

AMENDED IN SENATE SEPTEMBER 4, 2015

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 7600, 7602, 7607, 7609, 7622.2, 7685.3, 7685.5, 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, 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, 7731, 7731.1, 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 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. 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 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.

This bill would incorporate additional changes in Section 205 of the Business and Professions Code, proposed by AB 177 and AB 179 that would become operative only if this bill and either or both of those bills are chaptered and become effective January 1, 2016, and this bill is chaptered last.

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 Fund.
- 11 (6) Contractors' License Fund.
- 12 (7) State Dentistry Fund.
- 13 (8) State Funeral Directors and Embalmers Fund.
- 14 (9) Guide Dogs for the Blind Fund.
- 15 (10) Home Furnishings and Thermal Insulation Fund.
- 16 (11) California Architects Board-Landscape Architects Fund.
- 17 (12) Contingent Fund of the Medical Board of California.
- 18 (13) Optometry Fund.
- 19 (14) Pharmacy Board Contingent Fund.
- 20 (15) Physical Therapy Fund.
- 21 (16) Private Investigator Fund.
- 22 (17) Professional Engineer's and Land Surveyor's Fund.
- 23 (18) Consumer Affairs Fund.
- 24 (19) Behavioral Sciences Fund.
- 25 (20) Licensed Midwifery Fund.

- 1 (21) Court Reporters' Fund.
- 2 (22) Veterinary Medical Board Contingent Fund.
- 3 (23) Vocational Nurses Account of the Vocational Nursing and
- 4 Psychiatric Technicians Fund.
- 5 (24) Electronic and Appliance Repair Fund.
- 6 (25) Geology and Geophysics Account of the Professional
- 7 Engineer's and Land Surveyor's Fund.
- 8 (26) Dispensing Opticians Fund.
- 9 (27) Acupuncture Fund.
- 10 (28) Physician Assistant Fund.
- 11 (29) Board of Podiatric Medicine Fund.
- 12 (30) Psychology Fund.
- 13 (31) Respiratory Care Fund.
- 14 (32) Speech-Language Pathology and Audiology and Hearing
- 15 Aid Dispensers Fund.
- 16 (33) Board of Registered Nursing Fund.
- 17 (34) Psychiatric Technician Examiners Account of the
- 18 Vocational Nursing and Psychiatric Technicians Fund.
- 19 (35) Animal Health Technician Examining Committee Fund.
- 20 (36) State Dental Hygiene Fund.
- 21 (37) State Dental Assistant Fund.
- 22 (38) Structural Pest Control Fund.
- 23 (39) Structural Pest Control Eradication and Enforcement Fund.
- 24 (40) Structural Pest Control Research Fund.
- 25 (b) For accounting and recordkeeping purposes, the Professions
- 26 and Vocations Fund shall be deemed to be a single special fund,
- 27 and each of the several special funds therein shall constitute and
- 28 be deemed to be a separate account in the Professions and
- 29 Vocations Fund. Each account or fund shall be available for
- 30 expenditure only for the purposes as are now or may hereafter be
- 31 provided by law.
- 32 (c) 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 SEC. 2. Section 205 is added to the Business and Professions
- 36 Code, to read:
- 37 205. (a) There is in the State Treasury the Professions and
- 38 Vocations Fund. The fund shall consist of the following special
- 39 funds:
- 40 (1) Accountancy Fund.

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

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

2 (39) Structural Pest Control Research Fund.

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

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

11 *SEC. 2.1. Section 205 is added to the Business and Professions*
12 *Code, to read:*

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

16 *(1) Accountancy Fund.*

17 *(2) California Architects Board Fund.*

18 *(3) Athletic Commission Fund.*

19 *(4) Barbering and Cosmetology Contingent Fund.*

20 *(5) Cemetery and Funeral Fund.*

21 *(6) Contractors' License Fund.*

22 *(7) State Dentistry Fund.*

23 *(8) Guide Dogs for the Blind Fund.*

24 *(9) Home Furnishings and Thermal Insulation Fund.*

25 *(10) California Architects Board-Landscape Architects Fund.*

26 *(11) Contingent Fund of the Medical Board of California.*

27 *(12) Optometry Fund.*

28 *(13) Pharmacy Board Contingent Fund.*

29 *(14) Physical Therapy Fund.*

30 *(15) Private Investigator Fund.*

31 *(16) Professional Engineer's, Land Surveyor's, and Geologist's*
32 *Fund.*

33 *(17) Consumer Affairs Fund.*

34 *(18) Behavioral Sciences Fund.*

35 *(19) Licensed Midwifery Fund.*

36 *(20) Court Reporters' Fund.*

37 *(21) Veterinary Medical Board Contingent Fund.*

38 *(22) Vocational Nurses Account of the Vocational Nursing and*
39 *Psychiatric Technicians Fund.*

40 *(23) Electronic and Appliance Repair Fund.*

- 1 (24) *Dispensing Opticians Fund.*
- 2 (25) *Acupuncture Fund.*
- 3 (26) *Physician Assistant Fund.*
- 4 (27) *Board of Podiatric Medicine Fund.*
- 5 (28) *Psychology Fund.*
- 6 (29) *Respiratory Care Fund.*
- 7 (30) *Speech-Language Pathology and Audiology and Hearing*
- 8 *Aid Dispensers Fund.*
- 9 (31) *Board of Registered Nursing Fund.*
- 10 (32) *Psychiatric Technician Examiners Account of the*
- 11 *Vocational Nursing and Psychiatric Technicians Fund.*
- 12 (33) *Animal Health Technician Examining Committee Fund.*
- 13 (34) *State Dental Hygiene Fund.*
- 14 (35) *State Dental Assistant Fund.*
- 15 (36) *Structural Pest Control Fund.*
- 16 (37) *Structural Pest Control Eradication and Enforcement Fund.*
- 17 (38) *Structural Pest Control Research Fund.*
- 18 (b) *For accounting and recordkeeping purposes, the Professions*
- 19 *and Vocations Fund shall be deemed to be a single special fund,*
- 20 *and each of the several special funds therein shall constitute and*
- 21 *be deemed to be a separate account in the Professions and*
- 22 *Vocations Fund. Each account or fund shall be available for*
- 23 *expenditure only for the purposes as are now or may hereafter be*
- 24 *provided by law.*
- 25 (c) *This section shall become operative on July 1, 2016.*
- 26 SEC. 2.2. *Section 205 is added to the Business and Professions*
- 27 *Code, to read:*
- 28 205. (a) *There is in the State Treasury the Professions and*
- 29 *Vocations Fund. The fund shall consist of the following special*
- 30 *funds:*
- 31 (1) *Accountancy Fund.*
- 32 (2) *California Architects Board Fund.*
- 33 (3) *Athletic Commission Fund.*
- 34 (4) *Barbering and Cosmetology Contingent Fund.*
- 35 (5) *Cemetery and Funeral Fund.*
- 36 (6) *Contractors' License Fund.*
- 37 (7) *State Dentistry Fund.*
- 38 (8) *Guide Dogs for the Blind Fund.*
- 39 (9) *Home Furnishings and Thermal Insulation Fund.*
- 40 (10) *California Architects Board-Landscape Architects Fund.*

- 1 (11) *Contingent Fund of the Medical Board of California.*
- 2 (12) *Optometry Fund.*
- 3 (13) *Pharmacy Board Contingent Fund.*
- 4 (14) *Physical Therapy Fund.*
- 5 (15) *Private Investigator Fund.*
- 6 (16) *Professional Engineer's and Land Surveyor's Fund.*
- 7 (17) *Consumer Affairs Fund.*
- 8 (18) *Behavioral Sciences Fund.*
- 9 (19) *Licensed Midwifery Fund.*
- 10 (20) *Court Reporters' Fund.*
- 11 (21) *Veterinary Medical Board Contingent Fund.*
- 12 (22) *Vocational Nursing and Psychiatric Technicians Fund.*
- 13 (23) *Electronic and Appliance Repair Fund.*
- 14 (24) *Geology and Geophysics Account of the Professional*
- 15 *Engineer's and Land Surveyor's Fund.*
- 16 (25) *Dispensing Opticians Fund.*
- 17 (26) *Acupuncture Fund.*
- 18 (27) *Physician Assistant Fund.*
- 19 (28) *Board of Podiatric Medicine Fund.*
- 20 (29) *Psychology Fund.*
- 21 (30) *Respiratory Care Fund.*
- 22 (31) *Speech-Language Pathology and Audiology and Hearing*
- 23 *Aid Dispensers Fund.*
- 24 (32) *Board of Registered Nursing Fund.*
- 25 (33) *Animal Health Technician Examining Committee Fund.*
- 26 (34) *State Dental Hygiene Fund.*
- 27 (35) *State Dental Assistant Fund.*
- 28 (36) *Structural Pest Control Fund.*
- 29 (37) *Structural Pest Control Eradication and Enforcement Fund.*
- 30 (38) *Structural Pest Control Research Fund.*
- 31 (b) *For accounting and recordkeeping purposes, the Professions*
- 32 *and Vocations Fund shall be deemed to be a single special fund,*
- 33 *and each of the several special funds therein shall constitute and*
- 34 *be deemed to be a separate account in the Professions and*
- 35 *Vocations Fund. Each account or fund shall be available for*
- 36 *expenditure only for the purposes as are now or may hereafter be*
- 37 *provided by law.*
- 38 (c) *This section shall become operative on July 1, 2016.*
- 39 SEC. 2.3. *Section 205 is added to the Business and Professions*
- 40 *Code, to read:*

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

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

1 (36) *Structural Pest Control Eradication and Enforcement Fund.*

2 (37) *Structural Pest Control Research Fund.*

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

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

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

14
15 CHAPTER 12. CEMETERY AND FUNERAL ACT

16
17 SEC. 4. Section 7600 of the Business and Professions Code is
18 amended to read:

19 7600. This chapter of the Business and Professions Code
20 constitutes the chapter on cemetery and funeral law. It may be
21 cited as the Cemetery and Funeral Act.

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

24 7602. (a) (1) There is in the department the Cemetery and
25 Funeral Bureau, under the supervision and control of the director.

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

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

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

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

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

5 7606. The bureau may establish necessary rules and regulations
6 for the administration and enforcement of this act and the laws
7 subject to its jurisdiction and prescribe the form of statements and
8 reports provided for in this act. The rules and regulations shall be
9 adopted, amended, or repealed in accordance with the provisions
10 of the Administrative Procedure Act (Chapter 3.5 (commencing
11 with Section 11340) of Part 1 of Division 3 of Title 2 of the
12 Government Code).

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

15 7607. The bureau may inspect the premises in which the
16 business of a funeral establishment, cemetery, or crematory is
17 conducted, where embalming is practiced, or where human remains
18 are stored.

19 SEC. 9. Section 7608 of the Business and Professions Code is
20 amended to read:

21 7608. (a) The Director of Consumer Affairs may employ and
22 appoint all employees necessary to properly administer the work
23 of the bureau, in accordance with civil service regulations.

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

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

33 SEC. 10. Section 7608 is added to the Business and Professions
34 Code, to read:

35 7608. (a) The Director of Consumer Affairs may employ and
36 appoint all employees necessary to properly administer the work
37 of the bureau, in accordance with civil service regulations.

38 With the approval of the Director of Finance, and, subject to the
39 provisions of Section 159.5, the bureau shall employ investigators
40 and attorneys to assist the bureau in prosecuting violations of this

chapter, whose compensation and expenses shall be payable only out of the Cemetery and Funeral Fund.

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

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

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

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

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

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

Article 1.5. Definitions and Regulation of Cemeteries

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

7611.1. "Act" means the Cemetery and Funeral Bureau Act.

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

7611.3. A "cemetery salesperson" is a natural person who, other than in reference to an occasional sale, is employed by a cemetery broker to sell, or offer for sale, list or offer to list, or to buy, or to offer to buy, or to lease, or offer to lease, or to solicit, or to negotiate the purchase or sale or lease or exchange of

1 cemetery property or interment services, or any interest therein,
2 for his or her own account or for another.

3 7611.4. (a) A “cemetery manager” is a person engaged in or
4 conducting, or holding himself or herself out as engaged in those
5 activities involved in, or incidental to, the maintaining, operating,
6 or improving a cemetery licensed under this chapter, the interring
7 of human remains, and the care, preservation, and embellishment
8 of cemetery property.

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

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

15 (2) The interment of human remains.

16 (3) The care, preservation, and embellishment of cemetery
17 property.

18 (4) Activities described in Section 7637.2.

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

24 7611.6. The definitions in Chapter 1 (commencing with Section
25 7000) of Part 1 of Division 7 of the Health and Safety Code are
26 applicable to this act.

27 7611.7. “Cemetery licensee” means any cemetery broker,
28 cemetery salesperson, or cemetery manager.

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

34 7611.9. A “cremated remains disposer” is a person who, for
35 his or her own account or for another, disposes of, or offers to
36 dispose of, cremated human remains by scattering over or on land
37 or sea.

38 7611.10. “Endowment care” or “endowed care” shall include
39 both general and special care funds.

1 7612. An “occasional sale” is a sale of cemetery property not
2 acquired or held for purposes of resale or speculation, provided
3 such sale is not one of a series of sales sufficient in number, scope,
4 and character to constitute engaging in the business of selling or
5 reselling or holding for speculation cemetery property.

6 7612.1. “Public cemetery” means a cemetery owned and
7 operated by a city, county, city and county, or public cemetery
8 district.

9 7612.2. This act does not apply to any of the following:

10 (a) A religious corporation, church, religious society or
11 denomination, a corporation sole administering temporalities of
12 any church or religious society or denomination, or any cemetery
13 organized, controlled, and operated by any of them.

14 (b) A public cemetery.

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

25 7612.3. The bureau shall disclose on its Internet Web site,
26 information about each cemetery subject to the jurisdiction of the
27 bureau. In addition to the information required by Section 27, the
28 bureau shall disclose the name of the owner of each cemetery, the
29 name of the cemetery, the business address of the cemetery owner,
30 and the physical address of the cemetery.

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

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

4 7612.5. (a) (1) Any person who holds or has held, or was
5 named on, any license or registration under the jurisdiction of the
6 bureau that has been, within the immediately preceding 10 years,
7 revoked, suspended, placed on probation, or surrendered under a
8 stipulated decision, and who is employed by, or who seeks
9 employment with, a licensed cemetery, a licensed crematory, or a
10 licensed cemetery broker in any capacity, shall inform the licensed
11 cemetery manager, the licensed crematory manager, or the licensed
12 cemetery broker of that revocation, suspension, probation, or
13 surrender.

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

18 (b) The cemetery manager, crematory manager, or cemetery
19 broker who is informed pursuant to subdivision (a) shall notify the
20 bureau by submitting the form within 30 days of being so informed.
21 Failure of the cemetery manager, crematory manager, or cemetery
22 broker to notify the bureau shall be a cause for a warning. A
23 cemetery manager, crematory manager, or cemetery broker shall
24 not be subject to a warning if his or her failure to notify the bureau
25 is due to a false statement made by an employee.

26 (c) Any person required to notify the cemetery manager,
27 crematory manager, or cemetery broker under subdivision (a) who
28 fails to do so or who makes a false statement on the required form
29 shall be subject to disciplinary action if that person is a licensee
30 of the bureau, or that failure or false statement shall be cause for
31 denial of a license under Section 480.

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

37 7612.6. (a) Each cemetery authority shall file with the bureau
38 annually, on or before June 1, or within five months after close of
39 their fiscal year provided approval has been granted by the bureau

1 as provided for in Section 7612.7, a written report in a form
2 prescribed by the bureau setting forth the following:

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

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

11 (3) A statement showing separately the total amount of the
12 general and special endowment care funds invested in each of the
13 investments authorized by law and the amount of cash on hand
14 not invested, which statement shall actually show the financial
15 condition of the funds.

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

21 (5) A statement showing the transactions entered into between
22 the corporation or any officer, employee, or stockholder thereof
23 and the trustees of the endowment care funds with respect to those
24 endowment care funds. The statement shall show the dates,
25 amounts of the transactions, and shall contain a statement of the
26 reasons for those transactions.

27 (b) The report shall be verified by the president or vice president
28 and one other officer of the cemetery corporation. The information
29 submitted pursuant to paragraphs (2), (3), (4), and (5) of
30 subdivision (a) shall be accompanied by an annual audit report of
31 the endowment care fund and special care fund signed by a certified
32 public accountant or public accountant. The scope of the audit
33 shall include the inspection, review, and audit of the general
34 purpose financial statements of the endowment care fund and
35 special care fund, which shall include the balance sheet, the
36 statement of revenues, expenditures, and changes in fund balance.

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

1 7612.7. Each cemetery authority requesting a change of filing
2 date of the endowment care fund report from a calendar year to a
3 fiscal year or a change in fiscal year shall file a petition with the
4 bureau prior to the close of the year of request. The bureau may
5 approve such petition provided that no report shall be for a period
6 of more than 12 months.

7 7612.8. The report shall state the name of the trustee or trustees
8 of the endowment care fund. Any change of trustee shall be
9 reported to the bureau within a period of 30 days after the change
10 is made.

11 7612.9. A copy of each annual audit report shall be transmitted
12 to the bureau and shall be a public record. It shall also be open for
13 public inspection at the offices of the cemetery authority during
14 normal business hours. If the cemetery authority does not maintain
15 offices in the county in which its cemetery is located, it shall file
16 a copy of the annual audit report with the county clerk of the
17 county, which shall be subject to public inspection.

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

30 (b) A cemetery authority may request waiver or reduction of a
31 fine by making a written request therefor. The request shall be
32 postmarked within the time specified above for payment of the
33 fine and shall be accompanied by a statement showing good cause
34 for the request.

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

39 7612.11. (a) The bureau shall conduct a study to obtain
40 information to determine if the endowment care fund levels of

1 each licensee's cemetery are sufficient to cover the cost of future
2 maintenance. The bureau shall also review the levels of endowment
3 care funds that have previously been reported pursuant to this
4 chapter by licensed cemeteries.

5 (b) The bureau shall report its findings and recommendations
6 to the appropriate policy committees of the Legislature by January
7 1, 2018.

8 7613. The bureau shall examine the reports filed with it as to
9 their compliance with the requirements of the Health and Safety
10 Code as to the amount of endowment care funds collected and as
11 to the manner of investment of those funds.

12 7613.1. The bureau shall examine the endowment care funds
13 of a cemetery authority:

14 (a) Whenever it deems necessary and at least once every five
15 years.

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

18 (c) Whenever the accountant or auditor qualifies his or her
19 certification of the report that is prepared and signed by a certified
20 public accountant licensed in the state and prepared in accordance
21 with Section 7612.6.

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

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

29 (f) The actual and necessary expense of the examination under
30 subdivision (a) shall, in the discretion of the bureau, be paid by
31 the cemetery authority whenever the examination requires more
32 than one day and the need for continuing the examination is directly
33 related to identified omissions and errors in the management of
34 endowment care funds.

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

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

4 7613.2. (a) If any cemetery authority refuses to pay such
5 expenses, the bureau shall refuse it a certificate of authority and
6 shall revoke any existing certificate of authority. All examination
7 expense moneys collected by the bureau shall be paid into the State
8 Treasury to the credit of the Cemetery and Funeral Fund.

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

10 7613.3. (a) In making the examination, the bureau:

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

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

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

18 (b) Upon request by the bureau, a cemetery authority shall
19 provide records to substantiate the expenditures of the income of
20 the trust funds. If a cemetery authority fails to reasonably comply
21 with this request, the bureau may have access to books, records,
22 and accounts of a cemetery authority for purposes of ascertaining
23 compliance with applicable laws.

24 7613.4. (a) Subject to subdivision (b), a limited liability
25 company certificated as a cemetery authority pursuant to Section
26 7018 of the Health and Safety Code may provide services of
27 licensed cemetery brokers, cemetery salespersons, cemetery
28 managers, funeral directors, embalmers, crematorium licensees,
29 and any other person licensed under this code to provide services
30 relating to cemeteries and funerals by employing one or more of
31 these licensed persons.

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

38 (1) (A) Maintaining a policy or policies of insurance against
39 liability imposed on or against it by law for damages arising out
40 of claims. However, the total aggregate limit of liability under the

1 policy or policies of insurance for a limited liability company that
2 employs five or fewer licensed persons shall not be less than one
3 million dollars (\$1,000,000), and for a limited liability company
4 that employs more than five licensees, an additional one hundred
5 thousand dollars (\$100,000) of insurance shall be obtained for
6 each additional licensee except that the maximum amount of
7 insurance is not required to exceed five million dollars (\$5,000,000)
8 in any one designated period, less amounts paid in defending,
9 settling, or discharging claims as set forth in this paragraph. The
10 policy or policies may be issued on a claims-made or occurrence
11 basis, and shall cover:

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

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

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

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

30 (D) Upon the dissolution and winding up of the limited liability
31 company, the company shall, with respect to any insurance policy
32 or policies then maintained pursuant to this paragraph, maintain
33 or obtain an extended reporting period endorsement or equivalent
34 provision in the maximum aggregate limit of liability required to
35 comply with this paragraph for a minimum of three years if
36 reasonably available from the insurer.

37 (2) Maintaining in trust or bank escrow, cash, bank certificates
38 of deposit, United States Treasury obligations, bank letters of
39 credit, or bonds of insurance or surety companies as security for
40 payment of liabilities imposed by law for damages arising out of

1 all claims. However, the maximum amount of security for a limited
2 liability company that employs five or fewer licensed persons shall
3 not be less than one million dollars (\$1,000,000), and for a limited
4 liability company that employs more than five licensees rendering
5 professional services on behalf of the company, an additional one
6 hundred thousand dollars (\$100,000) of security shall be obtained
7 for each additional licensee except that the maximum amount of
8 security is not required to exceed five million dollars (\$5,000,000).
9 The limited liability company remains in compliance with this
10 section during a calendar year notwithstanding amounts paid during
11 that calendar year from the accounts, funds, Treasury obligations,
12 letters of credit, or bonds in defending, settling, or discharging
13 claims of the type described in this paragraph, provided that the
14 amount of those accounts, funds, Treasury obligations, letters of
15 credit, or bonds was at least the amount specified in the preceding
16 sentence as of the first business day of that calendar year.
17 Notwithstanding the pendency of other claims against the limited
18 liability company, it shall be deemed to be in compliance with this
19 paragraph as to a claim if within 30 days after the time that a claim
20 is initially asserted through service of a summons, complaint, or
21 comparable pleading in a judicial or administrative proceeding,
22 the limited liability company has provided the required amount of
23 security by designating and segregating funds in compliance with
24 the requirements of this paragraph.

25 (3) Unless the limited liability company has satisfied paragraph
26 (4), each member of a limited liability company certificated as a
27 cemetery authority that provides professional services rendered
28 by employees who are licensed professionals described in
29 subdivision (a), by virtue of that person's status as a member,
30 thereby automatically guarantees payment of the difference
31 between the maximum amount of security required for the limited
32 liability company by this subdivision and the security otherwise
33 provided in accordance with paragraphs (1) and (2), provided that
34 the aggregate amount paid by all members under these guarantees
35 shall not exceed the difference. Neither withdrawal by a member
36 nor the dissolution and winding up of the limited liability company
37 shall affect the rights or obligations of a member arising prior to
38 withdrawal or dissolution and winding up, and the guarantee
39 provided for in this paragraph shall apply only to conduct that
40 occurred prior to the withdrawal or dissolution and winding up.

1 Nothing contained in this subdivision shall affect or impair the
2 rights or obligations of the members among themselves, or the
3 limited liability company, including, but not limited to, rights of
4 contribution, subrogation, or indemnification.

5 (4) Confirming, pursuant to the procedure in subdivision (c) of
6 Section 16956 of the Corporations Code, that, as of the most
7 recently completed fiscal year of the limited liability company, it
8 had a net worth equal to or exceeding ten million dollars
9 (\$10,000,000). The limited liability company shall transmit
10 evidence of this paragraph to the bureau in a form similar to the
11 form submitted by a limited liability partnership providing
12 alternative security provisions pursuant to subdivision (c) of
13 Section 16956 of the Corporations Code.

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

17 (2) For purposes of compliance with this section, the provisions
18 of subdivision (d) of Section 16956 of the Corporations Code shall
19 apply to a limited liability company certificated as a cemetery
20 authority.

21 7613.5. (a) A person licensed under this code as a cemetery
22 broker, cemetery salesperson, cemetery manager, funeral director,
23 embalmer, crematorium licensee, or other person licensed to
24 provide services related to cemeteries and funerals shall not have
25 any ownership interest as a member in a limited liability company
26 certificated as a cemetery authority pursuant to Section 7018 of
27 the Health and Safety Code.

28 (b) If a limited liability company admits, as a member with
29 ownership interest, a licensed person described in subdivision (a),
30 the limited liability company, by operation of law, shall be deemed
31 in violation of subdivision (e) of Section 17701.04 of the
32 Corporations Code, and the members shall be treated as partners
33 with joint and several liability for claims made upon acts, errors,
34 or omissions arising out of services provided by any licensed
35 person described in subdivision (a).

36 (c) If the bureau determines that a licensed cemetery broker,
37 cemetery salesperson, cemetery manager, funeral director,
38 embalmer, crematorium licensee, or other person licensed to
39 provide services related to cemeteries and funerals has an
40 ownership interest as a member in the limited liability company,

1 the bureau shall suspend the limited liability company's certificate
2 of authority. The bureau shall reinstate the certificate of authority
3 only upon finding that the licensed cemetery broker, cemetery
4 salesperson, cemetery manager, funeral director, embalmer,
5 crematorium licensee, or other person licensed to provide services
6 related to cemeteries and funerals has been divested of his or her
7 ownership interest in the limited liability company or has
8 voluntarily surrendered his or her license.

9 7613.6. The bureau may administer oaths and examine under
10 oath any person relative to the endowment care fund. The
11 examination shall be conducted in the principal office of the person
12 or body in charge of the endowment care fund and shall be private.

13 7613.7. If any examination made by the bureau, or any report
14 filed with it, shows that there has not been collected and deposited
15 in the endowment care funds the minimum amounts required by
16 the Health and Safety Code since September 19, 1939, the bureau
17 shall require a cemetery corporation to comply with Sections 8743
18 and 8744 of the Health and Safety Code.

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

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

1 (a) That the cemetery authority has refused to submit its books,
2 papers, accounts, or affairs to the reasonable examination of the
3 bureau.

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

7 (c) That the cemetery authority is found, after an examination,
8 to be in such condition that its further management of its
9 endowment care funds will be hazardous to its members,
10 plotters, or to the public.

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

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

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

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

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

1 7614. If any city, county, or city and county exercises its
2 authority to address public health, safety, or welfare issues in
3 connection with a cemetery within its jurisdiction and if the
4 certificate of authority of the cemetery has been revoked or
5 suspended or has not been renewed, and the bureau holds the
6 endowment care fund of the certificate of authority under applicable
7 provisions of this code, the costs of any action that constitutes
8 care, maintenance, or embellishment of the cemetery within the
9 meaning of Section 8726 of the Health and Safety Code shall be
10 eligible for reimbursement from available income from any
11 endowment care fund in existence for the cemetery. For purposes
12 of this section, local jurisdiction action may be based on charter,
13 ordinance, or inherent police powers. Any claim for money or
14 damages for an act or omission by the local jurisdiction acting in
15 accord with this section shall be subject to all otherwise applicable
16 immunities contained in Division 3.6 (commencing with Section
17 810) of Title 1 of the Government Code.

18 7614.1. Whenever the bureau makes any seizure as provided
19 in Section 7613.10, it shall, on demand of the bureau, be the duty
20 of the sheriff of any county of this state, and of the police
21 department of any municipal corporation therein, to furnish the
22 bureau with deputies, patrolmen, or officers as may be necessary
23 to assist the bureau in making and enforcing that seizure.

24 7614.2. Immediately after effecting a seizure pursuant to
25 Section 7613.10, the bureau shall institute a proceeding as provided
26 for in Section 7613.9.

27 7614.3. Notwithstanding any other law, the bureau shall be the
28 custodian of all moneys collected or surrendered pursuant to
29 Sections 7613.9 and 7613.10. As custodian, the bureau may deposit
30 those moneys, or any part thereof, without court approval, in any
31 of the following: a bank or trust company legally authorized and
32 empowered by the state to act as a trustee in the handling of trust
33 funds; in a centralized State Treasury system bank account; or in
34 funds administered by the State Treasurer.

35 7614.4. The bureau shall maintain, regulate, operate, and
36 control the property situated in the County of Amador, referred to
37 as the Elkin Property in Judicial Council Coordination Proceedings
38 Nos. 1814 and 1817, Order Re Proposed Neptune Memorial,
39 Disposition of the Elkin Property, and Order Re Final Disposition
40 of Ashes of the Sacramento Superior Court, and legally described

1 as “Parcel 16-B as shown on the certain Record or Survey for
2 Eugene S. Lowrance, et ux, filed for record May 17, 1971, in Book
3 17 of Maps and Plats at page 87, Amador County Records.” The
4 bureau shall administer and supervise endowment funds established
5 by the court for the property. The bureau shall exercise the
6 authority granted by this section for the sole purpose of protecting
7 the human remains resting on the property and preserving the
8 property in its natural state.

9 7614.5. The bureau is authorized to bring action to enforce the
10 provisions of the law subject to its jurisdiction, in which actions
11 it shall be represented by the Attorney General.

12 7614.6. The bureau shall enforce and administer Part 1
13 (commencing with Section 8100), Part 3 (commencing with Section
14 8250), and Part 5 (commencing with Section 9501) of Division 8
15 of the Health and Safety Code.

16 7614.7. In any report to the bureau, all bonds, debentures, or
17 other evidences of debt held by a cemetery corporation if amply
18 secured and if not in default as to principal or interest may be
19 valued as follows:

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

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

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

28 7614.8. Any security or other evidence of debt if in default as
29 to principal or interest or if not amply secured shall not be valued
30 as an asset of the endowment care fund above its market value.

31 7614.9. Notwithstanding any other law, every cemetery
32 authority shall present to the survivor of the deceased who is
33 handling the burial or cremation arrangements or the responsible
34 party a copy of any preneed agreement that has been signed and
35 paid in full, or in part, by or on behalf of the deceased and is in
36 the possession of the cemetery authority. The copy may be
37 presented in person, by certified mail, or by facsimile transmission,
38 as agreed upon by the survivor of the deceased or the responsible
39 party. A cemetery authority who knowingly fails to present the
40 preneed agreement to the survivor of the deceased or the

1 responsible party shall be liable for a civil fine equal to three times
2 the cost of the preneed agreement, or one thousand dollars (\$1,000),
3 whichever is greater.

4 SEC. 14. Section 7619.2 of the Business and Professions Code
5 is repealed.

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

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

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

12 7622.2. A person shall not open or maintain a place or
13 establishment at which to engage in or conduct, or hold himself,
14 herself, or itself out as engaging in or conducting, the activities of
15 a funeral director without a license.

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

19
20 Article 2.5. Cemetery Brokerage Regulations
21

22 7637. This article does not apply to the following cases or to
23 the following persons:

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

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

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

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

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

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

39 7637.1. A person shall not engage in the business of, act in the
40 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 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 circulation of
32 any false statement or representation concerning any cemetery or
33 cemetery brokerage business and every person who, with
34 knowledge that any advertisement, pamphlet, prospectus, or letter
35 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 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. 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 at least the equivalent of two years' general cemetery experience

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

6 7651.3. Application for license as a cemetery salesperson shall
7 be made in writing on the form prescribed by the bureau and filed
8 at the principal office of the bureau. The application shall be signed
9 by the applicant, and shall be accompanied by the cemetery
10 salesperson's license fee.

11 7651.4. Notwithstanding any other provision of this chapter,
12 Section 7651.7 does not apply to an applicant for a cemetery
13 salesperson's license.

14 7651.5. The bureau shall investigate the qualifications of the
15 applicants. Except as otherwise prescribed in this article, it may
16 issue the license applied for to an applicant on a showing
17 satisfactory to it that the following facts exist:

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

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

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

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

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

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

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

33 7651.6. All cemetery brokers who do not possess a certificate
34 of authority shall, in addition to the requirements of this chapter,
35 file with the bureau a satisfactory bond to the people of the State
36 of California, duly executed by a sufficient surety or sureties to
37 be approved by the bureau, in the amount of ten thousand dollars
38 (\$10,000). That bond shall be conditioned for the honest and
39 faithful performance by such broker and his or her salespersons
40 and employees of any undertaking as a licensed cemetery broker

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

16 7651.7. The bureau shall ascertain by written examination that
17 the applicant, and, in case of a copartnership or corporation
18 applicant for a cemetery broker's license, that each officer, agent,
19 or member thereof through whom it proposes to act as a cemetery
20 licensee has:

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

23 (b) A fair understanding of:

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

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

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

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

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

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

38 7651.8. The bureau may, in its discretion, waive the
39 examination of any applicant for a cemetery broker's license who
40 held an unrevoked or unsuspended cemetery license on June 30

1 of the preceding fiscal year as an individual broker, an officer of
2 a corporation, or member of a copartnership.

3 7651.9. An application on the form prescribed by the bureau
4 for the renewal of any unrevoked and unsuspended license filed
5 before midnight of June 30 of the year for which such unrevoked
6 and unsuspended license was issued, accompanied by the
7 applicable renewal fee, entitles the applicant to continue operating
8 under his or her existing license after its usual expiration date, if
9 not previously suspended or revoked, and until such date as he or
10 she is notified in writing that the application has been granted or
11 denied.

12 7651.10. A cemetery license does not give authority to do any
13 act specified in this act to any person other than the person to whom
14 the license is issued.

15 7652. When a cemetery brokerage license is issued to a
16 cemetery brokerage corporation, if it desires any of its officers
17 other than the officer through whom it is already licensed to act
18 under its license as a cemetery broker, it shall procure an additional
19 license for each such officer. When a cemetery brokerage license
20 is granted to cemetery brokerage copartnership, if it desires any
21 of its members other than the one through whom it is already
22 licensed to act as a cemetery broker, it shall procure an additional
23 license for each such member.

24 7652.1. Each officer of a corporation through whom it is
25 licensed to act as a cemetery broker, and each member of a
26 copartnership through whom it is licensed to act as a cemetery
27 broker, is, while so employed under such license, a licensed
28 cemetery broker, but licensed only to act as such for and on behalf
29 of the corporation or the copartnership, as officer or member,
30 respectively.

31 7652.2. The cemetery licenses of both broker and salesperson
32 shall be prominently displayed in the office of the broker.

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

36 7652.3. Immediately upon the salesperson's withdrawal from
37 the employ of the broker, the broker shall return the salesperson's
38 license to the bureau for cancellation. A license canceled but not
39 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 certificate
15 of authority, the bureau may consider acts of incorporators, officers,
16 directors, and stockholders of the applicant, which shall constitute
17 grounds for the denial of a certificate of authority under Division
18 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, and financing of the proposed
7 cemetery, and any other qualifications required of the applicant
8 under this act, and for this purpose may subpoena witnesses,
9 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 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, including, but not limited to, revocation or
22 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. 20. Article 4.5 (commencing with Section 7672) is added
18 to Chapter 12 of Division 3 of the Business and Professions Code,
19 to read:

20
21 Article 4.5. Cremated Remains Disposer
22

23 7672. A person shall not dispose of or offer to dispose of any
24 cremated human remains unless registered as a cremated remains
25 disposer by the bureau. This article shall not apply to any person,
26 partnership, or corporation holding a certificate of authority as a
27 cemetery, crematory license, cemetery broker's license, cemetery
28 salesperson's license, or funeral director's license, nor shall this
29 article apply to any person having the right to control the
30 disposition of the cremated remains of any person or that person's
31 designee if the person does not dispose of or offer to dispose of
32 more than 10 cremated human remains within any calendar year.

33 7672.1. (a) Registration shall be on the form prescribed by the
34 bureau and shall include, but not be limited to, the full name of
35 the registrant, business and residence addresses, description and
36 identification of aircraft or boats which may be used in dispensing
37 cremated human remains, and the area to be served. Each
38 registration application shall be accompanied by the cremated
39 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 midnight on September 30 of each year. A person desiring to
32 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. 21. Section 7685.3 of the Business and Professions Code
25 is amended to read:

26 7685.3. The current address, telephone number, and name of
27 the Department of Consumer Affairs, Cemetery and Funeral Bureau
28 shall appear on the first page of any contract for goods and services
29 offered by a licensee. At a minimum, the information shall be in
30 8-point boldface type and make this statement:

31
32 “FOR MORE INFORMATION ON FUNERAL, CEMETERY,
33 AND CREMATION MATTERS, CONTACT: DEPARTMENT
34 OF CONSUMER AFFAIRS, CEMETERY AND FUNERAL
35 BUREAU (ADDRESS), (TELEPHONE NUMBER).”

36
37 SEC. 22. Section 7685.5 of the Business and Professions Code
38 is amended to read:

39 7685.5. (a) The bureau shall make available to funeral
40 establishments and cemetery authorities a copy of a consumer

1 guide for funeral and cemetery purchases for purposes of
2 reproduction and distribution. The funeral and cemetery guide that
3 is approved by the bureau, in consultation with the funeral and
4 cemetery industries and any other interested parties, shall be made
5 available in printed form and electronically through the Internet.

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

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

14 SEC. 23. Section 7711.1 is added to the Business and
15 Professions Code, to read:

16 7711.1. Unprofessional conduct by any licensee or registrant
17 or by any agent or employee of a licensee or registrant constitutes
18 grounds for disciplinary action. Unprofessional conduct includes,
19 but is not limited to, the following:

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

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

28 SEC. 24. Section 7711.2 is added to the Business and
29 Professions Code, to read:

30 7711.2. The bureau may, upon its own motion, and shall, upon
31 the verified complaint in writing of any person, investigate the
32 actions of any person engaged in the business or acting in the
33 capacity of a cemetery licensee, and may temporarily suspend or
34 permanently revoke a license at any time where the licensee, within
35 the immediately preceding three years, while a cemetery licensee
36 in performing or attempting to perform any of the acts specified
37 in this act, has been guilty of any of the following:

38 (a) Making any substantial misrepresentation.

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

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

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

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

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

12 (g) The claiming or taking by a licensee of any secret or
13 undisclosed amount of compensation, commission, or profit or the
14 failure of a licensee to reveal to the employer of such licensee the
15 full amount of such licensee's compensation, commission, or profit
16 under any agreement authorizing or employing such licensee to
17 sell, buy, or exchange cemetery property for compensation or
18 commission prior to or coincident with the signing of such
19 agreement evidencing the meeting of the minds of the contracting
20 parties, regardless of the form of such agreement, whether
21 evidenced by documents in an escrow or by any other or different
22 procedure.

23 (h) The use by a licensee of any provision allowing the licensee
24 an option to purchase in an agreement authorizing or employing
25 such licensee to sell, buy, or exchange cemetery property for
26 compensation or commission, except when such licensee prior to
27 or coincident with election to exercise such option to purchase
28 reveals in writing to the employer the full amount of the licensee's
29 profit and obtains the written consent of the employer approving
30 the amount of such profit.

31 (i) Any other conduct, whether of the same or a different
32 character than specified in this section, which constitutes fraud or
33 dishonest dealing.

34 (j) The misrepresentations and false statements mentioned in
35 this section also include misrepresentation and false statements as
36 to other property than that which the cemetery licensee may be
37 selling or attempting to sell.

38 SEC. 25. Section 7711.3 is added to the Business and
39 Professions Code, to read:

1 7711.3. The bureau may suspend or revoke the license of any
2 cemetery licensee who, within the immediately preceding three
3 years, has done any of the following:

4 (a) Been convicted of a crime substantially related to the
5 qualifications, functions, and duties of such licensee. The record
6 of conviction, or a certified copy thereof, shall be conclusive
7 evidence of such conviction.

8 (b) Knowingly authorized, directed, connived at, or aided in the
9 publication, advertisement, distribution, or circulation of any
10 material false statement or representation concerning his or her
11 business or any cemetery property offered for sale.

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

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

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

19 7711.4. When any salesperson is discharged by his or her
20 employer for a violation of any of the provisions of this article
21 prescribing a ground for disciplinary action, a verified written
22 statement of the facts with reference thereto shall be filed forthwith
23 with the bureau by the employer and, if the employer fails to notify
24 the bureau as required by this section, the bureau may temporarily
25 suspend or permanently revoke the cemetery license of the
26 employer in accordance with the provisions of this act.

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

29 7711.5. The bureau may deny, suspend, or revoke the cemetery
30 license of a corporation as to any officer or agent acting under its
31 cemetery license, and the cemetery license of a copartnership as
32 to any member acting under its cemetery license, without revoking
33 the cemetery license of the corporation or of the copartnership.

34 SEC. 28. Section 7711.6 is added to the Business and
35 Professions Code, to read:

36 7711.6. The fees for cemetery licenses at all periods of the
37 fiscal year is the same as provided in this article. All cemetery
38 license fees are payable in advance of issuing the licenses and at
39 the time of filing the application. All licenses shall be issued for

1 the fiscal year and shall expire on June 30 of each fiscal year at
2 midnight.

3 SEC. 29. Section 7711.7 is added to the Business and
4 Professions Code, to read:

5 7711.7. (a) If a person fails to apply for a license renewal, no
6 renewal license shall be issued except upon payment of the
7 delinquent renewal fee required under Section 7729.2.

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

14 SEC. 30. Section 7711.8 is added to the Business and
15 Professions Code, to read:

16 7711.8. The definitions contained in this article are solely for
17 the purposes of this article.

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

20 7711.9. An original cemetery broker's license is a cemetery
21 license issued to a person who did not have a cemetery broker's
22 license on June 30 of the fiscal year previous to the fiscal year for
23 which the license is issued.

24 SEC. 32. Section 7711.10 is added to the Business and
25 Professions Code, to read:

26 7711.10. A renewal cemetery broker's license is a cemetery
27 license issued to a person who had a cemetery broker's license
28 unrevoked and unsuspended on June 30 of the fiscal year previous
29 to the fiscal year for which the renewal cemetery license is issued.

30 SEC. 33. Section 7711.11 is added to the Business and
31 Professions Code, to read:

32 7711.11. An original cemetery salesperson's license is a
33 cemetery license issued to a person who did not have a cemetery
34 salesperson's or a broker's license either individually or as an
35 officer of a corporation, or as a member of a copartnership, on
36 June 30 of the fiscal year previous to the fiscal year for which the
37 salesperson's license is issued.

38 SEC. 34. Section 7711.12 is added to the Business and
39 Professions Code, to read:

1 7711.12. A renewal cemetery salesperson's license is a
2 cemetery license issued to a person who had a cemetery
3 salesperson's or a broker's license either individually or as an
4 officer of a corporation, or as a member of a copartnership, on
5 June 30 of the fiscal year previous to the fiscal year for which the
6 salesperson's license is issued.

7 SEC. 35. Article 6.5 (commencing with Section 7712) is added
8 to Chapter 12 of Division 3 of the Business and Professions Code,
9 to read:

10
11 Article 6.5. Crematories
12

13 7712. A crematory established, operated, or maintained, may
14 be operated by a corporation, partnership, or natural person,
15 provided that a valid crematory license shall have been issued by
16 the bureau.

17 7712.1. Any change in the ownership of a crematory shall be
18 reported to the bureau. Any transfer in a single transaction or a
19 related series of transactions of more than 50 percent of the
20 equitable interest in a licensed crematory shall constitute a change
21 of ownership. When a change of ownership in a crematory occurs,
22 the existing crematory license shall lapse and the new owner shall
23 obtain a new license from the bureau as otherwise provided in this
24 act. The bureau shall not require an applicant under this section to
25 obtain any new permit or license from any other governmental
26 agency when the existing permit or license is valid.

27 7712.2. Application for a crematory license shall be made in
28 writing on the form prescribed by the bureau and filed at the
29 principal office of the bureau. The application shall be accompanied
30 by the fee provided for in this article and shall show that the
31 applicant owns or is actively operating a crematory in this state or
32 that the applicant is in a position to commence operating such a
33 crematory.

34 7712.3. The provisions of Article 5 (commencing with Section
35 8341) of Chapter 2 of Part 3 of Division 8 of the Health and Safety
36 Code shall apply to crematories licensed under this chapter.

37 7712.4. The bureau may require such proof as it deems
38 advisable concerning the compliance by such applicant with all
39 the laws, rules, regulations, ordinances, and orders applicable to
40 the applicant and shall not issue such crematory license until it has

1 satisfied itself that the public interest will be served by such
2 applicant.

3 7712.5. (a) The bureau shall adopt, and may from time to time
4 amend, rules and regulations prescribing standards of knowledge
5 and experience and financial responsibility for applicants for a
6 crematory license. In reviewing an application for a crematory
7 license, the bureau may consider acts of the applicant, including
8 acts of incorporators, officers, directors, and stockholders of the
9 applicant, which shall constitute grounds for the denial of a
10 crematory license under Division 1.5 (commencing with Section
11 475).

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

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

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

31 7712.5. (a) The bureau shall adopt, and may from time to time
32 amend, rules and regulations prescribing standards of knowledge
33 and experience and financial responsibility for applicants for a
34 crematory license. In reviewing an application for a crematory
35 license, the bureau may consider acts of the applicant, including
36 acts of incorporators, officers, directors, and stockholders of the
37 applicant, which shall constitute grounds for the denial of a
38 crematory license under Division 1.5 (commencing with Section
39 475).

1 (b) Upon receipt of an application for a crematory license, the
2 bureau may cause an investigation to be made of the physical
3 status, plans, specifications, and financing of the proposed
4 crematory, the character of the applicant, including, if applicable,
5 its officers, directors, shareholders, or members, and any other
6 qualifications required of the applicant under this article, and for
7 this purpose may subpoena witnesses, administer oaths, and take
8 testimony.

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

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

18 7712.6. A crematory licensee under this article shall not
19 conduct any cremations:

20 (a) Unless the licensee has a written contract with the person
21 or persons entitled to custody of the remains clearly stating the
22 location, manner, and time of disposition to be made of the remains,
23 agreeing to pay the regular fees of the licensee for cremation,
24 disposition, and other services rendered, and any other contractual
25 provisions as may be required by the bureau.

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

29 (c) Unless the licensee has a contractual relationship with a
30 licensed cemetery authority for final disposition of cremated human
31 remains by burial, entombment, or inurnment of any and all
32 remains which are not lawfully disposed of or which are not called
33 for or accepted by the person or persons entitled to the custody
34 and control of the disposition thereof within 90 days of the date
35 of death.

36 7712.7. Every crematory licensee, who prohibits relatives or
37 the responsible party from viewing the cremation process, shall
38 disclose this fact in writing to the person or persons entitled to
39 custody of the remains prior to the signing of any contract.

1 7712.8. Each crematory licensee shall keep such records as
2 may be required by the bureau to ensure compliance with all laws
3 relating to the disposition of cremated human remains and shall
4 file annually with the bureau, a report in the form prescribed by
5 the bureau, describing the operations of the licensee, including the
6 number of cremations made, the disposition thereof, and any other
7 information as the bureau may, from time to time, require.

8 7712.9. (a) Every crematory licensee operating a crematory
9 pursuant to a license issued in compliance with this article shall
10 pay an annual regulatory charge for each crematory, to be fixed
11 by the bureau at not more than four hundred dollars (\$400). In
12 addition to an annual regulatory charge for each crematory, every
13 licensee operating a crematory pursuant to a license issued pursuant
14 to this article shall pay an additional charge to be fixed by the
15 bureau at not more than eight dollars and fifty cents (\$8.50) per
16 cremation made during the preceding quarter, which charges shall
17 be deposited in the Cemetery Fund.

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

21 7712.9. (a) Every crematory licensee operating a crematory
22 pursuant to a license issued in compliance with this article shall
23 pay an annual regulatory charge for each crematory, to be fixed
24 by the bureau at not more than four hundred dollars (\$400). In
25 addition to an annual regulatory charge for each crematory, every
26 licensee operating a crematory pursuant to a license issued pursuant
27 to this article shall pay an additional charge to be fixed by the
28 bureau at not more than eight dollars and fifty cents (\$8.50) per
29 cremation made during the preceding quarter, which charges shall
30 be deposited in the Cemetery and Funeral Fund.

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

32 7712.10. (a) Each crematory for which a crematory license is
33 required shall be operated under the supervision of a manager
34 qualified in accordance with rules adopted by the bureau. Each
35 manager shall be required to successfully pass a written
36 examination evidencing an understanding of the applicable
37 provisions of this code and of the Health and Safety Code.

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

1 7713. A crematory shall at all times employ a licensed
2 crematory manager to manage, supervise, and direct its operations.

3 (a) Every crematory shall designate a licensed crematory
4 manager to manage the crematory, and shall report the designation
5 to the bureau within 10 days of the effective date. Any change in
6 the designated manager shall be reported to the bureau within 10
7 days.

8 (b) The designated crematory manager shall be responsible for
9 exercising direct supervision and control over the operations,
10 employees, and agents of the crematory as is necessary to ensure
11 full compliance with the applicable provisions of this code, the
12 Health and Safety Code, and any regulations adopted thereto.
13 Failure of the designated crematory manager or the licensed
14 crematory to exercise that supervision or control shall constitute
15 a ground for disciplinary action.

16 (c) A crematory may employ, in addition to the designated
17 crematory manager, additional licensed crematory managers.
18 However, only one licensed crematory manager may be appointed
19 as the designated crematory manager of the crematory.

20 7713.1. (a) Application for a crematory manager license shall
21 be made in writing on the form provided by the bureau, verified
22 by the applicant and filed at the principal office of the bureau. The
23 application shall be accompanied by the fee fixed by this chapter.

24 (b) The applicant for a crematory manager license shall be at
25 least 18 years of age, possess a high school diploma or its
26 equivalent, shall not have committed acts or crimes constituting
27 grounds for denial of licensure under Section 480, shall
28 demonstrate compliance with the training and experience
29 requirements established by the bureau, and shall be a resident of
30 this state.

31 (c) The bureau shall grant a crematory manager license to any
32 applicant who meets the requirements of this chapter and who has
33 successfully passed the crematory manager examination
34 administered by the bureau.

35 7713.2. (a) A person shall not engage in or conduct, or hold
36 himself or herself out as engaging in or conducting, the activities
37 of a crematory manager without holding a valid, unexpired
38 crematory manager license issued by the bureau.

39 (b) A licensed crematory manager shall not engage in or
40 conduct, or hold himself or herself out as engaging in or

1 conducting, the activities of a crematory manager without being
2 employed by, or without being a sole proprietor, partner, or
3 corporate officer of, a licensed crematory.

4 7713.3. It is a misdemeanor for any person, firm, or corporation
5 to cremate human remains or to engage in the disposition thereof
6 without a valid, unexpired crematory license. Each cremation shall
7 be a separate violation.

8 7713.4. A crematory licensee shall be subject to and shall be
9 disciplined by the bureau in accordance with Article 6
10 (commencing with Section 7686).

11 SEC. 36. Section 7725.2 of the Business and Professions Code
12 is amended to read:

13 7725.2. Except as otherwise provided in this chapter, a license
14 that has expired may be renewed at any time within five years after
15 its expiration on filing of an application for renewal on a form
16 prescribed by the bureau and payment of all accrued and unpaid
17 renewal fees. If the license is not renewed within 30 days after its
18 expiration the licensee, as a condition precedent to renewal, shall
19 also pay the delinquency fee prescribed by this chapter. Renewal
20 under this section shall be effective on the date on which the
21 application is filed, on the date on which all renewal fees are paid,
22 or on the date on which the delinquency fee, if any, is paid,
23 whichever last occurs. If so renewed, the license shall continue in
24 effect through the date provided in Section 7725 that next occurs
25 after the effective date of the renewal, when it shall expire if it is
26 not again renewed.

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

31 SEC. 37. Section 7727 of the Business and Professions Code
32 is amended to read:

33 7727. (a) On or before the 10th day of each month, the
34 department shall pay into the State Treasury and report to the State
35 Controller all the fees received for the bureau relating to funeral
36 directors and embalmers. The fees shall be received by the State
37 Treasurer and placed in the State Funeral Directors and Embalmers
38 Fund, which fund is available for expenditures necessary for the
39 proper administration of those provisions of this chapter governing
40 funeral directors and embalmers.

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

4 SEC. 38. Section 7727 is added to the Business and Professions
5 Code, to read:

6 7727. (a) On or before the 10th day of each month, the
7 department shall pay into the State Treasury and report to the State
8 Controller all the fees received for the bureau. The fees shall be
9 received by the State Treasurer and placed in the Cemetery and
10 Funeral Fund, which fund is available for expenditures necessary
11 for the proper administration of this chapter.

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

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

15 7729.1. The amount of fees prescribed for a license or
16 certificate of authority under this act is that fixed by the following
17 provisions of this article. Any license or certificate of authority
18 provided under this act that has expired may be renewed within
19 five years of its expiration upon payment of all accrued and unpaid
20 renewal and regulatory fees.

21 SEC. 40. Section 7729.2 is added to the Business and
22 Professions Code, to read:

23 7729.2. The delinquent renewal fee for a license, registration,
24 or certificate of authority under this chapter shall be 150 percent
25 of the timely fee, but not less than the renewal fee plus twenty-five
26 dollars (\$25).

27 SEC. 41. Section 7729.3 is added to the Business and
28 Professions Code, to read:

29 7729.3. The original cemetery broker's license fee shall be
30 fixed by the bureau at not more than four hundred dollars (\$400).

31 SEC. 42. Section 7729.4 is added to the Business and
32 Professions Code, to read:

33 7729.4. (a) The original cemetery broker's license fee is
34 payable at the time of the filing of an application for an original
35 cemetery broker's license.

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

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

5 SEC. 43. Section 7729.5 is added to the Business and
6 Professions Code, to read:

7 7729.5. The annual renewal fee for a cemetery broker's license
8 shall be fixed by the bureau at not more than three hundred dollars
9 (\$300).

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

12 7729.6. If the licensee is a cemetery brokerage corporation,
13 the license issued to it entitles one officer only, on behalf of the
14 corporation, to engage in the business of a cemetery broker without
15 the payment of a further fee, that officer to be designated in the
16 application of the corporation for a license. For each other officer
17 of a licensed cemetery brokerage corporation, through whom it
18 engages in the business of a cemetery broker, the annual renewal
19 fee, in addition to the fee paid by the corporation, shall be fixed
20 by the bureau at not more than one hundred dollars (\$100).

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

23 7729.7. If the licensee is a cemetery brokerage copartnership,
24 the license issued to it entitles one member only of the
25 copartnership to engage on behalf of the copartnership in the
26 business of a cemetery broker, which member shall be designated
27 in the application of the copartnership for a license. For each other
28 member of the copartnership who on behalf of the copartnership
29 engages in the business of a cemetery broker, the annual renewal
30 fee, in addition to the fee paid by the copartnership, shall be fixed
31 by the bureau at not more than one hundred dollars (\$100).

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

34 7729.8. The cemetery salesperson's license fee shall be fixed
35 by the bureau at not more than thirty dollars (\$30).

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

38 7729.9. A cemetery salesperson's license fee is payable on
39 each filing of an application for a cemetery salesperson's license.

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

3 7729.10. The annual renewal fee for a cemetery salesperson's
4 license shall be fixed by the bureau at not more than twenty-five
5 dollars (\$25).

6 SEC. 49. Section 7730 is added to the Business and Professions
7 Code, to read:

8 7730. For a branch office broker's license, the fee shall be fixed
9 by the bureau at not more than one hundred dollars (\$100).

10 SEC. 50. Section 7730.1 is added to the Business and
11 Professions Code, to read:

12 7730.1. The cremated remains disposer registration fee shall
13 be one hundred dollars (\$100).

14 SEC. 51. Section 7730.2 is added to the Business and
15 Professions Code, to read:

16 7730.2. The renewal fee for a cremated remains disposer
17 registration shall be fifty dollars (\$50).

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

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

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

30 7730.5. For a duplicate license the fee shall be fixed by the
31 bureau at not more than twenty-five dollars (\$25).

32 SEC. 55. Section 7730.6 is added to the Business and
33 Professions Code, to read:

34 7730.6. (a) For reinstatement of a license within the fiscal
35 year, the fee shall be fixed by the bureau at not more than
36 twenty-five dollars (\$25).

37 (b) As used in this section, "reinstatement of a license" means
38 the reissuance of a canceled cemetery broker's license, or a
39 cemetery salesperson's license which was canceled during the year

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

3 SEC. 56. Section 7730.7 is added to the Business and
4 Professions Code, to read:

5 7730.7. (a) The fee for a crematory manager examination and
6 reexamination may not exceed five hundred dollars (\$500).

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

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

11 SEC. 57. Section 7730.8 is added to the Business and
12 Professions Code, to read:

13 7730.8. (a) The fee for a cemetery manager examination and
14 reexamination may not exceed nine hundred dollars (\$900).

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

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

19 SEC. 58. Section 7730.9 is added to the Business and
20 Professions Code, to read:

21 7730.9. The fee for filing a report of a change of designated
22 manager or a request for approval to share a designated cemetery
23 manager shall not exceed fifty dollars (\$50).

24 SEC. 59. Section 7730.10 is added to the Business and
25 Professions Code, to read:

26 7730.10. (a) Every cemetery authority operating a cemetery
27 shall pay an annual regulatory charge for each cemetery to be fixed
28 by the bureau at not more than four hundred dollars (\$400). In
29 addition to an annual regulatory charge for each cemetery, an
30 additional quarterly charge to be fixed by the bureau at not more
31 than eight dollars and fifty cents (\$8.50) for each burial,
32 entombment, or inurnment made during the preceding quarter shall
33 be paid to the bureau and these charges shall be deposited in the
34 Cemetery Fund. If the cemetery authority performs a burial,
35 entombment, or inurnment, and the cremation was performed at
36 a crematory located on the grounds of the cemetery and under
37 common ownership with the cemetery authority, the total of all
38 additional charges shall be not more than eight dollars and fifty
39 cents (\$8.50).

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

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

6 7730.10. (a) Every cemetery authority operating a cemetery
7 shall pay an annual regulatory charge for each cemetery to be fixed
8 by the bureau at not more than four hundred dollars (\$400). In
9 addition to an annual regulatory charge for each cemetery, an
10 additional quarterly charge to be fixed by the bureau at not more
11 than eight dollars and fifty cents (\$8.50) for each burial,
12 entombment, or inurnment made during the preceding quarter shall
13 be paid to the bureau and these charges shall be deposited in the
14 Cemetery and Funeral Fund. If the cemetery authority performs a
15 burial, entombment, or inurnment, and the cremation was
16 performed at a crematory located on the grounds of the cemetery
17 and under common ownership with the cemetery authority, the
18 total of all additional charges shall be not more than eight dollars
19 and fifty cents (\$8.50).

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

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

23 7731. Upon payment of the charges set forth, the bureau shall
24 issue a renewal of the certificate of authority to the cemetery
25 authority.

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

28 7731.1. Failure to pay the charges set forth by Section 7730.10
29 prior to February 1 for each year shall be cause for suspension of
30 the certificate of authority. The certificate may be restored upon
31 payment to the bureau of the prescribed charges.

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

34 7731.2. It is a misdemeanor for any cemetery corporation to
35 make any interments without a valid certificate of authority. Each
36 interment shall be a separate violation.

37 SEC. 64. Section 7731.3 is added to the Business and
38 Professions Code, to read:

39 7731.3. (a) All moneys received by the bureau under the
40 provisions of this chapter relating to cemetery regulation shall be

1 accounted for and reported by detailed statements furnished by
2 the bureau to the Controller at least once a month, and at the same
3 time these moneys shall be remitted to the Treasurer, and, upon
4 order of the Controller, shall be deposited in the Cemetery Fund
5 in the State Treasury, which fund is hereby created.

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

9 SEC. 65. Section 7731.3 is added to the Business and
10 Professions Code, to read:

11 7731.3. (a) All moneys received by the bureau under the
12 provisions of this chapter shall be accounted for and reported by
13 detailed statements furnished by the bureau to the Controller at
14 least once a month, and at the same time these moneys shall be
15 remitted to the Treasurer, and, upon order of the Controller, shall
16 be deposited in the Cemetery and Funeral Fund in the State
17 Treasury, which fund is hereby created.

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

19 SEC. 66. Section 7731.4 is added to the Business and
20 Professions Code, to read:

21 7731.4. (a) All moneys paid into the State Treasury and
22 credited to the Cemetery Fund shall be expended in accordance
23 with law for the payment of all actual and necessary expenses
24 incurred in carrying out the provisions of this act.

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. 67. Section 7731.4 is added to the Business and
29 Professions Code, to read:

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

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

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

37 SEC. 69. (a) *Section 2.1 of this bill incorporates changes to*
38 *Section 205 of the Business and Professions Code proposed by*
39 *both this bill and Assembly Bill 177. It shall only become operative*
40 *if (1) both bills are enacted and become effective on or before*

1 *January 1, 2016, (2) each bill amends Section 205 of the Business*
2 *and Professions Code, and (3) Assembly Bill 179 is not enacted*
3 *or as enacted does not amend that section, and (4) this bill is*
4 *enacted after Assembly Bill 177, in which case Sections 2, 2.2, and*
5 *2.3 of this bill shall not become operative.*

6 *(b) Section 2.2 of this bill incorporates changes to Section 205*
7 *of the Business Code proposed by both this bill and Assembly Bill*
8 *179. It shall only become operative if (1) both bills are enacted*
9 *and become effective on or before January 1, 2016, (2) each bill*
10 *amends Section 205 of the Business and Professions Code, (3)*
11 *Assembly Bill 177 is not enacted or as enacted does not amend*
12 *that section, and (4) this bill is enacted after Assembly Bill 179 in*
13 *which case Sections 2, 2.1, and 2.3 of this bill shall not become*
14 *operative.*

15 *(c) Section 2.3 of this bill incorporates changes to Section 205*
16 *of the Business and Professions Code proposed by this bill,*
17 *Assembly Bill 177, and Assembly Bill 179. It shall only become*
18 *operative if (1) all three bills are enacted and become effective on*
19 *or before January 1, 2016, (2) all three bills amend Section 205*
20 *of the Business and Professions Code, and (3) this bill is enacted*
21 *after Assembly Bill 177 and Assembly Bill 179, in which case*
22 *Sections 2, 2.1, and 2.2 of this bill shall not become operative.*

23 ~~SEC. 69.~~

24 *SEC. 70. No reimbursement is required by this act pursuant to*
25 *Section 6 of Article XIII B of the California Constitution because*
26 *the only costs that may be incurred by a local agency or school*
27 *district will be incurred because this act creates a new crime or*
28 *infraction, eliminates a crime or infraction, or changes the penalty*
29 *for a crime or infraction, within the meaning of Section 17556 of*
30 *the Government Code, or changes the definition of a crime within*
31 *the meaning of Section 6 of Article XIII B of the California*
32 *Constitution.*