of the designated cemetery manager or the licensed*
25 *cemetery to exercise that supervision or control shall constitute a*
26 *ground for disciplinary action.*

27 (c) *A cemetery may employ, in addition to the designated*
28 *cemetery manager, additional licensed cemetery managers.*
29 *However, only one licensed cemetery manager may be appointed*
30 *as the designated cemetery manager of the cemetery.*

31 7653.7. (a) *Application for a cemetery manager license shall*
32 *be made in writing on the form provided by the bureau, verified*
33 *by the applicant, and filed at the principal office of the bureau.*
34 *The application shall be accompanied by the fee fixed by this*
35 *chapter.*

36 (b) *The applicant for a cemetery manager license shall be at*
37 *least 18 years of age, possess a high school diploma or its*
38 *equivalent, shall not have committed acts or crimes constituting*
39 *grounds for denial of licensure under Section 480, shall*
40 *demonstrate compliance with the training and experience*

1 requirements established by the bureau, and shall be a resident
2 of this state.

3 (c) The bureau shall grant a cemetery manager license to any
4 applicant who meets the requirements of this chapter and who has
5 successfully passed the cemetery manager examination
6 administered by the bureau.

7 7653.8. (a) A person shall not engage in or conduct, or hold
8 himself or herself out as engaging in or conducting, the activities
9 of a cemetery manager without holding a valid, unexpired cemetery
10 manager license issued by the bureau.

11 (b) A licensed cemetery manager shall not engage in or conduct,
12 or hold himself or herself out as engaging in or conducting, the
13 activities of a cemetery manager without being employed by, or
14 without being a corporate officer of a licensed cemetery.

15 7653.9. (a) Notwithstanding any other law, based upon a
16 finding by a court of competent jurisdiction that a cemetery
17 manager of a private cemetery has ceased to perform his or her
18 duties, as described in subdivision (a) of Section 7611.4, due to a
19 lapse, suspension, surrender, abandonment, or revocation of his
20 or her license, the court may appoint a temporary manager to
21 manage the cemetery property and to service the prepaid
22 interments of the private cemetery. The court shall appoint a
23 licensed cemetery manager as the temporary manager.

24 (b) The appointed temporary manager shall have the same
25 powers over the care and maintenance of the private cemetery as
26 a licensed cemetery manager, as described in subdivision (a) of
27 Section 7611.4. The temporary manager shall serve for a limited
28 term not to exceed six months, or until a new licensed manager
29 has been hired, at which time the court shall terminate the
30 appointment of the temporary manager.

31 (c) The court may authorize the payment of reasonable
32 compensation for the temporary manager's services, which shall
33 be paid by the trustees from available income from the cemetery.
34 In exercising its discretion pursuant to this subdivision, the court
35 shall give due consideration to the ability of the cemetery income
36 to otherwise pay for care and maintenance of the cemetery.

37 SEC. 18. Article 4.5 (commencing with Section 7672) is added
38 to Chapter 12 of Division 3 of the Business and Professions Code,
39 to read:

1
2 *Article 4.5. Cremated Remains Disposer*
3

4 7672. *A person shall not dispose of or offer to dispose of any*
5 *cremated human remains unless registered as a cremated remains*
6 *disposer by the bureau. This article shall not apply to any person,*
7 *partnership, or corporation holding a certificate of authority as*
8 *a cemetery, crematory license, cemetery broker's license, cemetery*
9 *salesperson's license, or funeral director's license, nor shall this*
10 *article apply to any person having the right to control the*
11 *disposition of the cremated remains of any person or that person's*
12 *designee if the person does not dispose of or offer to dispose of*
13 *more than 10 cremated human remains within any calendar year.*

14 7672.1. (a) *Registration shall be on the form prescribed by*
15 *the bureau and shall include, but not be limited to, the full name*
16 *of the registrant, business and residence addresses, description*
17 *and identification of aircraft or boats which may be used in*
18 *dispensing cremated human remains, and the area to be served.*
19 *Each registration application shall be accompanied by the*
20 *cremated remains disposer fee.*

21 (b) *Every registered cremated remains disposer who dispenses*
22 *human remains by air shall post a copy of his or her current pilot's*
23 *license, and the address of the cremated remains storage area at*
24 *his or her place of business. Every registered cremated remains*
25 *disposer who dispenses human remains by boat shall post a copy*
26 *of his or her current boating license and the address of the*
27 *cremated remains storage area at his or her place of business.*

28 7672.2. *The bureau shall prepare and deliver to each registered*
29 *cremated remains disposer a booklet that includes, but is not*
30 *limited to, the following information: details about the registration*
31 *and renewal requirements for cremated remains disposers;*
32 *requirements for obtaining state permits to dispose of cremated*
33 *human remains; state storage requirements, if any; statutory duties*
34 *pursuant to this article, and other applicable state laws.*

35 7672.3. *All aircraft used for the scattering of cremated human*
36 *remains shall be validly certified by the Federal Aviation*
37 *Administration. All boats or vessels used for the scattering of*
38 *cremated human remains shall be registered with the Department*
39 *of Motor Vehicles or documented by a federal agency, as*

1 appropriate. The certification or registration shall be available
2 for inspection by the bureau.

3 7672.4. A cremated remains disposer who scatters any
4 cremated human remains without specific written instructions from
5 the person having the right to control the disposition of the remains
6 or who scatters any remains in a manner not in accordance with
7 those instructions shall be subject to disciplinary action.

8 7672.5. Each cremated remains disposer shall provide the
9 person with the right to control the disposition of the remains
10 under Section 7100 of the Health and Safety Code with a copy of
11 the completed permit for disposition of human remains pursuant
12 to Chapter 8 (commencing with Section 103050) of Part 1 of
13 Division 102 of the Health and Safety Code within 30 days of the
14 date of the scattering.

15 7672.6. (a) Every cremated remains disposer shall do both of
16 the following:

17 (1) Dispose of cremated remains within 60 days of the receipt
18 of those remains, unless a written signed reason for a delay is
19 presented to the person with the right to control the disposition of
20 the remains under Section 7100 of the Health and Safety Code.

21 (2) Provide the bureau with the address and telephone number
22 of any storage facility being used by the registrant to store
23 cremated remains. Cremated remains shall be stored in a place
24 free from exposure to the elements, and shall be responsibly
25 maintained until disposal. The bureau and its representatives shall
26 conduct, on an annual basis, random inspections of the operations
27 of 5 to 10 percent of the registered cremated remains disposers,
28 and is authorized to inspect any place used by a cremated remains
29 disposer for the storage of cremated remains without notice to the
30 cremated remains disposer.

31 (b) A violation of the requirements of this section is grounds
32 for disciplinary action.

33 7672.7. (a) Each cremated remains disposer shall file, and
34 thereafter maintain an updated copy of, an annual report on a
35 form prescribed by the bureau. The report shall include, but not
36 be limited to, the names of the deceased persons whose cremated
37 remains were disposed of, the dates of receipt of the cremated
38 remains, the names and addresses of the persons who authorized
39 disposal of those remains, the dates and locations of disposal of
40 those remains, and the means and manner of disposition. The

1 report shall cover the fiscal year ending on June 30 and shall be
2 filed with the bureau no later than September 30 of each year.

3 (b) Any cremated remains disposer that makes a willful and
4 material false statement regarding the disposal of cremated
5 remains in the annual report filed or updated pursuant to
6 subdivision (a) shall be subject to disciplinary action.

7 (c) Any cremated remains disposer that makes a willful and
8 material false statement in the annual report filed or updated
9 pursuant to subdivision (a) shall be guilty of a misdemeanor.

10 7672.8. All cremated remains disposer registrations shall
11 expire at 12 midnight on September 30 of each year. A person
12 desiring to renew his or her registration shall file an application
13 for renewal on a form prescribed by the bureau accompanied by
14 the required fee. A registration that has expired may be renewed
15 within five years of its expiration upon payment of all accrued and
16 unpaid renewal fees. The bureau shall not renew the registration
17 of any person who has not filed the required annual report until
18 he or she has filed a complete annual report with the department.

19 7672.9. If a person fails to apply for renewal of his or her
20 cremated remains disposer registration prior to midnight of
21 September 30 of the year for which the registration was issued,
22 no renewal shall be issued except upon payment of the delinquent
23 renewal fee required under Section 7729.2.

24 7672.10. Any person who scatters cremated human remains
25 without a valid registration and who is not otherwise exempt from
26 this article shall be guilty of a misdemeanor. The remains of each
27 person scattered shall constitute a separate violation.

28 7673. Any person who scatters any cremated human remains
29 without specific written instructions from the person having the
30 right to control the disposition of the remains or who scatters any
31 remains in a manner not in accordance with those instructions
32 shall be guilty of a misdemeanor.

33 7673.1. Any cremated remains disposer who stores cremated
34 remains in a reckless manner that results in either of the following
35 is guilty of a public offense punishable by imprisonment in a county
36 jail not exceeding one year or by a fine not to exceed five thousand
37 dollars (\$5,000), or by both that fine and imprisonment:

38 (a) Loss of all or part of the cremated remains.

39 (b) Inability to individually identify the cremated remains.

1 7673.2. A cremated remains disposer shall be subject to and
2 shall be disciplined by the bureau in accordance with Article 6
3 (commencing with Section 7686). Any violation of this article shall
4 also be grounds for disciplinary action.

5 SEC. 19. Section 7685.3 of the Business and Professions Code
6 is amended to read:

7 7685.3. The current address, telephone number, and name of
8 the Department of Consumer Affairs, Cemetery and Funeral Bureau
9 shall appear on the first page of any contract for goods and services
10 offered by a ~~funeral director~~ licensee. At a minimum, the
11 information shall be in 8-point boldface type and make this
12 statement:

13
14 “FOR MORE INFORMATION ON FUNERAL, CEMETERY,
15 AND CREMATION MATTERS, CONTACT: DEPARTMENT
16 OF CONSUMER AFFAIRS, CEMETERY AND FUNERAL
17 BUREAU (ADDRESS), (TELEPHONE NUMBER).”

18
19 SEC. 20. Section 7685.5 of the Business and Professions Code
20 is amended to read:

21 7685.5. (a) The bureau shall make available to funeral
22 establishments and cemetery authorities a copy of a consumer
23 guide for funeral and cemetery purchases for purposes of
24 reproduction and distribution. The funeral and cemetery guide that
25 is approved by the bureau, in consultation with the funeral and
26 cemetery industries and any other interested parties, shall be made
27 available in printed form and electronically through the Internet.

28 (b) A ~~funeral establishment~~ licensee shall prominently display
29 and make available to any individual who, in person, inquires about
30 funeral or cemetery purchases, a copy of the consumer guide for
31 funeral and cemetery purchases, reproduced as specified in
32 subdivision (a).

33 (c) Prior to the drafting of a contract for ~~funeral~~ services, the
34 ~~funeral establishment~~ licensee shall provide, for retention, the
35 consumer with a copy of the consumer guide for funeral and
36 cemetery purchases described in subdivisions (a) and (b).

37 SEC. 21. Section 7700.1 is added to the Business and
38 Professions Code, to read:

39 7700.1. Unprofessional conduct by any licensee or registrant
40 or by any agent or employee of a licensee or registrant constitutes

1 grounds for disciplinary action. Unprofessional conduct includes,
2 but is not limited to, the following:

3 (a) Violating or attempting to violate, directly or indirectly, or
4 assisting in or abetting the violation of this chapter and any
5 regulation adopted thereunder, or of any federal or state law or
6 regulation governing the disposition of human remains, operation
7 of cemeteries or crematories, the sale of cemetery property, or the
8 sale of crematory services or commodities.

9 (b) Negligence in performing any act related to the operation
10 of a cemetery or crematory.

11 SEC. 22. Section 7711.2 is added to the Business and
12 Professions Code, to read:

13 7711.2. The bureau may, upon its own motion, and shall, upon
14 the verified complaint in writing of any person, investigate the
15 actions of any person engaged in the business or acting in the
16 capacity of a cemetery licensee, and may temporarily suspend or
17 permanently revoke a license at any time where the licensee, within
18 the immediately preceding three years, while a cemetery licensee
19 in performing or attempting to perform any of the acts specified
20 in this act, has been guilty of any of the following:

21 (a) Making any substantial misrepresentation.

22 (b) Making any false statement of a character likely to influence
23 or persuade.

24 (c) A continued and flagrant course of misrepresentation or
25 making of false promises through cemetery agents or salespersons.

26 (d) Acting for more than one party in a transaction without the
27 knowledge or consent of all parties thereto.

28 (e) Commingling the money or other property of his or her
29 principal with his or her own.

30 (f) The practice of claiming or demanding a fee, compensation
31 or commission under any exclusive agreement authorizing or
32 employing a licensee to sell, buy, or exchange cemetery property
33 for compensation or commission where such agreement does not
34 contain a definite, specified date of final and complete termination.

35 (g) The claiming or taking by a licensee of any secret or
36 undisclosed amount of compensation, commission, or profit or the
37 failure of a licensee to reveal to the employer of such licensee the
38 full amount of such licensee's compensation, commission, or profit
39 under any agreement authorizing or employing such licensee to
40 sell, buy, or exchange cemetery property for compensation or

1 *commission prior to or coincident with the signing of such*
2 *agreement evidencing the meeting of the minds of the contracting*
3 *parties, regardless of the form of such agreement, whether*
4 *evidenced by documents in an escrow or by any other or different*
5 *procedure.*

6 *(h) The use by a licensee of any provision allowing the licensee*
7 *an option to purchase in an agreement authorizing or employing*
8 *such licensee to sell, buy, or exchange cemetery property for*
9 *compensation or commission, except when such licensee prior to*
10 *or coincident with election to exercise such option to purchase*
11 *reveals in writing to the employer the full amount of licensee's*
12 *profit and obtains the written consent of the employer approving*
13 *the amount of such profit.*

14 *(i) Any other conduct, whether of the same or a different*
15 *character than specified in this section, which constitutes fraud*
16 *or dishonest dealing.*

17 *(j) The misrepresentations and false statements mentioned in*
18 *this section include also misrepresentation and false statements*
19 *as to other property than that which the cemetery licensee may be*
20 *selling or attempting to sell.*

21 *SEC. 23. Section 7711.3 is added to the Business and*
22 *Professions Code, to read:*

23 *7711.3. The bureau may suspend or revoke the license of any*
24 *cemetery licensee who, within the immediately preceding three*
25 *years, has done any of the following:*

26 *(a) Been convicted of a crime substantially related to the*
27 *qualifications, functions, and duties of such licensee. The record*
28 *of conviction, or a certified copy thereof, shall be conclusive*
29 *evidence of such conviction.*

30 *(b) Knowingly authorized, directed, connived at or aided in the*
31 *publication, advertisement, distribution, or circulation of any*
32 *material false statement or representation concerning his or her*
33 *business or any cemetery property offered for sale.*

34 *(c) Willfully disregarded or violated any of the provisions of*
35 *this act relating to cemetery brokerage.*

36 *(d) Acted or conducted himself or herself in a manner which*
37 *would have warranted the denial of his or her application for a*
38 *cemetery license, or for a renewal thereof.*

39 *SEC. 24. Section 7711.4 is added to the Business and*
40 *Professions Code, to read:*

1 7711.4. When any salesperson is discharged by his or her
2 employer for a violation of any of the provisions of this article
3 prescribing a ground for disciplinary action, a verified written
4 statement of the facts with reference thereto shall be filed forthwith
5 with the bureau by the employer and, if the employer fails to notify
6 the bureau as required by this section, the bureau may temporarily
7 suspend or permanently revoke the cemetery license of the
8 employer in accordance with the provisions of this act.

9 SEC. 25. Section 7711.5 is added to the Business and
10 Professions Code, to read:

11 7711.5. The bureau may deny, suspend, or revoke the cemetery
12 license of a corporation as to any officer or agent acting under its
13 cemetery license, and the cemetery license of a copartnership as
14 to any member acting under its cemetery license, without revoking
15 the cemetery license of the corporation or of the copartnership.

16 SEC. 26. Section 7711.6 is added to the Business and
17 Professions Code, to read:

18 7711.6. The fees for cemetery licenses at all periods of the
19 fiscal year is the same as provided in this article. All cemetery
20 license fees are payable in advance of issuing the licenses and at
21 the time of filing the application. All licenses shall be issued for
22 the fiscal year and shall expire on June 30 of each fiscal year at
23 midnight.

24 SEC. 27. Section 7711.7 is added to the Business and
25 Professions Code, to read:

26 7711.7. (a) If a person fails to apply for a license renewal, no
27 renewal license shall be issued except upon payment of the
28 delinquent renewal fee required under Section 7729.2.

29 (b) A person who fails to renew his or her license within one
30 year of the expiration date shall not engage in any of the activities
31 authorized by a license unless he or she first files the application
32 required for an original license, pays the original license fee, and
33 otherwise complies with all of the provisions of this act pertaining
34 to the issuance of an original license.

35 SEC. 28. Section 7711.8 is added to the Business and
36 Professions Code, to read:

37 7711.8. The definitions contained in this article are solely for
38 the purposes of this article.

39 SEC. 29. Section 7711.9 is added to the Business and
40 Professions Code, to read:

1 7711.9. *An original cemetery broker’s license is a cemetery*
2 *license issued to a person who did not have a cemetery broker’s*
3 *license on June 30 of the fiscal year previous to the fiscal year for*
4 *which the license is issued.*

5 SEC. 30. *Section 7711.10 is added to the Business and*
6 *Professions Code, to read:*

7 7711.10. *A renewal cemetery broker’s license is a cemetery*
8 *license issued to a person who had a cemetery broker’s license*
9 *unrevoked and unsuspended on June 30 of the fiscal year previous*
10 *to the fiscal year for which the renewal cemetery license is issued.*

11 SEC. 31. *Section 7711.11 is added to the Business and*
12 *Professions Code, to read:*

13 7711.11. *An original cemetery salesperson’s license is a*
14 *cemetery license issued to a person who did not have a cemetery*
15 *salesperson’s or a broker’s license either individually or as an*
16 *officer of a corporation, or as a member of a copartnership, on*
17 *June 30 of the fiscal year previous to the fiscal year for which the*
18 *salesperson’s license is issued.*

19 SEC. 32. *Section 7711.12 is added to the Business and*
20 *Professions Code, to read:*

21 7711.12. *A renewal cemetery salesperson’s license is a*
22 *cemetery license issued to a person who had a cemetery*
23 *salesperson’s or a broker’s license either individually or as an*
24 *officer of a corporation, or as a member of a copartnership, on*
25 *June 30 of the fiscal year previous to the fiscal year for which the*
26 *salesperson’s license is issued.*

27 SEC. 33. *Article 6.5 (commencing with Section 7712) is added*
28 *to Chapter 12 of Division 3 of the Business and Professions Code,*
29 *to read:*

30
31 *Article 6.5. Crematories*
32

33 7712. *A crematory established, operated, or maintained, may*
34 *be operated by a corporation, partnership, or natural person,*
35 *provided that a valid crematory license shall have been issued by*
36 *the bureau.*

37 7712.1. *Any change in the ownership of a crematory shall be*
38 *reported to the bureau. Any transfer in a single transaction or a*
39 *related series of transactions of more than 50 percent of the*
40 *equitable interest in a licensed crematory shall constitute a change*

1 of ownership. When a change of ownership in a crematory occurs,
2 the existing crematory license shall lapse and the new owner shall
3 obtain a new license from the bureau as otherwise provided in this
4 act. The bureau shall not require an applicant under this section
5 to obtain any new permit or license from any other governmental
6 agency when the existing permit or license is valid.

7 7712.2. Application for a crematory license shall be made in
8 writing on the form prescribed by the bureau and filed at the
9 principal office of the bureau. The application shall be
10 accompanied by the fee provided for in this article and shall show
11 that the applicant owns or is actively operating a crematory in
12 this state or that the applicant is in a position to commence
13 operating such a crematory.

14 7712.3. The provisions of Article 5 (commencing with Section
15 8341) of Chapter 2 of Part 3 of Division 8 of the Health and Safety
16 Code shall apply to crematories licensed under this chapter.

17 7712.4. The bureau may require such proof as it deems
18 advisable concerning the compliance by such applicant with all
19 the laws, rules, regulations, ordinances, and orders applicable to
20 the applicant and shall not issue such crematory license until it
21 has satisfied itself that the public interest will be served by such
22 applicant.

23 7712.5. (a) The bureau shall adopt, and may from time to time
24 amend, rules and regulations prescribing standards of knowledge
25 and experience and financial responsibility for applicants for a
26 crematory license. In reviewing an application for a crematory
27 license, the bureau may consider acts of the applicant, including
28 acts of incorporators, officers, directors, and stockholders of the
29 applicant, which shall constitute grounds for the denial of a
30 crematory license under Division 1.5 (commencing with Section
31 475).

32 (b) Upon receipt of an application for a crematory license, the
33 bureau may cause an investigation to be made of the physical
34 status, plans, specifications, and financing of the proposed
35 crematory, the character of the applicant, including, if applicable,
36 its officers, directors, shareholders, or members, and any other
37 qualifications required of the applicant under this article, and for
38 this purpose may subpoena witnesses, administer oaths, and take
39 testimony.

1 (c) At the time of the filing of the application required by this
2 article, the applicant shall pay to the Cemetery and Funeral Fund
3 the sum fixed by the bureau at not in excess of four hundred dollars
4 (\$400) to defray the expenses of investigation. In the event the sum
5 shall be insufficient to defray all of the expenses, the applicant
6 shall, within five days after request therefor, deposit an additional
7 sum sufficient to defray such expenses, provided that the total sum
8 shall not exceed the sum of nine hundred dollars (\$900).

9 7712.6. A crematory licensee under this article shall not
10 conduct any cremations:

11 (a) Unless the licensee has a written contract with the person
12 or persons entitled to custody of the remains clearly stating the
13 location, manner, and time of disposition to be made of the
14 remains, agreeing to pay the regular fees of the licensee for
15 cremation, disposition, and other services rendered, and any other
16 contractual provisions as may be required by the bureau.

17 (b) Of any remains more than 24 hours after delivery of the
18 remains, unless the remains have been preserved in the interim by
19 refrigeration or embalming.

20 (c) Unless the licensee has a contractual relationship with a
21 licensed cemetery authority for final disposition of cremated human
22 remains by burial, entombment, or inurnment of any and all
23 remains which are not lawfully disposed of or which are not called
24 for or accepted by the person or persons entitled to the custody
25 and control of the disposition thereof within 90 days of the date
26 of death.

27 7712.7. Every crematory licensee, who prohibits relatives or
28 the responsible party from viewing the cremation process, shall
29 disclose this fact in writing to the person or persons entitled to
30 custody of the remains prior to the signing of any contract.

31 7712.8. Each crematory licensee shall keep such records as
32 may be required by the bureau to assure compliance with all laws
33 relating to the disposition of cremated human remains and shall
34 file annually with the bureau, a report in the form prescribed by
35 the bureau, describing the operations of the licensee, including
36 the number of cremations made, the disposition thereof, and any
37 other information as the bureau may, from time to time, require.

38 7712.9. Every crematory licensee operating a crematory
39 pursuant to a license issued in compliance with this article shall
40 pay an annual regulatory charge for each crematory, to be fixed

1 by the bureau at not more than four hundred dollars (\$400). In
2 addition to an annual regulatory charge for each crematory, every
3 licensee operating a crematory pursuant to a license issued
4 pursuant to this article shall pay an additional charge to be fixed
5 by the bureau at not more than eight dollars and fifty cents (\$8.50)
6 per cremation made during the preceding quarter, which charges
7 shall be deposited in the Cemetery and Funeral Fund.

8 7712.10. (a) Each crematory for which a crematory license
9 is required shall be operated under the supervision of a manager
10 qualified in accordance with rules adopted by the bureau. Each
11 manager shall be required to successfully pass a written
12 examination evidencing an understanding of the applicable
13 provisions of this code and of the Health and Safety Code.

14 (b) A person shall not engage in the business of, act in the
15 capacity of, or advertise or assume to act as, a crematory manager
16 without first obtaining a license from the bureau.

17 7713. A crematory shall at all times employ a licensed
18 crematory manager to manage, supervise, and direct its operations.

19 (a) Every crematory shall designate a licensed crematory
20 manager to manage the crematory, and shall report the designation
21 to the bureau within 10 days of the effective date. Any change in
22 the designated manager shall be reported to the bureau within 10
23 days.

24 (b) The designated crematory manager shall be responsible for
25 exercising direct supervision and control over the operations,
26 employees, and agents of the crematory as is necessary to ensure
27 full compliance with the applicable provisions of this code, the
28 Health and Safety Code, and any regulations adopted thereto.
29 Failure of the designated crematory manager or the licensed
30 crematory to exercise that supervision or control shall constitute
31 a ground for disciplinary action.

32 (c) A crematory may employ, in addition to the designated
33 crematory manager, additional licensed crematory managers.
34 However, only one licensed crematory manager may be appointed
35 as the designated crematory manager of the crematory.

36 7713.1. (a) Application for a crematory manager license shall
37 be made in writing on the form provided by the bureau, verified
38 by the applicant and filed at the principal office of the bureau. The
39 application shall be accompanied by the fee fixed by this chapter.

1 (b) The applicant for a crematory manager license shall be at
2 least 18 years of age, possess a high school diploma or its
3 equivalent, shall not have committed acts or crimes constituting
4 grounds for denial of licensure under Section 480, shall
5 demonstrate compliance with the training and experience
6 requirements established by the bureau, and shall be a resident
7 of this state.

8 (c) The bureau shall grant a crematory manager license to any
9 applicant who meets the requirements of this chapter and who has
10 successfully passed the crematory manager examination
11 administered by the bureau.

12 7713.2. (a) A person shall not engage in or conduct, or hold
13 himself or herself out as engaging in or conducting, the activities
14 of a crematory manager without holding a valid, unexpired
15 crematory manager license issued by the bureau.

16 (b) A licensed crematory manager shall not engage in or
17 conduct, or hold himself or herself out as engaging in or
18 conducting, the activities of a crematory manager without being
19 employed by, or without being a sole proprietor, partner, or
20 corporate officer of, a licensed crematory.

21 7713.3. It is a misdemeanor for any person, firm, or
22 corporation to cremate human remains or to engage in the
23 disposition thereof without a valid, unexpired crematory license.
24 Each cremation shall be a separate violation.

25 7713.4. A crematory licensee shall be subject to and shall be
26 disciplined by the bureau in accordance with Article 6
27 (commencing with Section 7686).

28 SEC. 34. Section 7725.2 of the Business and Professions Code
29 is amended to read:

30 7725.2. Except as otherwise provided in this ~~article~~, chapter,
31 a license that has expired may be renewed at any time within five
32 years after its expiration on filing of an application for renewal on
33 a form prescribed by the bureau and payment of all accrued and
34 unpaid renewal fees. If the license is not renewed within 30 days
35 after its expiration the licensee, as a condition precedent to renewal,
36 shall also pay the delinquency fee prescribed by this chapter.
37 Renewal under this section shall be effective on the date on which
38 the application is filed, on the date on which all renewal fees are
39 paid, or on the date on which the delinquency fee, if any, is paid,
40 whichever last occurs. If so renewed, the license shall continue in

1 effect through the date provided in Section 7725 that next occurs
2 after the effective date of the renewal, when it shall expire if it is
3 not again renewed.

4 If a license is not renewed within one year following its
5 expiration, the bureau may require as a condition of renewal that
6 the holder of the license pass an examination on the appropriate
7 subjects provided by this chapter.

8 *SEC. 35. Section 7727 of the Business and Professions Code*
9 *is amended to read:*

10 7727. On or before the 10th day of each month, the department
11 shall pay into the State Treasury and report to the State Controller
12 all the fees received for the bureau. The fees shall be received by
13 the State Treasurer and placed in the ~~State Funeral Directors and~~
14 ~~Embalmers Cemetery and Funeral~~ Fund, which fund is available
15 for expenditures necessary for the proper administration of this
16 chapter.

17 *SEC. 36. Section 7729.1 is added to the Business and*
18 *Professions Code, to read:*

19 7729.1. *The amount of fees prescribed for a license or*
20 *certificate of authority under this act is that fixed by the following*
21 *provisions of this article. Any license or certificate of authority*
22 *provided under this act that has expired may be renewed within*
23 *five years of its expiration upon payment of all accrued and unpaid*
24 *renewal and regulatory fees.*

25 *SEC. 37. Section 7729.2 is added to the Business and*
26 *Professions Code, to read:*

27 7729.2. *The delinquent renewal fee for a license, registration,*
28 *or certificate of authority under this chapter shall be 150 percent*
29 *of the timely fee, but not less than the renewal fee plus twenty-five*
30 *dollars (\$25).*

31 *SEC. 38. Section 7729.3 is added to the Business and*
32 *Professions Code, to read:*

33 7729.3. *The original cemetery broker's license fee shall be*
34 *fixed by the bureau at not more than four hundred dollars (\$400).*

35 *SEC. 39. Section 7729.4 is added to the Business and*
36 *Professions Code, to read:*

37 7729.4. (a) *The original cemetery broker's license fee is*
38 *payable at the time of the filing of an application for an original*
39 *cemetery broker's license.*

1 (b) If the applicant fails the required written examination, he
2 or she may be permitted to take another examination upon the
3 filing of an application for reexamination and the payment of a
4 reexamination fee. This reexamination fee shall be fixed by the
5 bureau at not more than one hundred dollars (\$100).

6 (c) No part of any original cemetery broker's license fee or
7 reexamination fee is refundable. It is deemed earned upon receipt
8 by the bureau, whether the accompanying application for a license
9 is complete or incomplete.

10 SEC. 40. Section 7729.5 is added to the Business and
11 Professions Code, to read:

12 7729.5. The annual renewal fee for a cemetery broker's license
13 shall be fixed by the bureau at not more than three hundred dollars
14 (\$300).

15 SEC. 41. Section 7729.6 is added to the Business and
16 Professions Code, to read:

17 7729.6. If the licensee is a cemetery brokerage corporation,
18 the license issued to it entitles one officer only, on behalf of the
19 corporation, to engage in the business of a cemetery broker without
20 the payment of a further fee, that officer to be designated in the
21 application of the corporation for a license. For each other officer
22 of a licensed cemetery brokerage corporation, through whom it
23 engages in the business of a cemetery broker, the annual renewal
24 fee, in addition to the fee paid by the corporation, shall be fixed
25 by the bureau at not more than one hundred dollars (\$100).

26 SEC. 42. Section 7729.7 is added to the Business and
27 Professions Code, to read:

28 7729.7. If the licensee is a cemetery brokerage copartnership,
29 the license issued to it entitles one member only of the
30 copartnership to engage on behalf of the copartnership in the
31 business of a cemetery broker, which member shall be designated
32 in the application of the copartnership for a license. For each
33 other member of the copartnership who on behalf of the
34 copartnership engages in the business of a cemetery broker, the
35 annual renewal fee, in addition to the fee paid by the copartnership,
36 shall be fixed by the bureau at not more than one hundred dollars
37 (\$100).

38 SEC. 43. Section 7729.8 is added to the Business and
39 Professions Code, to read:

1 7729.8. *The cemetery salesperson's license fee shall be fixed*
2 *by the bureau at not more than thirty dollars (\$30).*

3 *SEC. 44. Section 7729.9 is added to the Business and*
4 *Professions Code, to read:*

5 7729.9. *A cemetery salesperson's license fee is payable on*
6 *each filing of an application for a cemetery salesperson's license.*

7 *SEC. 45. Section 7729.10 is added to the Business and*
8 *Professions Code, to read:*

9 7729.10. *The annual renewal fee for a cemetery salesperson's*
10 *license shall be fixed by the bureau at not more than twenty-five*
11 *dollars (\$25).*

12 *SEC. 46. Section 7730 is added to the Business and Professions*
13 *Code, to read:*

14 7730. *For a branch office broker's license, the fee shall be*
15 *fixed by the bureau at not more than one hundred dollars (\$100).*

16 *SEC. 47. Section 7730.1 is added to the Business and*
17 *Professions Code, to read:*

18 7730.1. *The cremated remains disposer registration fee shall*
19 *be one hundred dollars (\$100).*

20 *SEC. 48. Section 7730.2 is added to the Business and*
21 *Professions Code, to read:*

22 7730.2. *The renewal fee for a cremated remains disposer*
23 *registration shall be fifty dollars (\$50).*

24 *SEC. 49. Section 7730.3 is added to the Business and*
25 *Professions Code, to read:*

26 7730.3. *For change of name or of address of licensee on the*
27 *records of the bureau, the fee shall be fixed by the bureau at not*
28 *more than twenty-five dollars (\$25).*

29 *SEC. 50. Section 7730.4 is added to the Business and*
30 *Professions Code, to read:*

31 7730.4. *For transfer of a salesperson's license on change of*
32 *employer, the fee shall be fixed by the bureau at not more than*
33 *twenty-five dollars (\$25).*

34 *SEC. 51. Section 7730.5 is added to the Business and*
35 *Professions Code, to read:*

36 7730.5. *For a duplicate license the fee shall be fixed by the*
37 *bureau at not more than twenty-five dollars (\$25).*

38 *SEC. 52. Section 7730.6 is added to the Business and*
39 *Professions Code, to read:*

1 7730.6. (a) For reinstatement of a license within the fiscal
 2 year, the fee shall be fixed by the bureau at not more than
 3 twenty-five dollars (\$25).

4 (b) As used in this section, “reinstatement of a license” means
 5 the reissuance of a canceled cemetery broker’s license, or a
 6 cemetery salesperson’s license which was canceled during the
 7 year for which it was issued upon the salesperson’s withdrawal
 8 from the employ of a cemetery broker.

9 SEC. 53. Section 7730.7 is added to the Business and
 10 Professions Code, to read:

11 7730.7. (a) The fee for a crematory manager examination and
 12 reexamination may not exceed five hundred dollars (\$500).

13 (b) The license fee to obtain a crematory manager license may
 14 not exceed one hundred dollars (\$100).

15 (c) The renewal fee for a crematory manager license may not
 16 exceed one hundred dollars (\$100).

17 SEC. 54. Section 7730.8 is added to the Business and
 18 Professions Code, to read:

19 7730.8. (a) The fee for a cemetery manager examination and
 20 reexamination may not exceed nine hundred dollars (\$900).

21 (b) The license fee to obtain a cemetery manager license may
 22 not exceed one hundred dollars (\$100).

23 (c) The renewal fee for a cemetery manager license may not
 24 exceed one hundred dollars (\$100).

25 SEC. 55. Section 7730.9 is added to the Business and
 26 Professions Code, to read:

27 7730.9. The fee for filing a report of a change of designated
 28 manager or a request for approval to share a designated cemetery
 29 manager shall not exceed fifty dollars (\$50).

30 SEC. 56. Section 7730.10 is added to the Business and
 31 Professions Code, to read:

32 7730.10. Every cemetery authority operating a cemetery shall
 33 pay an annual regulatory charge for each cemetery to be fixed by
 34 the bureau at not more than four hundred dollars (\$400). In
 35 addition to an annual regulatory charge for each cemetery, an
 36 additional quarterly charge to be fixed by the bureau at not more
 37 than eight dollars and fifty cents (\$8.50) for each burial,
 38 entombment, or inurnment made during the preceding quarter
 39 shall be paid to the bureau and these charges shall be deposited
 40 in the Cemetery and Funeral Fund. If the cemetery authority

1 *performs a burial, entombment, or inurnment, and the cremation*
2 *was performed at a crematory located on the grounds of the*
3 *cemetery and under common ownership with the cemetery*
4 *authority, the total of all additional charges shall be not more than*
5 *eight dollars and fifty cents (\$8.50).*

6 *SEC. 57. Section 7731 is added to the Business and Professions*
7 *Code, to read:*

8 *7731. Upon payment of the charges set forth, the bureau shall*
9 *issue a renewal of the certificate of authority to the cemetery*
10 *authority.*

11 *SEC. 58. Section 7731.1 is added to the Business and*
12 *Professions Code, to read:*

13 *7731.1. Failure to pay the charges set forth by Section 7730.10*
14 *prior to February 1 for each year shall be cause for suspension*
15 *of the certificate of authority. The certificate may be restored upon*
16 *payment to the bureau of the prescribed charges.*

17 *SEC. 59. Section 7731.2 is added to the Business and*
18 *Professions Code, to read:*

19 *7731.2. It is a misdemeanor for any cemetery corporation to*
20 *make any interments without a valid certificate of authority. Each*
21 *interment shall be a separate violation.*

22 *SEC. 60. Section 7731.3 is added to the Business and*
23 *Professions Code, to read:*

24 *7731.3. All moneys received by the bureau under the provisions*
25 *of this chapter shall be accounted for and reported by detailed*
26 *statements furnished by the bureau to the Controller at least once*
27 *a month, and at the same time these moneys shall be remitted to*
28 *the Treasurer, and, upon order of the Controller, shall be deposited*
29 *in the Cemetery and Funeral Fund in the State Treasury, which*
30 *fund is hereby created.*

31 *SEC. 61. Section 7731.4 is added to the Business and*
32 *Professions Code, to read:*

33 *7731.4. All money paid into the State Treasury and credited*
34 *to the Cemetery and Funeral Fund shall be expended in accordance*
35 *with law for the payment of all actual and necessary expenses*
36 *incurred in carrying out the provisions of this act.*

37 *SEC. 62. Chapter 19 (commencing with Section 9600) of*
38 *Division 3 of the Business and Professions Code is repealed.*

39 *SEC. 63. No reimbursement is required by this act pursuant*
40 *to Section 6 of Article XIII B of the California Constitution because*

1 *the only costs that may be incurred by a local agency or school*
2 *district will be incurred because this act creates a new crime or*
3 *infraction, eliminates a crime or infraction, or changes the penalty*
4 *for a crime or infraction, within the meaning of Section 17556 of*
5 *the Government Code, or changes the definition of a crime within*
6 *the meaning of Section 6 of Article XIII B of the California*
7 *Constitution.*

8 SECTION 1. ~~Section 9613 of the Business and Professions~~
9 ~~Code is amended to read:~~

10 ~~9613. (a) The bureau shall conduct a study to obtain~~
11 ~~information to determine if the endowment care fund levels of~~
12 ~~each licensee's cemetery are sufficient to cover the cost of future~~
13 ~~operation. The bureau shall also review the levels of endowment~~
14 ~~care funds that have previously been reported pursuant to this~~
15 ~~chapter by licensed cemeteries.~~

16 ~~(b) The bureau shall report its findings and recommendations~~
17 ~~to the Senate Committee on Business, Professions and Economic~~
18 ~~Development and the Assembly Committee on Business and~~
19 ~~Professions by November 1, 2018.~~

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

22 SEC. 2. ~~Section 9625 of the Business and Professions Code is~~
23 ~~amended to read:~~

24 ~~9625. (a) There is in the department, the Cemetery and Funeral~~
25 ~~Bureau, under the supervision and control of the director.~~

26 ~~(b) The director may appoint a chief at a salary to be fixed and~~
27 ~~determined by the director, with the approval of the Director of~~
28 ~~Finance. The duty of enforcing and administering this chapter is~~
29 ~~vested in the chief, and he or she is responsible to the director~~
30 ~~therefor. The chief shall serve at the pleasure of the director.~~

31 ~~(c) Notwithstanding any other law, the powers and duties of the~~
32 ~~bureau, as set forth in this chapter, shall be subject to review by~~
33 ~~the appropriate policy committees of the Legislature. The review~~
34 ~~shall be performed as if this chapter were scheduled to be repealed~~
35 ~~on January 1, 2020.~~