

AMENDED IN SENATE AUGUST 27, 2015

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
(Principal coauthor: Senator Hill)

January 26, 2015

An act to amend Sections ~~205~~, 7600, 7602, 7607, ~~7608~~, 7609, 7622.2, 7685.3, 7685.5, ~~7725.2~~, and ~~7727~~ and 7725.2 of, to amend the heading of Chapter 12 (commencing with Section 7600) of Division 3 of, *to amend, repeal, and add Sections 205, 7608, and 7727 of*, to add Sections 7610.1, ~~7700.1~~, 7711.1, 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~~ and 7731.2 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 add and repeal Sections 7730.10, 7731.3, and 7731.4 of*, to repeal Sections 7619.2, 7620, and ~~7261~~ 7621 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 Act. The bill, beginning July 1, 2016, would~~ 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~~ *January 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.

Vote: majority. Appropriation: yes. Fiscal committee: yes.
State-mandated local program: 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.~~
8 ~~(3) Athletic Commission Fund.~~
9 ~~(4) Barbering and Cosmetology Contingent Fund.~~
10 ~~(5) Cemetery and Funeral Fund.~~
11 ~~(6) Contractors' License Fund.~~
12 ~~(7) State Dentistry Fund.~~
13 ~~(8) Guide Dogs for the Blind Fund.~~
14 ~~(9) Home Furnishings and Thermal Insulation Fund.~~
15 ~~(10) California Architects Board Landscape Architects Fund.~~
16 ~~(11) Contingent Fund of the Medical Board of California.~~
17 ~~(12) Optometry Fund.~~
18 ~~(13) Pharmacy Board Contingent Fund.~~
19 ~~(14) Physical Therapy Fund.~~
20 ~~(15) Private Investigator Fund.~~
21 ~~(16) Professional Engineer's and Land Surveyor's Fund.~~
22 ~~(17) Consumer Affairs Fund.~~
23 ~~(18) Behavioral Sciences Fund.~~
24 ~~(19) Licensed Midwifery Fund.~~
25 ~~(20) Court Reporters' Fund.~~
26 ~~(21) Veterinary Medical Board Contingent Fund.~~
27 ~~(22) Vocational Nurses Account of the Vocational Nursing and~~
28 ~~Psychiatric Technicians Fund.~~
29 ~~(23) Electronic and Appliance Repair Fund.~~

~~(24) Geology and Geophysics Account of the Professional Engineer's and Land Surveyor's Fund.~~

~~(25) Dispensing Opticians Fund.~~

~~(26) Acupuncture Fund.~~

~~(27) Physician Assistant Fund.~~

~~(28) Board of Podiatric Medicine Fund.~~

~~(29) Psychology Fund.~~

~~(30) Respiratory Care Fund.~~

~~(31) Speech Language Pathology and Audiology and Hearing Aid Dispensers Fund.~~

~~(32) Board of Registered Nursing Fund.~~

~~(33) Psychiatric Technician Examiners Account of the Vocational Nursing and Psychiatric Technicians Fund.~~

~~(34) Animal Health Technician Examining Committee Fund.~~

~~(35) State Dental Hygiene Fund.~~

~~(36) State Dental Assistant Fund.~~

~~(37) Structural Pest Control Fund.~~

~~(38) Structural Pest Control Eradication and Enforcement Fund.~~

~~(39) Structural Pest Control Research Fund.~~

~~(b) For accounting and recordkeeping purposes, the Professions and Vocations Fund shall be deemed to be a single special fund, and each of the several special funds therein shall constitute and be deemed to be a separate account in the Professions and Vocations Fund. Each account or fund shall be available for expenditure only for the purposes as are now or may hereafter be provided by law.~~

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

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

(1) Accountancy Fund.

(2) California Architects Board Fund.

(3) Athletic Commission Fund.

(4) Barbering and Cosmetology Contingent Fund.

(5) Cemetery Fund.

(6) Contractors' License Fund.

(7) State Dentistry Fund.

(8) State Funeral Directors and Embalmers Fund.

(9) Guide Dogs for the Blind Fund.

- 1 (10) Home Furnishings and Thermal Insulation Fund.
- 2 (11) California Architects Board-Landscape Architects Fund.
- 3 (12) Contingent Fund of the Medical Board of California.
- 4 (13) Optometry Fund.
- 5 (14) Pharmacy Board Contingent Fund.
- 6 (15) Physical Therapy Fund.
- 7 (16) Private Investigator Fund.
- 8 (17) Professional Engineer's and Land Surveyor's Fund.
- 9 (18) Consumer Affairs Fund.
- 10 (19) Behavioral Sciences Fund.
- 11 (20) Licensed Midwifery Fund.
- 12 (21) Court Reporters' Fund.
- 13 (22) Veterinary Medical Board Contingent Fund.
- 14 (23) Vocational Nurses Account of the Vocational Nursing and
- 15 Psychiatric Technicians Fund.
- 16 (24) Electronic and Appliance Repair Fund.
- 17 (25) Geology and Geophysics Account of the Professional
- 18 Engineer's and Land Surveyor's Fund.
- 19 (26) Dispensing Opticians Fund.
- 20 (27) Acupuncture Fund.
- 21 (28) Physician Assistant Fund.
- 22 (29) Board of Podiatric Medicine Fund.
- 23 (30) Psychology Fund.
- 24 (31) Respiratory Care Fund.
- 25 (32) Speech-Language Pathology and Audiology and Hearing
- 26 Aid Dispensers Fund.
- 27 (33) Board of Registered Nursing Fund.
- 28 (34) Psychiatric Technician Examiners Account of the
- 29 Vocational Nursing and Psychiatric Technicians Fund.
- 30 (35) Animal Health Technician Examining Committee Fund.
- 31 (36) State Dental Hygiene Fund.
- 32 (37) State Dental Assistant Fund.
- 33 (38) Structural Pest Control Fund.
- 34 (39) Structural Pest Control Eradication and Enforcement Fund.
- 35 (40) Structural Pest Control Research Fund.
- 36 (b) For accounting and recordkeeping purposes, the Professions
- 37 and Vocations Fund shall be deemed to be a single special fund,
- 38 and each of the several special funds therein shall constitute and
- 39 be deemed to be a separate account in the Professions and
- 40 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 (c) *This section shall remain in effect only until July 1, 2016,*
4 *and as of that date is repealed, unless a later enacted statute, that*
5 *is enacted before July 1, 2016, deletes or extends that date.*

6 SEC. 2. *Section 205 is added to the Business and Professions*
7 *Code, to read:*

8 205. (a) *There is in the State Treasury the Professions and*
9 *Vocations Fund. The fund shall consist of the following special*
10 *funds:*

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

1 (29) *Psychology Fund.*
2 (30) *Respiratory Care Fund.*
3 (31) *Speech-Language Pathology and Audiology and Hearing*
4 *Aid Dispensers Fund.*
5 (32) *Board of Registered Nursing Fund.*
6 (33) *Psychiatric Technician Examiners Account of the*
7 *Vocational Nursing and Psychiatric Technicians Fund.*
8 (34) *Animal Health Technician Examining Committee Fund.*
9 (35) *State Dental Hygiene Fund.*
10 (36) *State Dental Assistant Fund.*
11 (37) *Structural Pest Control Fund.*
12 (38) *Structural Pest Control Eradication and Enforcement Fund.*
13 (39) *Structural Pest Control Research Fund.*
14 (b) *For accounting and recordkeeping purposes, the Professions*
15 *and Vocations Fund shall be deemed to be a single special fund,*
16 *and each of the several special funds therein shall constitute and*
17 *be deemed to be a separate account in the Professions and*
18 *Vocations Fund. Each account or fund shall be available for*
19 *expenditure only for the purposes as are now or may hereafter be*
20 *provided by law.*

21 (c) *This section shall become operative on July 1, 2016.*

22 ~~SEC. 2.~~

23 SEC. 3. The heading of Chapter 12 (commencing with Section
24 7600) of Division 3 of the Business and Professions Code is
25 amended to read:

26
27 CHAPTER 12. CEMETERY AND FUNERAL ACT

28
29 ~~SEC. 3.~~

30 SEC. 4. Section 7600 of the Business and Professions Code is
31 amended to read:

32 7600. This chapter of the Business and Professions Code
33 constitutes the chapter on cemetery and funeral law. It may be
34 cited as the Cemetery and Funeral Act.

35 ~~SEC. 4.~~

36 SEC. 5. Section 7602 of the Business and Professions Code is
37 amended to read:

38 7602. (a) (1) There is in the department the Cemetery and
39 Funeral Bureau, under the supervision and control of the director.

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

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

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

~~SEC. 5.~~

~~SEC. 6.~~ Section 7606 of the Business and Professions Code is repealed.

~~SEC. 6.~~

~~SEC. 7.~~ Section 7606 is added to the Business and Professions Code, to read:

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

~~SEC. 7.~~

~~SEC. 8.~~ Section 7607 of the Business and Professions Code is amended to read:

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

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

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

1 ~~With the approval of the Director of Finance, and, subject to the~~
2 ~~provisions of Section 159.5, the bureau shall employ investigators~~
3 ~~and attorneys to assist the bureau in prosecuting violations of this~~
4 ~~chapter, whose compensation and expenses shall be payable from~~
5 ~~the Cemetery and Funeral Fund.~~

6 *SEC. 9. Section 7608 of the Business and Professions Code is*
7 *amended to read:*

8 7608. (a) The Director of Consumer Affairs may employ and
9 appoint all employees necessary to properly administer the work
10 of the bureau, in accordance with civil service regulations.

11 With the approval of the Director of Finance, and, subject to the
12 provisions of Section 159.5, the bureau shall employ investigators
13 and attorneys to assist the bureau in prosecuting violations of this
14 chapter *relating to funeral directors and embalmers*, whose
15 compensation and expenses shall be payable only out of the State
16 Funeral Directors and Embalmers Fund.

17 (b) *This section shall remain in effect only until July 1, 2016,*
18 *and as of that date is repealed, unless a later enacted statute, that*
19 *is enacted before July 1, 2016, deletes or extends that date.*

20 *SEC. 10. Section 7608 is added to the Business and Professions*
21 *Code, to read:*

22 7608. (a) The Director of Consumer Affairs may employ and
23 appoint all employees necessary to properly administer the work
24 of the bureau, in accordance with civil service regulations.

25 With the approval of the Director of Finance, and, subject to
26 the provisions of Section 159.5, the bureau shall employ
27 investigators and attorneys to assist the bureau in prosecuting
28 violations of this chapter, whose compensation and expenses shall
29 be payable only out of the Cemetery and Funeral Fund.

30 (b) *This section shall become operative on July 1, 2016.*

31 ~~SEC. 9.~~

32 *SEC. 11. Section 7609 of the Business and Professions Code*
33 *is amended to read:*

34 7609. This chapter does not apply to, or in any way interfere
35 with, the duties of any officer of any public institution or of any
36 duly accredited medical college, nor does it apply to any hospital
37 licensed pursuant to Chapter 2 (commencing with Section 1250)
38 of Division 2 of the Health and Safety Code, or anyone engaged
39 only in the furnishing of burial receptacles.

1 ~~SEC. 10.~~

2 *SEC. 12.* Section 7610.1 is added to the Business and
3 Professions Code, to read:

4 7610.1. In the enforcement of this act and the laws subject to
5 its jurisdiction, the bureau has all the powers and is subject to all
6 the responsibilities vested in and imposed upon the head of a
7 department under Chapter 2 (commencing with Section 11150) of
8 Part 1 of Division 3 of Title 2 of the Government Code.

9 ~~SEC. 11.~~

10 *SEC. 13.* Article 1.5 (commencing with Section 7611) is added
11 to Chapter 12 of Division 3 of the Business and Professions Code,
12 to read:

13

14 Article 1.5. Definitions and Regulation of Cemeteries

15

16 7611. The definitions in this article govern the meaning of
17 terms used in the act except as otherwise provided expressly or by
18 necessary implication.

19 7611.1. “Act” means the Cemetery and Funeral Bureau Act.

20 7611.2. A “cemetery broker” is a person who, other than in
21 reference to an occasional sale, sells or offers for sale, buys, or
22 offers to buy, lists, leases or offers to lease, or solicits, or negotiates
23 the purchase or sale, lease, or exchange of cemetery property or
24 interment services, or interest therein, for his or her own account
25 or for another.

26 7611.3. A “cemetery salesperson” is a natural person who,
27 other than in reference to an occasional sale, is employed by a
28 cemetery broker to sell, or offer for sale, list or offer to list, or to
29 buy, or to offer to buy, or to lease, or offer to lease, or to solicit,
30 or to negotiate the purchase or sale or lease or exchange of
31 cemetery property or interment services, or any interest therein,
32 for his or her own account or for another.

33 7611.4. (a) A “cemetery manager” is a person engaged in or
34 conducting, or holding himself or herself out as engaged in those
35 activities involved in, or incidental to, the maintaining, operating,
36 or improving a cemetery licensed under this chapter, the interring
37 of human remains, and the care, preservation, and embellishment
38 of cemetery property.

39 (b) For persons licensed pursuant to Section 7637.1, a “cemetery
40 manager” is a person engaged in or conducting, or holding himself

1 or herself out as engaged in those activities involved in, or
2 incidental to, the following:

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

5 (2) The interment of human remains.

6 (3) The care, preservation, and embellishment of cemetery
7 property.

8 (4) Activities described in Section 7637.2.

9 7611.5. A “crematory manager” is a person engaged in or
10 conducting, or holding himself or herself out as engaged in those
11 activities involved in, or incidental to, the maintaining or operating
12 of a crematory licensed under this chapter, and the cremation of
13 human remains.

14 7611.6. The definitions in Chapter 1 (commencing with Section
15 7000) of Part 1 of Division 7 of the Health and Safety Code are
16 applicable to this act.

17 7611.7. “Cemetery licensee” means any cemetery broker,
18 cemetery salesperson, or cemetery manager.

19 7611.8. “Crematory licensee” shall mean a corporation,
20 partnership, or natural person licensed pursuant to Article 6.5
21 (commencing with Section 7712) and shall mean a cemetery
22 licensee for purposes of disciplinary action under Article 6
23 (commencing with Section 7686).

24 7611.9. A “cremated remains disposer” is a person who, for
25 his or her own account or for another, disposes of, or offers to
26 dispose of, cremated human remains by scattering over or on land
27 or sea.

28 7611.10. “Endowment care” or “endowed care” shall include
29 both general and special care funds.

30 7612. An “occasional sale” is a sale of cemetery property not
31 acquired or held for purposes of resale or speculation, provided
32 such sale is not one of a series of sales sufficient in number, scope,
33 and character to constitute engaging in the business of selling or
34 reselling or holding for speculation cemetery property.

35 7612.1. “Public cemetery” means a cemetery owned and
36 operated by a city, county, city and county, or public cemetery
37 district.

38 7612.2. This act does not apply to any of the following:

39 (a) A religious corporation, church, religious society or
40 denomination, a corporation sole administering temporalities of

1 any church or religious society or denomination, or any cemetery
2 organized, controlled, and operated by any of them.

3 (b) A public cemetery.

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

14 7612.3. The bureau shall disclose on its Internet Web site,
15 information about each cemetery subject to the jurisdiction of the
16 bureau. In addition to the information required by Section 27, the
17 bureau shall disclose the name of the owner of each cemetery, the
18 name of the cemetery, the business address of the cemetery owner,
19 and the physical address of the cemetery.

20 7612.4. (a) Notwithstanding Section 8115 of the Health and
21 Safety Code, in order to protect consumers, the bureau shall adopt
22 regulations that establish minimum standards of maintenance for
23 endowment care cemeteries under the jurisdiction of the bureau.
24 The regulations shall consider differences in cemetery size,
25 location, topography, and type of interments. The regulations shall
26 also consider the extent to which funds are available from the
27 cemetery's endowment care funds to perform maintenance.

28 (b) The standards established pursuant to this section shall not
29 supersede any standards of a higher level of care established
30 pursuant to Section 8115 of the Health and Safety Code.

31 7612.5. (a) (1) Any person who holds or has held, or was
32 named on, any license or registration under the jurisdiction of the
33 bureau that has been, within the immediately preceding 10 years,
34 revoked, suspended, placed on probation, or surrendered under a
35 stipulated decision, and who is employed by, or who seeks
36 employment with, a licensed cemetery, a licensed crematory, or a
37 licensed cemetery broker in any capacity, shall inform the licensed
38 cemetery manager, the licensed crematory manager, or the licensed
39 cemetery broker of that revocation, suspension, probation, or
40 surrender.

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

5 (b) The cemetery manager, crematory manager, or cemetery
6 broker who is informed pursuant to subdivision (a) shall notify the
7 bureau by submitting the form within 30 days of being so informed.
8 Failure of the cemetery manager, crematory manager, or cemetery
9 broker to notify the bureau shall be a cause for a warning. A
10 cemetery manager, crematory manager, or cemetery broker shall
11 not be subject to a warning if his or her failure to notify the bureau
12 is due to a false statement made by an employee.

13 (c) Any person required to notify the cemetery manager,
14 crematory manager, or cemetery broker under subdivision (a) who
15 fails to do so or who makes a false statement on the required form
16 shall be subject to disciplinary action if that person is a licensee
17 of the bureau, or that failure or false statement shall be cause for
18 denial of a license under Section 480.

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

24 7612.6. (a) Each cemetery authority shall file with the bureau
25 annually, on or before June 1, or within five months after close of
26 their fiscal year provided approval has been granted by the bureau
27 as provided for in Section 7612.7, a written report in a form
28 prescribed by the bureau setting forth the following:

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

32 (2) The amount collected and deposited in both the general and
33 special endowment care funds segregated as to the amounts for
34 crypts, niches, and grave space by specific periods as set forth
35 either on the accrual or cash basis at the option of the cemetery
36 authority.

37 (3) A statement showing separately the total amount of the
38 general and special endowment care funds invested in each of the
39 investments authorized by law and the amount of cash on hand

1 not invested, which statement shall actually show the financial
2 condition of the funds.

3 (4) A statement showing separately the location, description,
4 and character of the investments in which the special endowment
5 care funds are invested. The statement shall show the valuations
6 of any securities held in the endowment care fund as valued
7 pursuant to Section 7614.7.

8 (5) A statement showing the transactions entered into between
9 the corporation or any officer, employee, or stockholder thereof
10 and the trustees of the endowment care funds with respect to those
11 endowment care funds. The statement shall show the dates,
12 amounts of the transactions, and shall contain a statement of the
13 reasons for those transactions.

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

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

27 7612.7. Each cemetery authority requesting a change of filing
28 date of the endowment care fund report from a calendar year to a
29 fiscal year or a change in fiscal year shall file a petition with the
30 bureau prior to the close of the year of request. The bureau may
31 approve such petition provided that no report shall be for a period
32 of more than 12 months.

33 7612.8. The report shall state the name of the trustee or trustees
34 of the endowment care fund. Any change of trustee shall be
35 reported to the bureau within a period of 30 days after the change
36 is made.

37 7612.9. A copy of each annual audit report shall be transmitted
38 to the bureau and shall be a public record. It shall also be open for
39 public inspection at the offices of the cemetery authority during
40 normal business hours. If the cemetery authority does not maintain

1 offices in the county in which its cemetery is located, it shall file
2 a copy of the annual audit report with the county clerk of the
3 county, which shall be subject to public inspection.

4 7612.10. (a) Any cemetery authority that does not file its report
5 within the time prescribed by Section 7612.6 may be assessed a
6 fine by the bureau in an amount not to exceed four hundred dollars
7 (\$400) per month for a maximum of five months. The amount of
8 the fine shall be established by regulation in accordance with the
9 Administrative Procedure Act (Chapter 3.5 (commencing with
10 Section 11340) of Part 1 of Division 3 of Title 2 of the Government
11 Code). Failure to pay the fine within 15 days after receipt of written
12 notification of the assessment or, where a timely request for waiver
13 or reduction of the fine has been filed, within 15 days after receipt
14 of written notification of the bureau's decision in the matter, shall
15 be cause for disciplinary action.

16 (b) A cemetery authority may request waiver or reduction of a
17 fine by making a written request therefor. The request shall be
18 postmarked within the time specified above for payment of the
19 fine and shall be accompanied by a statement showing good cause
20 for the request.

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

25 7612.11. (a) The bureau shall conduct a study to obtain
26 information to determine if the endowment care fund levels of
27 each licensee's cemetery are sufficient to cover the cost of future
28 maintenance. The bureau shall also review the levels of endowment
29 care funds that have previously been reported pursuant to this
30 chapter by licensed cemeteries.

31 (b) The bureau shall report its findings and recommendations
32 to the ~~Senate Committee on Business, Professions and Economic~~
33 ~~Development and the Assembly Committee on Business and~~
34 ~~Profession by November 1, 2018~~ *appropriate policy committees*
35 *of the Legislature by January 1, 2018.*

36 7613. The bureau shall examine the reports filed with it as to
37 their compliance with the requirements of the Health and Safety
38 Code as to the amount of endowment care funds collected and as
39 to the manner of investment of those funds.

1 7613.1. The bureau shall examine the endowment care funds
2 of a cemetery authority:

3 (a) Whenever it deems necessary and at least once every five
4 years.

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

7 (c) Whenever the accountant or auditor qualifies his or her
8 certification of the report that is prepared and signed by a certified
9 public accountant licensed in the state and prepared in accordance
10 with Section 7612.6.

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

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

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

24 7613.2. *(a) If any cemetery authority refuses to pay such*
25 *expenses, the bureau shall refuse it a certificate of authority and*
26 *shall revoke any existing certificate of authority. All examination*
27 *expense moneys collected by the bureau shall be paid into the State*
28 *Treasury to the credit of the Cemetery Fund.*

29 ***(b) This section shall remain in effect only until July 1, 2016,***
30 ***and as of that date is repealed, unless a later enacted statute, that***
31 ***is enacted before July 1, 2016, deletes or extends that date.***

32 7613.2. (a) If any cemetery authority refuses to pay such
33 expenses, the bureau shall refuse it a certificate of authority and
34 shall revoke any existing certificate of authority. All examination
35 expense moneys collected by the bureau shall be paid into the State
36 Treasury to the credit of the Cemetery and Funeral Fund.

37 ***(b) This section shall become operative on July 1, 2016.***

38 7613.3. (a) In making the examination, the bureau:

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

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

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

8 (b) Upon request by the bureau, a cemetery authority shall
9 provide records to substantiate the expenditures of the income of
10 the trust funds. If a cemetery authority fails to reasonably comply
11 with this request, the bureau may have access to books, records,
12 and accounts of a cemetery authority for purposes of ascertaining
13 compliance with applicable laws.

14 7613.4. (a) Subject to subdivision (b), a limited liability
15 company certificated as a cemetery authority pursuant to Section
16 7018 of the Health and Safety Code may provide services of
17 licensed cemetery brokers, cemetery salespersons, cemetery
18 managers, funeral directors, embalmers, crematorium licensees,
19 and any other person licensed under this code to provide services
20 relating to cemeteries and funerals by employing one or more of
21 these licensed persons.

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

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

1 policy or policies may be issued on a claims-made or occurrence
2 basis, and shall cover:

3 (i) In the case of a claims-made policy, claims initially asserted
4 in the designated period.

5 (ii) In the case of an occurrence policy, occurrences during the
6 designated period.

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

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

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

28 (2) Maintaining in trust or bank escrow, cash, bank certificates
29 of deposit, United States Treasury obligations, bank letters of
30 credit, or bonds of insurance or surety companies as security for
31 payment of liabilities imposed by law for damages arising out of
32 all claims. However, the maximum amount of security for a limited
33 liability company that employs five or fewer licensed persons shall
34 not be less than one million dollars (\$1,000,000), and for a limited
35 liability company that employs more than five licensees rendering
36 professional services on behalf of the company, an additional one
37 hundred thousand dollars (\$100,000) of security shall be obtained
38 for each additional licensee except that the maximum amount of
39 security is not required to exceed five million dollars (\$5,000,000).
40 The limited liability company remains in compliance with this

1 section during a calendar year notwithstanding amounts paid during
2 that calendar year from the accounts, funds, Treasury obligations,
3 letters of credit, or bonds in defending, settling, or discharging
4 claims of the type described in this paragraph, provided that the
5 amount of those accounts, funds, Treasury obligations, letters of
6 credit, or bonds was at least the amount specified in the preceding
7 sentence as of the first business day of that calendar year.
8 Notwithstanding the pendency of other claims against the limited
9 liability company, it shall be deemed to be in compliance with this
10 paragraph as to a claim if within 30 days after the time that a claim
11 is initially asserted through service of a summons, complaint, or
12 comparable pleading in a judicial or administrative proceeding,
13 the limited liability company has provided the required amount of
14 security by designating and segregating funds in compliance with
15 the requirements of this paragraph.

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

36 (4) Confirming, pursuant to the procedure in subdivision (c) of
37 Section 16956 of the Corporations Code, that, as of the most
38 recently completed fiscal year of the limited liability company, it
39 had a net worth equal to or exceeding ten million dollars
40 (\$10,000,000). The limited liability company shall transmit

1 evidence of this paragraph to the bureau in a form similar to the
2 form submitted by a limited liability partnership providing
3 alternative security provisions pursuant to subdivision (c) of
4 Section 16956 of the Corporations Code.

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

8 (2) For purposes of compliance with this section, the provisions
9 of subdivision (d) of Section 16956 of the Corporations Code shall
10 apply to a limited liability company certificated as a cemetery
11 authority.

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

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

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

1 7613.6. The bureau may administer oaths and examine under
2 oath any person relative to the endowment care fund. The
3 examination shall be conducted in the principal office of the person
4 or body in charge of the endowment care fund and shall be private.

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

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

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

33 (a) That the cemetery authority has refused to submit its books,
34 papers, accounts, or affairs to the reasonable examination of the
35 bureau.

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

39 (c) That the cemetery authority is found, after an examination,
40 to be in such condition that its further management of its

1 endowment care funds will be hazardous to its members,
2 plotters, or to the public.

3 (d) That the cemetery authority has violated its articles of
4 incorporation or any law of the state.

5 (e) That any officer, director, agent, ~~servant~~ *servant*, or employee
6 of the cemetery authority person refuses to be examined under
7 oath relative to the endowment care funds thereof.

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

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

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

33 7614. If any city, county, or city and county exercises its
34 authority to address public health, safety, or welfare issues in
35 connection with a cemetery within its jurisdiction and if the
36 certificate of authority of the cemetery has been revoked or
37 suspended or has not been renewed, and the bureau holds the
38 endowment care fund of the certificate of authority under applicable
39 provisions of this code, the costs of any action that constitutes
40 care, maintenance, or embellishment of the cemetery within the

1 meaning of Section 8726 of the Health and Safety Code shall be
2 eligible for reimbursement from available income from any
3 endowment care fund in existence for the cemetery. For purposes
4 of this section, local jurisdiction action may be based on charter,
5 ordinance, or inherent police powers. Any claim for money or
6 damages for an act or omission by the local jurisdiction acting in
7 accord with this section shall be subject to all otherwise applicable
8 immunities contained in Division 3.6 (commencing with Section
9 810) of Title 1 of the Government Code.

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

16 7614.2. Immediately after effecting a seizure pursuant to
17 Section 7613.10, the bureau shall institute a proceeding as provided
18 for in Section 7613.9.

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

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

1 7614.5. The bureau is authorized to bring action to enforce the
2 provisions of the law subject to its jurisdiction, in which actions
3 it shall be represented by the Attorney General.

4 7614.6. The bureau shall enforce and administer Part 1
5 (commencing with Section 8100), Part 3 (commencing with Section
6 8250), and Part 5 (commencing with Section 9501) of Division 8
7 of the Health and Safety Code.

8 7614.7. In any report to the bureau, all bonds, debentures, or
9 other evidences of debt held by a cemetery corporation if amply
10 secured and if not in default as to principal or interest may be
11 valued as follows:

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

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

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

20 7614.8. Any security or other evidence of debt if in default as
21 to principal or interest or if not amply secured shall not be valued
22 as an asset of the endowment care fund above its market value.

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

36 ~~SEC. 12.~~

37 *SEC. 14.* Section 7619.2 of the Business and Professions Code
38 is repealed.

~~SEC. 13.~~

SEC. 15. Section 7620 of the Business and Professions Code is repealed.

~~SEC. 14.~~

SEC. 16. Section 7621 of the Business and Professions Code is repealed.

~~SEC. 15.~~

SEC. 17. Section 7622.2 of the Business and Professions Code is amended to read:

7622.2. A person shall not open or maintain a place or establishment at which to engage in or conduct, or hold himself, herself, or itself out as engaging in or conducting, the activities of a funeral director without a license.

~~SEC. 16.~~

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

Article 2.5. Cemetery Brokerage Regulations

7637. This article does not apply to the following cases or to the following persons:

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

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

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

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

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

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

7637.1. A person shall not engage in the business of, act in the capacity of, or advertise or assume to act as, a cemetery broker or

1 cemetery salesperson in this state without first obtaining a license
2 from the bureau.

3 7637.2. Any act other than an occasional sale of buying or
4 selling, leasing, or exchanging cemetery property or interment
5 services of or for another or on his or her own account, or offering
6 for another or for his or her own account to buy or sell, lease, or
7 exchange cemetery property or interment services, or negotiating
8 the purchase or sale, lease, or exchange of cemetery property or
9 interment services, or negotiating the purchase or sale, lease, or
10 exchange, or listing or soliciting, or negotiating a loan on or leasing
11 of cemetery property or interment services constitutes the person
12 making such offer, sale or purchase, lease, or exchange, or
13 negotiating the loan, or listing or soliciting, a cemetery broker or
14 cemetery salesperson.

15 7637.3. A person engaged in the business or acting in the
16 capacity of a *cemetery* broker or a *cemetery* salesperson within
17 this state shall not bring or maintain any action in the courts of
18 this state for the collection of compensation for the performance
19 of any of the acts mentioned in this article without alleging and
20 proving that he or she was a duly licensed cemetery broker or
21 cemetery salesperson at the time the alleged cause of action arose.

22 7637.4. (a) A cemetery broker shall not employ or compensate,
23 directly or indirectly, any person for performing any of the acts
24 within the scope of this article who is not a licensed cemetery
25 broker, or a cemetery salesperson licensed under the cemetery
26 broker employing or compensating him or her. A cemetery
27 salesperson shall not be employed by or accept compensation from
28 any person other than the cemetery broker under whom he or she
29 is at the time licensed.

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

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

38 7637.5. (a) It is a misdemeanor, punishable by a fine not
39 exceeding one hundred dollars (\$100) for each offense, for any
40 person, whether obligor, escrowholder, or otherwise, to pay or

1 deliver to anyone a compensation for performing any of the acts
2 within the scope of this article who is not known to be or who does
3 not present evidence to such payer that he or she is a licensed
4 cemetery broker at the time compensation is earned.

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

9 7637.6. Any person acting as a cemetery broker or cemetery
10 salesperson without a license, or who advertises so as to indicate
11 he or she is a cemetery broker without being so licensed, is guilty
12 of a misdemeanor. If that person is a corporation, it shall be
13 punished by a fine of not to exceed five thousand dollars (\$5,000).

14 7637.7. (a) Any cemetery salesperson or cemetery broker who
15 sells, causes to be sold, or offers for sale any cemetery property
16 upon the promise, guarantee, or representation to the purchaser
17 that the same may be resold or repurchased at a financial profit is
18 guilty of a misdemeanor.

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

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

29 7637.8. Every officer, agent, or employee of any company,
30 and every other person who knowingly authorizes, directs, or aids
31 in the publication, advertisement, distribution, or ~~circularization~~
32 *circulation* of any false statement or representation concerning
33 any cemetery or cemetery brokerage business and every person
34 who, with knowledge that any advertisement, pamphlet, prospectus,
35 or letter concerning any cemetery brokerage business or any written
36 statement that is false or fraudulent, issues, circulates, publishes,
37 or distributes the same, or causes it to be issued, circulated,
38 published, or distributed, or who in any other respect willfully
39 violates or fails, omits, or neglects to obey, observe, or comply
40 with any order, permit, decision, demand, or requirement of the

bureau under the provisions of this act relating to cemetery brokerage, is guilty of a misdemeanor, and, if a cemetery licensee, he or she shall be held to trial by the bureau for a suspension or revocation of ~~this~~ *his or her* cemetery license, as provided in the provisions of this act relating to disciplinary proceedings.

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

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

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

~~SEC. 17.~~

SEC. 19. Article 3.5 (commencing with Section 7651) is added to Chapter 12 of Division 3 of the Business and Professions Code, to read:

Article 3.5. Licenses and Certificates of Authority

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

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

7651.2. The bureau shall not grant an original cemetery broker's license to any person who has not held a cemetery salesperson's license for at least two years prior to the date of his or her application for the broker's license, and during that time was not actively engaged in the business of a cemetery salesperson except that if an applicant for a cemetery broker's license having

1 at least the equivalent of two years' general cemetery experience
2 files a written petition with the bureau setting forth his or her
3 qualifications and experience and the bureau approves, he or she
4 may be issued a cemetery broker's license immediately upon
5 passing the appropriate examinations and satisfying the other
6 requirements of this article.

7 7651.3. Application for license as a cemetery salesperson shall
8 be made in writing on the form prescribed by the bureau and filed
9 at the principal office of the bureau. The application shall be signed
10 by the applicant, and shall be accompanied by the cemetery
11 salesperson's license fee.

12 7651.4. Notwithstanding any other provision of this chapter,
13 Section 7651.7 does not apply to an applicant for a cemetery
14 salesperson's license.

15 7651.5. The bureau shall investigate the qualifications of the
16 applicants. Except as otherwise prescribed in this article, it may
17 issue the license applied for to an applicant on a showing
18 satisfactory to it that the following facts exist:

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

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

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

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

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

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

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

34 7651.6. All cemetery brokers who do not possess a certificate
35 of authority shall, in addition to the requirements of this chapter,
36 file with the bureau a satisfactory bond to the people of the State
37 of California, duly executed by a sufficient surety or sureties to
38 be approved by the bureau, in the amount of ten thousand dollars
39 (\$10,000). That bond shall be conditioned for the honest and
40 faithful performance by such broker and his or her salespersons

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

17 7651.7. The bureau shall ascertain by written examination that
18 the applicant, and, in case of a copartnership or corporation
19 applicant for a cemetery broker's license, that each officer, ~~agent~~
20 *agent*, or member thereof through whom it proposes to act as a
21 cemetery licensee has:

22 (a) Appropriate knowledge of the English language, including
23 reading, ~~writing~~ *writing*, and spelling, and of elementary arithmetic.

24 (b) A fair understanding of:

25 (1) Cemetery associations, cemetery corporations, and duties
26 of directors.

27 (2) Plot ownership, deeds, certificates of ownership, contracts
28 of sale, liens, and leases.

29 (3) Establishing, dedicating, maintaining, managing, operating,
30 improving, and conducting a cemetery.

31 (4) The care, preservation, and embellishment of cemetery
32 property.

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

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

39 7651.8. The bureau may, in its discretion, waive the
40 examination of any applicant for a cemetery broker's license who

1 held an unrevoked or unsuspended cemetery license on June 30
2 of the preceding fiscal year as an individual broker, an officer of
3 a corporation, or member of a copartnership.

4 7651.9. An application on the form prescribed by the bureau
5 for the renewal of any unrevoked and unsuspended license filed
6 before midnight of June 30 of the year for which such unrevoked
7 and unsuspended license was issued, accompanied by the
8 applicable renewal fee, entitles the applicant to continue operating
9 under his or her existing license after its usual expiration date, if
10 not previously suspended or revoked, and until such date as he or
11 she is notified in writing that the application has been granted or
12 denied.

13 7651.10. A cemetery license does not give authority to do any
14 act specified in this act to any person other than the person to whom
15 the license is issued.

16 7652. When a cemetery brokerage license is issued to a
17 cemetery brokerage corporation, if it desires any of its officers
18 other than the officer through whom it is already licensed to act
19 under its license as a cemetery broker, it shall procure an additional
20 license for each such officer. When a cemetery brokerage license
21 is granted to cemetery brokerage copartnership, if it desires any
22 of its members other than the one through whom it is already
23 licensed to act as a cemetery broker, it shall procure an additional
24 license for each such member.

25 7652.1. Each officer of a corporation through whom it is
26 licensed to act as a cemetery broker, and each member of a
27 copartnership through whom it is licensed to act as a cemetery
28 broker, is, while so employed under such license, a licensed
29 cemetery broker, but licensed only to act as such for and on behalf
30 of the corporation or the copartnership, as officer or member,
31 respectively.

32 7652.2. The cemetery licenses of both broker and salesperson
33 shall be prominently displayed in the office of the broker.

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

37 7652.3. Immediately upon the salesperson's withdrawal from
38 the employ of the broker, the broker shall return the salesperson's
39 license to the bureau for cancellation. A license canceled but not
40 suspended or revoked may be reinstated within the fiscal year upon

1 receipt of application therefor and the fee for the reinstatement of
2 the license.

3 7652.4. (a) Every licensed cemetery broker shall have and
4 maintain a definite place of business in this state which shall serve
5 as his or her office for the transaction of business.

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

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

13 7652.5. (a) If the applicant for a cemetery broker's license
14 maintains more than one place of business within the state, he or
15 she shall apply for and procure an additional license for each branch
16 office so maintained. Every such application shall state the name
17 of the person and the location of the place of business for which
18 such license is desired.

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

22 7652.6. Each cemetery broker shall erect and maintain a sign
23 in a conspicuous place on the premises to indicate that he or she
24 is a licensed cemetery broker and his or her name shall be clearly
25 shown thereon. The size and place of the sign shall conform to
26 regulations that may be adopted by the bureau.

27 7652.7. For a violation of any of the provisions of Sections
28 7652.2, 7652.3, 7652.4, and 7652.6, the bureau may temporarily
29 suspend or permanently revoke the license of the cemetery licensee
30 in accordance with the provisions of this act relating to disciplinary
31 proceedings.

32 7652.8. Application for a certificate of authority shall be made
33 in writing on the form prescribed by the bureau and filed at the
34 principal office of the bureau. The application shall be accompanied
35 by the fee provided for in this act and shall show that the cemetery
36 authority owns or is actively operating a cemetery in this state
37 which is subject to the provisions of the act or that the applicant
38 is in a position to commence operating a cemetery.

39 7652.9. Each cemetery for which a certificate of authority is
40 required shall be operated under the supervision of a manager who

1 is qualified in accordance with the regulations adopted by the
2 bureau. Each cemetery manager shall be required to successfully
3 pass a written examination evidencing an understanding of the
4 applicable provisions of this code and of the Health and Safety
5 Code. A person shall not engage in the business of, act in the
6 capacity of, or advertise or assume to act as, a cemetery manager
7 without first obtaining a license from the bureau.

8 7652.10. The bureau may require such proof as it deems
9 advisable concerning the compliance by such applicant to all the
10 laws, rules, regulations, ordinances and orders applicable.

11 7653. (a) *The bureau shall adopt, and may from time to time*
12 *amend, rules and regulations prescribing standards of knowledge*
13 *and experience and financial responsibility for applicants for*
14 *certificates of authority. In reviewing an application for a*
15 *certificate of authority, the bureau may consider acts of*
16 *incorporators, officers, directors, and stockholders of the applicant,*
17 *which shall constitute grounds for the denial of a certificate of*
18 *authority under Division 1.5 (commencing with Section 475).*

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

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

33 (d) *This section shall remain in effect only until July 1, 2016,*
34 *and as of that date is repealed, unless a later enacted statute, that*
35 *is enacted before July 1, 2016, deletes or extends that date.*

36 7653. (a) The bureau shall adopt, and may from time to time
37 amend, rules and regulations prescribing standards of knowledge
38 and experience and financial responsibility for applicants for
39 certificates of authority. In reviewing an application for a certificate
40 of authority, the bureau may consider acts of incorporators, officers,

1 directors, and stockholders of the applicant, which shall constitute
2 grounds for the denial of a certificate of authority under Division
3 1.5 (commencing with Section 475).

4 (b) Upon receipt of an application for a certificate of authority,
5 the bureau may cause an investigation to be made of the physical
6 status, plans, ~~specifications~~ *specifications*, and financing of the
7 proposed cemetery, and any other qualifications required of the
8 applicant under this act, and for this purpose may subpoena
9 witnesses, administer oaths, and take testimony.

10 (c) At the time of the filing of the application required by this
11 section, the applicant shall pay to the Cemetery and Funeral Fund
12 the sum fixed by the bureau at not in excess of four hundred dollars
13 (\$400) to defray the expenses of investigation. In the event the
14 sum shall be insufficient to defray all of the expenses, the applicant
15 shall, within five days after request, deposit an additional sum
16 sufficient to defray those expenses, provided that the total sum
17 shall not exceed ~~the sum of~~ nine hundred dollars (\$900).

18 (d) *This section shall become operative on July 1, 2016.*

19 7653.1. (a) The bureau may, in accordance with its rules and
20 regulations, authorize interments in cemeteries for which there is
21 no currently valid certificate of authority outstanding if the bureau
22 finds that rights to interment therein will otherwise be impaired.
23 However, nothing in this section authorizes sales of lots, vaults,
24 or niches by cemeteries for which there is no currently valid
25 certificate of authority. Interments permitted under this section
26 shall be conducted by persons authorized by the bureau in
27 accordance with its regulations, and Section 7731.2 shall not be
28 applicable to such interments.

29 (b) The bureau or its representative shall be entitled to inspect
30 and copy any cemetery records necessary to the performance of
31 interments under this section, and any person having custody of
32 those records shall permit inspection and copying thereof for that
33 purpose. The bureau may apply to the superior court for the county
34 in which the cemetery is located for an order temporarily
35 transferring custody of cemetery records to it for purposes of this
36 section.

37 7653.2. The bureau shall inspect the books, records, and
38 premises of any crematory licensed under this chapter. In making
39 those inspections, the bureau shall have access to all books and
40 records, the crematory building, the cremation chambers or

1 furnaces, and the storage areas for human remains before and after
2 cremation, during regular office hours or the hours the crematory
3 is in operation. No prior notification of the inspection is required
4 to be given to the crematory licensee. If any crematory licensee
5 fails to allow that inspection or any part thereof, it shall be grounds
6 for the suspension or revocation of a license or other disciplinary
7 action against the licensee. All proceedings under this section shall
8 be conducted in accordance with the provisions of this chapter
9 relating to disciplinary proceedings.

10 7653.3. The bureau shall annually conduct a minimum of one
11 unannounced inspection of each licensed crematory.

12 7653.4. The bureau shall inspect the books, records, and
13 premises of any cemetery where a certificate of authority is
14 required under this chapter. In making the inspections, the bureau
15 shall have access to all books and records, buildings, mausoleums,
16 columbariums, storage areas, including storage areas for human
17 remains, during regular office hours or the hours the cemetery is
18 in operation. No prior notification of the inspection is required to
19 be given to the holder of the certificate of authority. If any
20 certificate holder fails to allow the inspection or any part thereof,
21 disciplinary ~~action~~ *action*, including, but not limited to, revocation
22 or suspension may be taken against the certificate of authority. All
23 disciplinary proceedings shall be conducted in accordance with
24 this chapter.

25 7653.5. The bureau shall annually conduct a minimum of one
26 unannounced inspection of each cemetery for which a certificate
27 of authority is required.

28 7653.6. A cemetery licensed under this chapter shall at all times
29 employ a licensed cemetery manager to manage, supervise, and
30 direct its operations. Notwithstanding any other provision of this
31 chapter, licensed cemeteries within close geographical proximity
32 of each other may request the bureau to allow a licensed cemetery
33 manager to manage, supervise, and direct the business or profession
34 of more than one facility.

35 (a) Every cemetery shall designate a licensed cemetery manager
36 to manage the cemetery, and shall report the designation to the
37 bureau within 10 days of the effective date. Any change in the
38 designated manager shall be reported to the bureau within 10 days.

39 (b) The designated cemetery manager shall be responsible for
40 exercising direct supervision and control over the operations,

1 employees, and agents of the cemetery as is necessary to ensure
2 full compliance with the applicable provisions of this code, the
3 Health and Safety Code, and any regulations adopted thereto.
4 Failure of the designated cemetery manager or the licensed
5 cemetery to exercise that supervision or control shall constitute a
6 ground for disciplinary action.

7 (c) A cemetery may employ, in addition to the designated
8 cemetery manager, additional licensed cemetery managers.
9 However, only one licensed cemetery manager may be appointed
10 as the designated cemetery manager of the cemetery.

11 7653.7. (a) Application for a cemetery manager license shall
12 be made in writing on the form provided by the bureau, verified
13 by the applicant, and filed at the principal office of the bureau.
14 The application shall be accompanied by the fee fixed by this
15 chapter.

16 (b) The applicant for a cemetery manager license shall be at
17 least 18 years of age, possess a high school diploma or its
18 equivalent, shall not have committed acts or crimes constituting
19 grounds for denial of licensure under Section 480, shall
20 demonstrate compliance with the training and experience
21 requirements established by the bureau, and shall be a resident of
22 this state.

23 (c) The bureau shall grant a cemetery manager license to any
24 applicant who meets the requirements of this chapter and who has
25 successfully passed the cemetery manager examination
26 administered by the bureau.

27 7653.8. (a) A person shall not engage in or conduct, or hold
28 himself or herself out as engaging in or conducting, the activities
29 of a cemetery manager without holding a valid, unexpired cemetery
30 manager license issued by the bureau.

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

35 7653.9. (a) Notwithstanding any other law, based upon a
36 finding by a court of competent jurisdiction that a cemetery
37 manager of a private cemetery has ceased to perform his or her
38 duties, as described in subdivision (a) of Section 7611.4, due to a
39 lapse, suspension, surrender, abandonment, or revocation of his
40 or her license, the court may appoint a temporary manager to

1 manage the cemetery property and to service the prepaid interments
2 of the private cemetery. The court shall appoint a licensed cemetery
3 manager as the temporary manager.

4 (b) The appointed temporary manager shall have the same
5 powers over the care and maintenance of the private cemetery as
6 a licensed cemetery manager, as described in subdivision (a) of
7 Section 7611.4. The temporary manager shall serve for a limited
8 term not to exceed six months, or until a new licensed manager
9 has been hired, at which time the court shall terminate the
10 appointment of the temporary manager.

11 (c) The court may authorize the payment of reasonable
12 compensation for the temporary manager's services, which shall
13 be paid by the trustees from available income from the cemetery.
14 In exercising its discretion pursuant to this subdivision, the court
15 shall give due consideration to the ability of the cemetery income
16 to otherwise pay for care and maintenance of the cemetery.

17 ~~SEC. 18.~~

18 *SEC. 20.* Article 4.5 (commencing with Section 7672) is added
19 to Chapter 12 of Division 3 of the Business and Professions Code,
20 to read:

21
22 Article 4.5. Cremated Remains Disposer
23

24 7672. A person shall not dispose of or offer to dispose of any
25 cremated human remains unless registered as a cremated remains
26 disposer by the bureau. This article shall not apply to any person,
27 partnership, or corporation holding a certificate of authority as a
28 cemetery, crematory license, cemetery broker's license, cemetery
29 salesperson's license, or funeral director's license, nor shall this
30 article apply to any person having the right to control the
31 disposition of the cremated remains of any person or that person's
32 designee if the person does not dispose of or offer to dispose of
33 more than 10 cremated human remains within any calendar year.

34 7672.1. (a) Registration shall be on the form prescribed by the
35 bureau and shall include, but not be limited to, the full name of
36 the registrant, business and residence addresses, description and
37 identification of aircraft or boats which may be used in dispensing
38 cremated human remains, and the area to be served. Each
39 registration application shall be accompanied by the cremated
40 remains disposer fee.

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

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

7672.3. All aircraft used for the scattering of cremated human remains shall be validly certified by the Federal Aviation Administration. All boats or vessels used for the scattering of cremated human remains shall be registered with the Department of Motor Vehicles or documented by a federal agency, as appropriate. The certification or registration shall be available for inspection by the bureau.

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

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

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

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

1 (2) Provide the bureau with the address and telephone number
2 of any storage facility being used by the registrant to store cremated
3 remains. Cremated remains shall be stored in a place free from
4 exposure to the elements, and shall be responsibly maintained until
5 disposal. The bureau and its representatives shall conduct, on an
6 annual basis, random inspections of the operations of 5 to 10
7 percent of the registered cremated remains disposers, and is
8 authorized to inspect any place used by a cremated remains
9 disposer for the storage of cremated remains without notice to the
10 cremated remains disposer.

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

13 7672.7. (a) Each cremated remains disposer shall file, and
14 thereafter maintain an updated copy of, an annual report on a form
15 prescribed by the bureau. The report shall include, but not be
16 limited to, the names of the deceased persons whose cremated
17 remains were disposed of, the dates of receipt of the cremated
18 remains, the names and addresses of the persons who authorized
19 disposal of those remains, the dates and locations of disposal of
20 those remains, and the means and manner of disposition. The report
21 shall cover the fiscal year ending on June 30 and shall be filed
22 with the bureau no later than September 30 of each year.

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

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

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

39 7672.9. If a person fails to apply for renewal of his or her
40 cremated remains disposer registration prior to midnight of

1 September 30 of the year for which the registration was issued, no
2 renewal shall be issued except upon payment of the delinquent
3 renewal fee required under Section 7729.2.

4 7672.10. Any person who scatters cremated human remains
5 without a valid registration and who is not otherwise exempt from
6 this article shall be guilty of a misdemeanor. The remains of each
7 person scattered shall constitute a separate violation.

8 7673. Any person who scatters any cremated human remains
9 without specific written instructions from the person having the
10 right to control the disposition of the remains or who scatters any
11 remains in a manner not in accordance with those instructions shall
12 be guilty of a misdemeanor.

13 7673.1. Any cremated remains disposer who stores cremated
14 remains in a reckless manner that results in either of the following
15 is guilty of a public offense punishable by imprisonment in a
16 county jail not exceeding one year or by a fine not to exceed five
17 thousand dollars (\$5,000), or by both that fine and imprisonment:

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

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

20 7673.2. A cremated remains disposer shall be subject to and
21 shall be disciplined by the bureau in accordance with Article 6
22 (commencing with Section 7686). Any violation of this article
23 shall also be grounds for disciplinary action.

24 ~~SEC. 19.~~

25 *SEC. 21.* Section 7685.3 of the Business and Professions Code
26 is amended to read:

27 7685.3. The current address, telephone number, and name of
28 the Department of Consumer Affairs, Cemetery and Funeral Bureau
29 shall appear on the first page of any contract for goods and services
30 offered by a licensee. At a minimum, the information shall be in
31 8-point boldface type and make this statement:

32
33 “FOR MORE INFORMATION ON FUNERAL, CEMETERY,
34 AND CREMATION MATTERS, CONTACT: DEPARTMENT
35 OF CONSUMER AFFAIRS, CEMETERY AND FUNERAL
36 BUREAU (ADDRESS), (TELEPHONE NUMBER).”

37
38 ~~SEC. 20.~~

39 *SEC. 22.* Section 7685.5 of the Business and Professions Code
40 is amended to read:

1 7685.5. (a) The bureau shall make available to funeral
2 establishments and cemetery authorities a copy of a consumer
3 guide for funeral and cemetery purchases for purposes of
4 reproduction and distribution. The funeral and cemetery guide that
5 is approved by the bureau, in consultation with the funeral and
6 cemetery industries and any other interested parties, shall be made
7 available in printed form and electronically through the Internet.

8 (b) A licensee shall prominently display and make available to
9 any individual who, in person, inquires about funeral or cemetery
10 purchases, a copy of the consumer guide for funeral and cemetery
11 purchases, reproduced as specified in subdivision (a).

12 (c) Prior to the drafting of a contract for services, the licensee
13 shall provide, for retention, the consumer with a copy of the
14 consumer guide for funeral and cemetery purchases described in
15 subdivisions (a) and (b).

16 ~~SEC. 21.~~

17 ~~SEC. 23.~~ Section ~~7700.1~~*7711.1* is added to the Business and
18 Professions Code, to read:

19 ~~7700.1.~~

20 *7711.1.* Unprofessional conduct by any licensee or registrant
21 or by any agent or employee of a licensee or registrant constitutes
22 grounds for disciplinary action. Unprofessional conduct includes,
23 but is not limited to, the following:

24 (a) Violating or attempting to violate, directly or indirectly, or
25 assisting in or abetting the violation of this chapter and any
26 regulation adopted thereunder, or of any federal or state law or
27 regulation governing the disposition of human remains, operation
28 of cemeteries or crematories, the sale of cemetery property, or the
29 sale of crematory services or commodities.

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

32 ~~SEC. 22.~~

33 ~~SEC. 24.~~ Section ~~7711.2~~ is added to the Business and
34 Professions Code, to read:

35 *7711.2.* The bureau may, upon its own motion, and shall, upon
36 the verified complaint in writing of any person, investigate the
37 actions of any person engaged in the business or acting in the
38 capacity of a cemetery licensee, and may temporarily suspend or
39 permanently revoke a license at any time where the licensee, within
40 the immediately preceding three years, while a cemetery licensee

- 1 in performing or attempting to perform any of the acts specified
2 in this act, has been guilty of any of the following:
- 3 (a) Making any substantial misrepresentation.
 - 4 (b) Making any false statement of a character likely to influence
5 or persuade.
 - 6 (c) A continued and flagrant course of misrepresentation or
7 making of false promises through cemetery agents or salespersons.
 - 8 (d) Acting for more than one party in a transaction without the
9 knowledge or consent of all parties thereto.
 - 10 (e) Commingling the money or other property of his or her
11 principal with his or her own.
 - 12 (f) The practice of claiming or demanding a fee, ~~compensation~~
13 *compensation*, or commission under any exclusive agreement
14 authorizing or employing a licensee to sell, buy, or exchange
15 cemetery property for compensation or commission where such
16 agreement does not contain a definite, specified date of final and
17 complete termination.
 - 18 (g) The claiming or taking by a licensee of any secret or
19 undisclosed amount of compensation, commission, or profit or the
20 failure of a licensee to reveal to the employer of such licensee the
21 full amount of such licensee's compensation, commission, or profit
22 under any agreement authorizing or employing such licensee to
23 sell, buy, or exchange cemetery property for compensation or
24 commission prior to or coincident with the signing of such
25 agreement evidencing the meeting of the minds of the contracting
26 parties, regardless of the form of such agreement, whether
27 evidenced by documents in an escrow or by any other or different
28 procedure.
 - 29 (h) The use by a licensee of any provision allowing the licensee
30 an option to purchase in an agreement authorizing or employing
31 such licensee to sell, buy, or exchange cemetery property for
32 compensation or commission, except when such licensee prior to
33 or coincident with election to exercise such option to purchase
34 reveals in writing to the employer the full amount of *the* licensee's
35 profit and obtains the written consent of the employer approving
36 the amount of such profit.
 - 37 (i) Any other conduct, whether of the same or a different
38 character than specified in this section, which constitutes fraud or
39 dishonest dealing.

1 (j) The misrepresentations and false statements mentioned in
2 this section ~~include also~~ *also include* misrepresentation and false
3 statements as to other property than that which the cemetery
4 licensee may be selling or attempting to sell.

5 ~~SEC. 23.~~

6 *SEC. 25.* Section 7711.3 is added to the Business and
7 Professions Code, to read:

8 7711.3. The bureau may suspend or revoke the license of any
9 cemetery licensee who, within the immediately preceding three
10 years, has done any of the following:

11 (a) Been convicted of a crime substantially related to the
12 qualifications, functions, and duties of such licensee. The record
13 of conviction, or a certified copy thereof, shall be conclusive
14 evidence of such conviction.

15 (b) Knowingly authorized, directed, connived ~~at~~ *at*, or aided in
16 the publication, advertisement, distribution, or circulation of any
17 material false statement or representation concerning his or her
18 business or any cemetery property offered for sale.

19 (c) Willfully disregarded or violated any of the provisions of
20 this act relating to cemetery brokerage.

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

24 ~~SEC. 24.~~

25 *SEC. 26.* Section 7711.4 is added to the Business and
26 Professions Code, to read:

27 7711.4. When any salesperson is discharged by his or her
28 employer for a violation of any of the provisions of this article
29 prescribing a ground for disciplinary action, a verified written
30 statement of the facts with reference thereto shall be filed forthwith
31 with the bureau by the employer and, if the employer fails to notify
32 the bureau as required by this section, the bureau may temporarily
33 suspend or permanently revoke the cemetery license of the
34 employer in accordance with the provisions of this act.

35 ~~SEC. 25.~~

36 *SEC. 27.* Section 7711.5 is added to the Business and
37 Professions Code, to read:

38 7711.5. The bureau may deny, suspend, or revoke the cemetery
39 license of a corporation as to any officer or agent acting under its
40 cemetery license, and the cemetery license of a copartnership as

1 to any member acting under its cemetery license, without revoking
2 the cemetery license of the corporation or of the copartnership.

3 ~~SEC. 26.~~

4 *SEC. 28.* Section 7711.6 is added to the Business and
5 Professions Code, to read:

6 7711.6. The fees for cemetery licenses at all periods of the
7 fiscal year is the same as provided in this article. All cemetery
8 license fees are payable in advance of issuing the licenses and at
9 the time of filing the application. All licenses shall be issued for
10 the fiscal year and shall expire on June 30 of each fiscal year at
11 midnight.

12 ~~SEC. 27.~~

13 *SEC. 29.* Section 7711.7 is added to the Business and
14 Professions Code, to read:

15 7711.7. (a) If a person fails to apply for a license renewal, no
16 renewal license shall be issued except upon payment of the
17 delinquent renewal fee required under Section 7729.2.

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

24 ~~SEC. 28.~~

25 *SEC. 30.* Section 7711.8 is added to the Business and
26 Professions Code, to read:

27 7711.8. The definitions contained in this article are solely for
28 the purposes of this article.

29 ~~SEC. 29.~~

30 *SEC. 31.* Section 7711.9 is added to the Business and
31 Professions Code, to read:

32 7711.9. An original cemetery broker's license is a cemetery
33 license issued to a person who did not have a cemetery broker's
34 license on June 30 of the fiscal year previous to the fiscal year for
35 which the license is issued.

36 ~~SEC. 30.~~

37 *SEC. 32.* Section 7711.10 is added to the Business and
38 Professions Code, to read:

39 7711.10. A renewal cemetery broker's license is a cemetery
40 license issued to a person who had a cemetery broker's license

1 unrevoked and unsuspended on June 30 of the fiscal year previous
2 to the fiscal year for which the renewal cemetery license is issued.

3 ~~SEC. 31.~~

4 *SEC. 33.* Section 7711.11 is added to the Business and
5 Professions Code, to read:

6 7711.11. An original cemetery salesperson's license is a
7 cemetery license issued to a person who did not have a cemetery
8 salesperson's or a broker's license either individually or as an
9 officer of a corporation, or as a member of a copartnership, on
10 June 30 of the fiscal year previous to the fiscal year for which the
11 salesperson's license is issued.

12 ~~SEC. 32.~~

13 *SEC. 34.* Section 7711.12 is added to the Business and
14 Professions Code, to read:

15 7711.12. A renewal cemetery salesperson's license is a
16 cemetery license issued to a person who had a cemetery
17 salesperson's or a broker's license either individually or as an
18 officer of a corporation, or as a member of a copartnership, on
19 June 30 of the fiscal year previous to the fiscal year for which the
20 salesperson's license is issued.

21 ~~SEC. 33.~~

22 *SEC. 35.* Article 6.5 (commencing with Section 7712) is added
23 to Chapter 12 of Division 3 of the Business and Professions Code,
24 to read:

25
26 Article 6.5. Crematories

27
28 7712. A crematory established, operated, or maintained, may
29 be operated by a corporation, partnership, or natural person,
30 provided that a valid crematory license shall have been issued by
31 the bureau.

32 7712.1. Any change in the ownership of a crematory shall be
33 reported to the bureau. Any transfer in a single transaction or a
34 related series of transactions of more than 50 percent of the
35 equitable interest in a licensed crematory shall constitute a change
36 of ownership. When a change of ownership in a crematory occurs,
37 the existing crematory license shall lapse and the new owner shall
38 obtain a new license from the bureau as otherwise provided in this
39 act. The bureau shall not require an applicant under this section to

1 obtain any new permit or license from any other governmental
2 agency when the existing permit or license is valid.

3 7712.2. Application for a crematory license shall be made in
4 writing on the form prescribed by the bureau and filed at the
5 principal office of the bureau. The application shall be accompanied
6 by the fee provided for in this article and shall show that the
7 applicant owns or is actively operating a crematory in this state or
8 that the applicant is in a position to commence operating such a
9 crematory.

10 7712.3. The provisions of Article 5 (commencing with Section
11 8341) of Chapter 2 of Part 3 of Division 8 of the Health and Safety
12 Code shall apply to crematories licensed under this chapter.

13 7712.4. The bureau may require such proof as it deems
14 advisable concerning the compliance by such applicant with all
15 the laws, rules, regulations, ordinances, and orders applicable to
16 the applicant and shall not issue such crematory license until it has
17 satisfied itself that the public interest will be served by such
18 applicant.

19 7712.5. (a) *The bureau shall adopt, and may from time to time*
20 *amend, rules and regulations prescribing standards of knowledge*
21 *and experience and financial responsibility for applicants for a*
22 *crematory license. In reviewing an application for a crematory*
23 *license, the bureau may consider acts of the applicant, including*
24 *acts of incorporators, officers, directors, and stockholders of the*
25 *applicant, which shall constitute grounds for the denial of a*
26 *crematory license under Division 1.5 (commencing with Section*
27 *475).*

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

36 (c) *At the time of the filing of the application required by this*
37 *article, the applicant shall pay to the Cemetery Fund the sum fixed*
38 *by the bureau at not in excess of four hundred dollars (\$400) to*
39 *defray the expenses of investigation. In the event the sum shall be*
40 *insufficient to defray all of the expenses, the applicant shall within*

1 *five days after request therefor deposit an additional sum sufficient*
2 *to defray such expenses, provided that the total sum shall not*
3 *exceed nine hundred dollars (\$900).*

4 *(d) This section shall remain in effect only until July 1, 2016,*
5 *and as of that date is repealed, unless a later enacted statute, that*
6 *is enacted before July 1, 2016, deletes or extends that date.*

7 7712.5. (a) The bureau shall adopt, and may from time to time
8 amend, rules and regulations prescribing standards of knowledge
9 and experience and financial responsibility for applicants for a
10 crematory license. In reviewing an application for a crematory
11 license, the bureau may consider acts of the applicant, including
12 acts of incorporators, officers, directors, and stockholders of the
13 applicant, which shall constitute grounds for the denial of a
14 crematory license under Division 1.5 (commencing with Section
15 475).

16 (b) Upon receipt of an application for a crematory license, the
17 bureau may cause an investigation to be made of the physical
18 status, plans, specifications, and financing of the proposed
19 crematory, the character of the applicant, including, if applicable,
20 its officers, directors, shareholders, or members, and any other
21 qualifications required of the applicant under this article, and for
22 this purpose may subpoena witnesses, administer oaths, and take
23 testimony.

24 (c) At the time of the filing of the application required by this
25 article, the applicant shall pay to the Cemetery and Funeral Fund
26 the sum fixed by the bureau at not in excess of four hundred dollars
27 (\$400) to defray the expenses of investigation. In the event the
28 sum shall be insufficient to defray all of the expenses, the applicant
29 shall, within five days after request therefor, deposit an additional
30 sum sufficient to defray such expenses, provided that the total sum
31 shall not exceed ~~the sum of~~ nine hundred dollars (\$900).

32 *(d) This section shall become operative on July 1, 2016.*

33 7712.6. A crematory licensee under this article shall not
34 conduct any cremations:

35 (a) Unless the licensee has a written contract with the person
36 or persons entitled to custody of the remains clearly stating the
37 location, manner, and time of disposition to be made of the remains,
38 agreeing to pay the regular fees of the licensee for cremation,
39 disposition, and other services rendered, and any other contractual
40 provisions as may be required by the bureau.

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

4 (c) Unless the licensee has a contractual relationship with a
5 licensed cemetery authority for final disposition of cremated human
6 remains by burial, entombment, or inurnment of any and all
7 remains which are not lawfully disposed of or which are not called
8 for or accepted by the person or persons entitled to the custody
9 and control of the disposition thereof within 90 days of the date
10 of death.

11 7712.7. Every crematory licensee, who prohibits relatives or
12 the responsible party from viewing the cremation process, shall
13 disclose this fact in writing to the person or persons entitled to
14 custody of the remains prior to the signing of any contract.

15 7712.8. Each crematory licensee shall keep such records as
16 may be required by the bureau to ~~assure~~ ensure compliance with
17 all laws relating to the disposition of cremated human remains and
18 shall file annually with the bureau, a report in the form prescribed
19 by the bureau, describing the operations of the licensee, including
20 the number of cremations made, the disposition thereof, and any
21 other information as the bureau may, from time to time, require.

22 7712.9. (a) *Every crematory licensee operating a crematory*
23 *pursuant to a license issued in compliance with this article shall*
24 *pay an annual regulatory charge for each crematory, to be fixed*
25 *by the bureau at not more than four hundred dollars (\$400). In*
26 *addition to an annual regulatory charge for each crematory, every*
27 *licensee operating a crematory pursuant to a license issued*
28 *pursuant to this article shall pay an additional charge to be fixed*
29 *by the bureau at not more than eight dollars and fifty cents (\$8.50)*
30 *per cremation made during the preceding quarter, which charges*
31 *shall be deposited in the Cemetery Fund.*

32 (b) *This section shall remain in effect only until July 1, 2016,*
33 *and as of that date is repealed, unless a later enacted statute, that*
34 *is enacted before July 1, 2016, deletes or extends that date.*

35 7712.9. (a) Every crematory licensee operating a crematory
36 pursuant to a license issued in compliance with this article shall
37 pay an annual regulatory charge for each crematory, to be fixed
38 by the bureau at not more than four hundred dollars (\$400). In
39 addition to an annual regulatory charge for each crematory, every
40 licensee operating a crematory pursuant to a license issued pursuant

1 to this article shall pay an additional charge to be fixed by the
2 bureau at not more than eight dollars and fifty cents (\$8.50) per
3 cremation made during the preceding quarter, which charges shall
4 be deposited in the Cemetery and Funeral Fund.

5 *(b) This section shall become operative on July 1, 2016.*

6 7712.10. (a) Each crematory for which a crematory license is
7 required shall be operated under the supervision of a manager
8 qualified in accordance with rules adopted by the bureau. Each
9 manager shall be required to successfully pass a written
10 examination evidencing an understanding of the applicable
11 provisions of this code and of the Health and Safety Code.

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

15 7713. A crematory shall at all times employ a licensed
16 crematory manager to manage, supervise, and direct its operations.

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

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

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

34 7713.1. (a) Application for a crematory manager license shall
35 be made in writing on the form provided by the bureau, verified
36 by the applicant and filed at the principal office of the bureau. The
37 application shall be accompanied by the fee fixed by this chapter.

38 (b) The applicant for a crematory manager license shall be at
39 least 18 years of age, possess a high school diploma or its
40 equivalent, shall not have committed acts or crimes constituting

1 grounds for denial of licensure under Section 480, shall
2 demonstrate compliance with the training and experience
3 requirements established by the bureau, and shall be a resident of
4 this state.

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

9 7713.2. (a) A person shall not engage in or conduct, or hold
10 himself or herself out as engaging in or conducting, the activities
11 of a crematory manager without holding a valid, unexpired
12 crematory manager license issued by the bureau.

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

18 7713.3. It is a misdemeanor for any person, firm, or corporation
19 to cremate human remains or to engage in the disposition thereof
20 without a valid, unexpired crematory license. Each cremation shall
21 be a separate violation.

22 7713.4. A crematory licensee shall be subject to and shall be
23 disciplined by the bureau in accordance with Article 6
24 (commencing with Section 7686).

25 ~~SEC. 34.~~

26 *SEC. 36.* Section 7725.2 of the Business and Professions Code
27 is amended to read:

28 7725.2. Except as otherwise provided in this chapter, a license
29 that has expired may be renewed at any time within five years after
30 its expiration on filing of an application for renewal on a form
31 prescribed by the bureau and payment of all accrued and unpaid
32 renewal fees. If the license is not renewed within 30 days after its
33 expiration the licensee, as a condition precedent to renewal, shall
34 also pay the delinquency fee prescribed by this chapter. Renewal
35 under this section shall be effective on the date on which the
36 application is filed, on the date on which all renewal fees are paid,
37 or on the date on which the delinquency fee, if any, is paid,
38 whichever last occurs. If so renewed, the license shall continue in
39 effect through the date provided in Section 7725 that next occurs

1 after the effective date of the renewal, when it shall expire if it is
2 not again renewed.

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

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

9 ~~7727. On or before the 10th day of each month, the department~~
10 ~~shall pay into the State Treasury and report to the State Controller~~
11 ~~all the fees received for the bureau. The fees shall be received by~~
12 ~~the State Treasurer and placed in the Cemetery and Funeral Fund,~~
13 ~~which fund is available for expenditures necessary for the proper~~
14 ~~administration of this chapter.~~

15 *SEC. 37. Section 7727 of the Business and Professions Code*
16 *is amended to read:*

17 7727. (a) On or before the 10th day of each month, the
18 department shall pay into the State Treasury and report to the State
19 Controller all the fees received for the bureau *relating to funeral*
20 *directors and embalmers*. The fees shall be received by the State
21 Treasurer and placed in the State Funeral Directors and Embalmers
22 Fund, which fund is available for expenditures necessary for the
23 proper administration of *those provisions of* this chapter governing
24 *funeral directors and embalmers*.

25 (b) *This section shall remain in effect only until July 1, 2016,*
26 *and as of that date is repealed, unless a later enacted statute, that*
27 *is enacted before July 1, 2016, deletes or extends that date.*

28 *SEC. 38. Section 7727 is added to the Business and Professions*
29 *Code, to read:*

30 7727. (a) *On or before the 10th day of each month, the*
31 *department shall pay into the State Treasury and report to the*
32 *State Controller all the fees received for the bureau. The fees shall*
33 *be received by the State Treasurer and placed in the Cemetery and*
34 *Funeral Fund, which fund is available for expenditures necessary*
35 *for the proper administration of this chapter.*

36 (b) *This section shall become operative on July 1, 2016.*

37 ~~SEC. 36.~~

38 *SEC. 39. Section 7729.1 is added to the Business and*
39 *Professions Code, to read:*

1 7729.1. The amount of fees prescribed for a license or
2 certificate of authority under this act is that fixed by the following
3 provisions of this article. Any license or certificate of authority
4 provided under this act that has expired may be renewed within
5 five years of its expiration upon payment of all accrued and unpaid
6 renewal and regulatory fees.

7 ~~SEC. 37.~~

8 *SEC. 40.* Section 7729.2 is added to the Business and
9 Professions Code, to read:

10 7729.2. The delinquent renewal fee for a license, registration,
11 or certificate of authority under this chapter shall be 150 percent
12 of the timely fee, but not less than the renewal fee plus twenty-five
13 dollars (\$25).

14 ~~SEC. 38.~~

15 *SEC. 41.* Section 7729.3 is added to the Business and
16 Professions Code, to read:

17 7729.3. The original cemetery broker's license fee shall be
18 fixed by the bureau at not more than four hundred dollars (\$400).

19 ~~SEC. 39.~~

20 *SEC. 42.* Section 7729.4 is added to the Business and
21 Professions Code, to read:

22 7729.4. (a) The original cemetery broker's license fee is
23 payable at the time of the filing of an application for an original
24 cemetery broker's license.

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

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

34 ~~SEC. 40.~~

35 *SEC. 43.* Section 7729.5 is added to the Business and
36 Professions Code, to read:

37 7729.5. The annual renewal fee for a cemetery broker's license
38 shall be fixed by the bureau at not more than three hundred dollars
39 (\$300).

~~SEC. 41.~~

SEC. 44. Section 7729.6 is added to the Business and Professions Code, to read:

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

~~SEC. 42.~~

SEC. 45. Section 7729.7 is added to the Business and Professions Code, to read:

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

~~SEC. 43.~~

SEC. 46. Section 7729.8 is added to the Business and Professions Code, to read:

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

~~SEC. 44.~~

SEC. 47. Section 7729.9 is added to the Business and Professions Code, to read:

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

~~SEC. 45.~~

SEC. 48. Section 7729.10 is added to the Business and Professions Code, to read:

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

1 ~~SEC. 46.~~

2 *SEC. 49.* Section 7730 is added to the Business and Professions
3 Code, to read:

4 7730. For a branch office broker's license, the fee shall be fixed
5 by the bureau at not more than one hundred dollars (\$100).

6 ~~SEC. 47.~~

7 *SEC. 50.* Section 7730.1 is added to the Business and
8 Professions Code, to read:

9 7730.1. The cremated remains disposer registration fee shall
10 be one hundred dollars (\$100).

11 ~~SEC. 48.~~

12 *SEC. 51.* Section 7730.2 is added to the Business and
13 Professions Code, to read:

14 7730.2. The renewal fee for a cremated remains disposer
15 registration shall be fifty dollars (\$50).

16 ~~SEC. 49.~~

17 *SEC. 52.* Section 7730.3 is added to the Business and
18 Professions Code, to read:

19 7730.3. For change of name or of address of licensee on the
20 records of the bureau, the fee shall be fixed by the bureau at not
21 more than twenty-five dollars (\$25).

22 ~~SEC. 50.~~

23 *SEC. 53.* Section 7730.4 is added to the Business and
24 Professions Code, to read:

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

28 ~~SEC. 51.~~

29 *SEC. 54.* Section 7730.5 is added to the Business and
30 Professions Code, to read:

31 7730.5. For a duplicate license the fee shall be fixed by the
32 bureau at not more than twenty-five dollars (\$25).

33 ~~SEC. 52.~~

34 *SEC. 55.* Section 7730.6 is added to the Business and
35 Professions Code, to read:

36 7730.6. (a) For reinstatement of a license within the fiscal
37 year, the fee shall be fixed by the bureau at not more than
38 twenty-five dollars (\$25).

39 (b) As used in this section, "reinstatement of a license" means
40 the reissuance of a canceled cemetery broker's license, or a

1 cemetery salesperson's license which was canceled during the year
2 for which it was issued upon the salesperson's withdrawal from
3 the employ of a cemetery broker.

4 ~~SEC. 53.~~

5 *SEC. 56.* Section 7730.7 is added to the Business and
6 Professions Code, to read:

7 7730.7. (a) The fee for a crematory manager examination and
8 reexamination may not exceed five hundred dollars (\$500).

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

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

13 ~~SEC. 54.~~

14 *SEC. 57.* Section 7730.8 is added to the Business and
15 Professions Code, to read:

16 7730.8. (a) The fee for a cemetery manager examination and
17 reexamination may not exceed nine hundred dollars (\$900).

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

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

22 ~~SEC. 55.~~

23 *SEC. 58.* Section 7730.9 is added to the Business and
24 Professions Code, to read:

25 7730.9. The fee for filing a report of a change of designated
26 manager or a request for approval to share a designated cemetery
27 manager shall not exceed fifty dollars (\$50).

28 *SEC. 59.* Section 7730.10 is added to the Business and
29 Professions Code, to read:

30 7730.10. (a) Every cemetery authority operating a cemetery
31 shall pay an annual regulatory charge for each cemetery to be
32 fixed by the bureau at not more than four hundred dollars (\$400).
33 In addition to an annual regulatory charge for each cemetery, an
34 additional quarterly charge to be fixed by the bureau at not more
35 than eight dollars and fifty cents (\$8.50) for each burial,
36 entombment, or inurnment made during the preceding quarter
37 shall be paid to the bureau and these charges shall be deposited
38 in the Cemetery Fund. If the cemetery authority performs a burial,
39 entombment, or inurnment, and the cremation was performed at
40 a crematory located on the grounds of the cemetery and under

1 common ownership with the cemetery authority, the total of all
2 additional charges shall be not more than eight dollars and fifty
3 cents (\$8.50).

4 (b) This section shall remain in effect only until July 1, 2016,
5 and as of that date is repealed, unless a later enacted statute, that
6 is enacted before July 1, 2016, deletes or extends that date.

7 ~~SEC. 56.~~

8 SEC. 60. Section 7730.10 is added to the Business and
9 Professions Code, to read:

10 7730.10. (a) Every cemetery authority operating a cemetery
11 shall pay an annual regulatory charge for each cemetery to be fixed
12 by the bureau at not more than four hundred dollars (\$400). In
13 addition to an annual regulatory charge for each cemetery, an
14 additional quarterly charge to be fixed by the bureau at not more
15 than eight dollars and fifty cents (\$8.50) for each burial,
16 entombment, or inurnment made during the preceding quarter shall
17 be paid to the bureau and these charges shall be deposited in the
18 Cemetery and Funeral Fund. If the cemetery authority performs a
19 burial, entombment, or inurnment, and the cremation was
20 performed at a crematory located on the grounds of the cemetery
21 and under common ownership with the cemetery authority, the
22 total of all additional charges shall be not more than eight dollars
23 and fifty cents (\$8.50).

24 (b) This section shall become operative on July 1, 2016.

25 ~~SEC. 57.~~

26 SEC. 61. Section 7731 is added to the Business and Professions
27 Code, to read:

28 7731. Upon payment of the charges set forth, the bureau shall
29 issue a renewal of the certificate of authority to the cemetery
30 authority.

31 ~~SEC. 58.~~

32 SEC. 62. Section 7731.1 is added to the Business and
33 Professions Code, to read:

34 7731.1. Failure to pay the charges set forth by Section 7730.10
35 prior to February 1 for each year shall be cause for suspension of
36 the certificate of authority. The certificate may be restored upon
37 payment to the bureau of the prescribed charges.

38 ~~SEC. 59.~~

39 SEC. 63. Section 7731.2 is added to the Business and
40 Professions Code, to read:

1 7731.2. It is a misdemeanor for any cemetery corporation to
2 make any interments without a valid certificate of authority. Each
3 interment shall be a separate violation.

4 *SEC. 64. Section 7731.3 is added to the Business and*
5 *Professions Code, to read:*

6 7731.3. (a) All moneys received by the bureau under the
7 provisions of this chapter relating to cemetery regulation shall be
8 accounted for and reported by detailed statements furnished by
9 the bureau to the Controller at least once a month, and at the same
10 time these moneys shall be remitted to the Treasurer, and, upon
11 order of the Controller, shall be deposited in the Cemetery Fund
12 in the State Treasury, which fund is hereby created.

13 (b) *This section shall remain in effect only until July 1, 2016,*
14 *and as of that date is repealed, unless a later enacted statute, that*
15 *is enacted before July 1, 2016, deletes or extends that date.*

16 ~~SEC. 60.~~

17 *SEC. 65. Section 7731.3 is added to the Business and*
18 *Professions Code, to read:*

19 7731.3. (a) All moneys received by the bureau under the
20 provisions of this chapter shall be accounted for and reported by
21 detailed statements furnished by the bureau to the Controller at
22 least once a month, and at the same time these moneys shall be
23 remitted to the Treasurer, and, upon order of the Controller, shall
24 be deposited in the Cemetery and Funeral Fund in the State
25 Treasury, which fund is hereby created.

26 (b) *This section shall become operative on July 1, 2016.*

27 *SEC. 66. Section 7731.4 is added to the Business and*
28 *Professions Code, to read:*

29 7731.4. (a) All moneys paid into the State Treasury and
30 credited to the Cemetery Fund shall be expended in accordance
31 with law for the payment of all actual and necessary expenses
32 incurred in carrying out the provisions of this act.

33 (b) *This section shall remain in effect only until July 1, 2016,*
34 *and as of that date is repealed, unless a later enacted statute, that*
35 *is enacted before July 1, 2016, deletes or extends that date.*

36 ~~SEC. 61.~~

37 *SEC. 67. Section 7731.4 is added to the Business and*
38 *Professions Code, to read:*

39 7731.4. (a) All ~~money~~ moneys paid into the State Treasury
40 and credited to the Cemetery and Funeral Fund shall be expended

1 in accordance with law for the payment of all actual and necessary
2 expenses incurred in carrying out the provisions of this act.

3 *(b) This section shall become operative on July 1, 2016.*

4 ~~SEC. 62.~~

5 *SEC. 68.* Chapter 19 (commencing with Section 9600) of
6 Division 3 of the Business and Professions Code is repealed.

7 ~~SEC. 63.~~

8 *SEC. 69.* No reimbursement is required by this act pursuant to
9 Section 6 of Article XIII B of the California Constitution because
10 the only costs that may be incurred by a local agency or school
11 district will be incurred because this act creates a new crime or
12 infraction, eliminates a crime or infraction, or changes the penalty
13 for a crime or infraction, within the meaning of Section 17556 of
14 the Government Code, or changes the definition of a crime within
15 the meaning of Section 6 of Article XIII B of the California
16 Constitution.