## AMENDED IN SENATE JUNE 29, 2015 AMENDED IN ASSEMBLY APRIL 23, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

## ASSEMBLY BILL

No. 181

## **Introduced by Assembly Member Bonilla**

(Coauthor: Senator Hill)
(Principal coauthor: Senator Hill)

January 26, 2015

An act to amend Sections 7303, 7303.2, 7313, 7395.1, 7401, 7404, and 7407 of, to add-Section Sections 7314.3 and 7402.5 to, and to repeal Section 7308 of, the Business and Professions Code, relating to professions and vocations.

## LEGISLATIVE COUNSEL'S DIGEST

AB 181, as amended, Bonilla. Professions and vocations: barbering and cosmetology.

The Barbering and Cosmetology Act provides for the licensure and regulation, including inspection, of barbers and cosmetologists by the State Board of Barbering and Cosmetology in the Department of Consumer Affairs. Existing law requires that the board consist of certain members, and authorizes the board to appoint an executive officer. Under existing law, these provisions are repealed on January 1, 2016.

This bill would extend the operation of these provisions until January 1, 2020.

Existing law also requires the board to conduct specified reviews and reports by various dates in the past.

This bill would delete those requirements and would require the board, no later than November 1, 2018, to conduct specified reviews regarding

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training and examinations and report its findings to specified committees of the Legislature. The bill would require the board to adopt regulations that establish a protocol for inspecting establishments when an inspector has difficulty understanding or communicating with the owner, manager, or employees of the establishment due to language barriers. barriers, and to evaluate the protocol every two years to ensure that it remains current. The bill would require the board to establish a Health and Safety Advisory Committee to provide the board with advice and recommendations on health and safety issues before the board. The bill would also require the board to issue regulations for a personal service permit, as defined, that, among other things, may require an applicant for a personal service permit to have proof of liability insurance, and would authorize fees for the issuance and renewal of a personal service permit. The bill would require the board to report to the Legislature, on or before July 1, 2017, as specified, regarding the regulatory process and the issuance of personal service permits. The bill would also make technical, nonsubstantive changes to these provisions.

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

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

- SECTION 1. Section 7303 of the Business and Professions Code is amended to read:
- 7303. (a) Notwithstanding Article 8 (commencing with Section 9148) of Chapter 1.5 of Part 1 of Division 2 of Title 2 of the Government Code, there is in the Department of Consumer Affairs the State Board of Barbering and Cosmetology in which the administration of this chapter is vested.
- 8 (b) The board shall consist of nine members. Five members shall be public members, and four members shall represent the 10 professions. The Governor shall appoint three of the public members and the four professional members. The Senate 11 12 Committee on Rules and the Speaker of the Assembly shall each 13 appoint one public member. Members of the board shall be appointed for a term of four years, except that of the members 14 15 appointed by the Governor, two of the public members and two 16 of the professions members shall be appointed for an initial term 17 of two years. No board member may serve longer than two

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(c) The board may appoint an executive officer who is exempt from civil service. The executive officer shall exercise the powers and perform the duties delegated by the board and vested in him or her by this chapter. The appointment of the executive officer is subject to the approval of the director. In the event that a newly authorized board replaces an existing or previous bureau, the director may appoint an interim executive officer for the board who shall serve temporarily until the new board appoints a permanent executive officer.

- (d) The executive officer shall provide examiners, inspectors, and other personnel necessary to carry out the provisions of this chapter.
- (e) This section shall remain in effect only until January 1, 2020, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2020, deletes or extends that date. Notwithstanding any other law, the repeal of this section renders the board subject to review by the appropriate policy committees of the Legislature.
- SEC. 2. Section 7303.2 of the Business and Professions Code is amended to read:
- 7303.2. The board shall conduct the following reviews, and shall report its findings and recommendations to the Assembly Committee on Business and Professions and the Senate Committee on Business, Professions, and Economic Development no later than November 1, 2018:
- (a) The board, pursuant to Section 139 and in conjunction with under the oversight of the Office of Professional Examination Services of the department, shall review the 1600 hour 1,600-hour training requirement for cosmetologists. cosmetologists, conduct an occupational analysis of the cosmetology profession in California, and conduct a review of the national written examination for cosmetologists and of the California practical examination, in order to evaluate whether both examinations assess critical competencies for California cosmetologists and meet professional testing standards.
- (b) The board shall review the Spanish language examination and curriculum requirements to determine if, by January 1, 2016, the pass rate for Spanish speakers did not increase to the average pass rate for all other language examinations during the two-year period prior to January 1, 2016.

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SEC. 3. Section 7308 of the Business and Professions Code is repealed.

- SEC. 4. Section 7313 of the Business and Professions Code is amended to read:
- 7313. (a) (1) To ensure compliance with the laws and regulations of this chapter, the board's executive officer and authorized representatives shall, except as provided by Section 159.5, have access to, and shall inspect, any establishment or mobile unit during business hours or at any time in which barbering, cosmetology, or electrolysis are being performed. It is the intent of the Legislature that inspections be conducted on Saturdays and Sundays as well as weekdays, if collective bargaining agreements and civil service provisions permit.
- (2) The board shall maintain a program of random and targeted inspections of establishments to ensure compliance with applicable laws relating to the public health and safety and the conduct and operation of establishments. The board or its authorized representatives shall inspect establishments to reasonably determine compliance levels and to identify market conditions that require targeted enforcement. The board shall not reduce the number of employees assigned to perform random inspections, targeted inspections, and investigations relating to field operations below the level funded by the annual Budget Act and described in supporting budget documents, and shall not redirect funds or personnel-years allocated to those inspection and investigation purposes to other purposes.
- (b) To ensure compliance with health and safety requirements adopted by the board, the executive officer and authorized representatives shall, except as provided in Section 159.5, have access to, and shall inspect the premises of, all schools in which the practice of barbering, cosmetology, or electrolysis is performed on the public. Notices of violation shall be issued to schools for violations of regulations governing conditions related to the health and safety of patrons. Each notice shall specify the section violated and a timespan within which the violation must be corrected. A copy of the notice of violation shall be provided to the Bureau for Private Postsecondary Education.
- (c) With prior written authorization from the board or its executive officer, any member of the board may enter and visit, in his or her capacity as a board member, any establishment, during

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business hours or at any time when barbering, cosmetology, or
electrolysis is being performed. The visitation by a board member
shall be for the purpose of conducting official board business, but
shall not be used as a basis for any licensing disciplinary action
by the board.

- (d) The board shall adopt regulations that establish a protocol for inspecting establishments when an inspector has difficulty understanding or communicating with the owner, manager, or employees of the establishment due to language barriers. The board shall evaluate the protocol every two years to ensure the protocol remains current.
- SEC. 5. Section 7314.3 is added to the Business and Professions Code, to read:
  - 7314.3. The board shall establish a Health and Safety Advisory Committee to provide the board with advice and recommendations on health and safety issues before the board.
  - SEC. 6. Section 7395.1 of the Business and Professions Code is amended to read:
  - 7395.1. (a) A student who is enrolled in a school of cosmetology approved by the Bureau for Private Postsecondary Education in a course approved by the board may, upon completion of a minimum of 60 percent of the clock hours required for graduation in the course, work as an unpaid extern in a cosmetology establishment participating in the educational program of the school of cosmetology.
  - (b) A person working as an extern shall receive clock hour credit toward graduation, but that credit shall not exceed eight hours per week and shall not exceed 10 percent of the total clock hours required for completion of the course.
  - (c) The externship program shall be conducted in cosmetology establishments meeting all of the following criteria:
    - (1) The establishment is licensed by the board.
  - (2) The establishment has a minimum of four licensees working at the establishment, including employees and owners or managers.
  - (3) All licensees at the establishment are in good standing with the board.
  - (4) Licensees working at the establishment work for salaries or commissions rather than on a space rental basis.
- 39 (5) No more than one extern shall work in an establishment for every four licensees working in the establishment. No regularly

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employed licensee shall be displaced or have his or her work hours reduced or altered to accommodate the placement of an extern in an establishment. Prior to placement of the extern, the establishment shall agree in writing sent to the school and to all affected licensees that no reduction or alteration of any licensee's current work schedule shall occur. This shall not prevent a licensee from voluntarily reducing or altering his or her work schedule.

- (6) Externs shall wear conspicuous school identification at all times while working in the establishment, and shall carry a school laminated identification, that includes a picture, in a form approved by the board.
- (d) (1) A school participating in the externship program shall provide the participating establishment and the extern with a syllabus containing applicable information specified in Section 73880 of Title 5 of the California Code of Regulations. The extern, the school, and the establishment shall agree to the terms of and sign the syllabus prior to the extern beginning work at the establishment. No less than 90 percent of the responsibilities and duties of the extern shall consist of the acts included within the practice of cosmetology as defined in Section 7316.
- (2) The establishment shall consult with the assigning school regarding the extern's progress during the unpaid externship. The owner or manager of the establishment shall monitor and report on the student's progress to the school on a regular basis, with assistance from supervising licensees.
- (3) A participating school shall assess the extern's learning outcome from the externship program. The school shall maintain accurate records of the extern's educational experience in the externship program and records that indicate how the extern's learning outcome translates into course credit.
- (e) Participation in an externship program made available by a school shall be voluntary, may be terminated by the student at any time, and shall not be a prerequisite for graduation.
- (f) The cosmetology establishment that chooses to utilize the extern is liable for the extern's general liability insurance, as well as cosmetology malpractice liability insurance, and shall furnish proof to the participating school that the establishment is covered by both forms of liability insurance and that the extern is covered under that insurance.

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(g) (1) It is the purpose of the externship program authorized by this section to provide students with skills, knowledge, and attitudes necessary to acquire employment in the field for which they are being trained, and to extend formalized classroom instruction.

- (2) Instruction shall be based on skills, knowledge, attitudes, and performance levels in the area of cosmetology for which the instruction is conducted.
- (3) An extern may perform only acts listed within the definition of the practice of cosmetology as provided in Section 7316, if a licensee directly supervises those acts, except that an extern may not use or apply chemical treatments unless the extern has received appropriate training in application of those treatments from an approved cosmetology school. An extern may work on a paying client only in an assisting capacity and only with the direct and immediate supervision of a licensee.
- 17 (4) The extern shall not perform any work in a manner that 18 would violate law.
  - SEC. 7. Section 7401 of the Business and Professions Code is amended to read:
  - 7401. (a) An individual licensed pursuant to Section 7396 shall report to the board at the time of license renewal, his or her practice status, designated as one of the following:
    - (1) Full-time practice in California.
  - (2) Full-time practice outside of California.
- 26 (3) Part-time practice in California.
  - (4) Not working in the industry.
- 28 (5) Retired.

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- 29 (6) Other practice status, as may be further defined by the board.
  - (b) An individual licensed pursuant to Section 7396 shall, at the time of license renewal, identify himself or herself on the
- 32 application as one of the following:
- 33 (1) Employee.
  - (2) Independent contractor or booth renter.
- 35 (3) Salon owner.
- 36 (c) An individual licensed pursuant to Section 7347 shall report
- 37 to the board at the time of license renewal, whether either of the
- 38 following is applicable to him or her:
- 39 (1) He or she has a booth renter operating in the establishment.

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1 (2) He or she has an independent contractor operating in the establishment.

- SEC. 8. Section 7402.5 is added to the Business and Professions Code, to read:
- 7402.5. (a) For purposes of this section, a "personal service permit" means a permit that authorizes an individual to perform professional services, for which he or she holds a license pursuant to this chapter, outside of an establishment, as defined in Section 7346, in accordance with the regulations established by the board.
- (b) The board may issue a personal service permit to an individual who meets the criteria for a personal service permit set forth in regulation.
- (c) The board shall issue regulations regarding a personal service permit. In establishing the regulations, the board shall hold, at a minimum, two stakeholder meetings.
- (1) The board shall determine the appropriate licensing categories that may apply for a personal service permit in order to protect consumer safety.
- (2) The board shall authorize a personal service permit holder to perform services outside of a licensed establishment.
- (3) The board shall not exempt a personal service permit holder from any of the board's existing regulations or requirements on health and safety.
- (4) The board shall not require a personal service permit holder to be employed by an establishment, unless the board determines that it would be necessary in order to maintain consumer safety.
- (5) The regulations may require an applicant for a personal service permit to have proof of liability insurance and to pass a criminal background clearance.
- (d) A personal service permit shall be valid for two years and shall be renewed prior to expiration. The fee for a personal service permit shall be no greater than fifty dollars (\$50). The fee for the renewal of a personal service permit shall be no greater than eighty dollars (\$80). The delinquency fee shall be 50 percent of the renewal fee in effect on the date of the renewal.
- (e) The board shall report on the progress of the regulatory process and issuance of personal service permits to the Legislature on or before July 1, 2017.
- 39 (1) The report shall be submitted in compliance with Section 40 9795 of the Government Code.

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(2) The requirement to report to the Legislature under this subdivision is inoperative on July 1, 2021, pursuant to Section 10231.5 of the Government Code.

SEC. 8.

SEC. 9. Section 7404 of the Business and Professions Code is amended to read:

- 7404. The grounds for disciplinary action are as follows:
- (a) Unprofessional conduct which includes, but is not limited to, any of the following:
- (1) Incompetence or gross negligence, including failure to comply with generally accepted standards for the practice of barbering, cosmetology, or electrology or disregard for the health and safety of patrons.
  - (2) Repeated similar negligent acts.
- (3) Conviction of any crime substantially related to the qualifications, functions, or duties of the licenseholder, in which case, the records of conviction or a certified copy shall be conclusive evidence thereof.
- (4) Advertising by means of knowingly false or deceptive statements.
  - (b) Failure to comply with the requirements of this chapter.
- (c) Failure to comply with the rules governing health and safety adopted by the board and approved by the State Department of Public Health, for the regulation of establishments, or any practice licensed and regulated under this chapter.
- (d) Failure to comply with the rules adopted by the board for the regulation of establishments, or any practice licensed and regulated under this chapter.
- (e) Continued practice by a person knowingly having an infectious or contagious disease.
- (f) Habitual drunkenness, habitual use of or addiction to the use of any controlled substance.
- (g) Obtaining or attempting to obtain practice in any occupation licensed and regulated under this chapter, or money, or compensation in any form, by fraudulent misrepresentation.
- (h) Failure to display the license or health and safety rules and regulations in a conspicuous place.
- (i) Engaging, outside of a licensed establishment and for compensation in any form whatever, in any practice for which a license is required under this chapter, except that when the service

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1 is provided because of illness or other physical or mental 2 incapacitation of the recipient of the service and when performed 3 by a licensee obtained for the purpose from a licensed 4 establishment.

- (j) Permitting a license to be used where the holder is not personally, actively, and continuously engaged in business.
- (k) The making of any false statement as to a material matter in any oath or affidavit, which is required by the provisions of this chapter.
- (*l*) Refusal to permit or interference with an inspection authorized under this chapter.
- 12 (m) Any action or conduct which would have warranted the denial of a license.
- 14 (n) Failure to surrender a license that was issued in error or by 15 mistake.
  - SEC. 9.

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- 17 SEC. 10. Section 7407 of the Business and Professions Code 18 is amended to read:
- 19 7407. The board shall establish by regulation a schedule of 20 administrative fines for violations of this chapter. All moneys 21 collected under this section shall be deposited in the board's 22 contingent fund.
- The schedule shall indicate for each type of violation whether, in the board's discretion, the violation can be corrected. The board
- in the board's discretion, the violation can be corrected. The board shall ensure that it and the Bureau for Private Postsecondary
- 26 Education do not issue citations for the same violation.