

ASSEMBLY BILL

No. 2711

Introduced by Assembly Member Boland

February 22, 1996

An act to amend Sections 10132, 10153.5, 10209, 10232.4, 10240, 10250.1, and 10509 of, to add Section 10100.2 to, and to repeal Sections 10231.3, 11000.5, 11000.6, 11018.7, 11025, 11027, 11028, 11029.1, and 11030 of, the Business and Professions Code, relating to real estate.

LEGISLATIVE COUNSEL'S DIGEST

AB 2711, as introduced, Boland. Real estate.

(1) Existing law, the Real Estate Law, makes it unlawful for any person to engage in the business of, or act in the capacity of, a real estate broker or salesperson within this state unless licensed by the Department of Real Estate. Existing law provides that prior to denying, suspending, or revoking the license of a licensee, the commissioner of the department must comply with specified procedural requirements.

This bill would permit a licensee against whom an investigation is pending or an accusation has been filed to petition the commissioner to voluntarily surrender the licensee's license. The bill would provide that surrender of a license becomes effective upon acceptance by the commissioner and would prescribe specified procedures for reinstatement of the license.

(2) Under existing law, a real estate salesperson is defined as a natural person who may engage in certain specified activities in the employ of a licensed real estate broker.

This bill would include in those activities, certain property transactions relating to mineral, oil, or gas property.

(3) Existing law requires an applicant for a real estate broker's or real estate salesperson's license to comply with specified educational requirements or to have completed an equivalent course of study, as specified.

This bill would revise the scope of what constitutes an equivalent course of study.

(4) Existing law requires a real estate broker who engages in a certain number of specified transactions during a calendar year to so notify the department in writing.

This bill would repeal that requirement.

(5) Existing law requires a real estate broker engaged in the solicitation and negotiation of a loan secured by real property, to deliver to the person being solicited, or to the borrower, specified disclosure statements. Existing law requires a broker to retain a copy of these statements for 4 years.

This bill would require the broker to retain a copy of these statements for 3 years.

(6) Existing law regulates the sale, lease, or offer for sale or lease of lots or parcels in a subdivision, and, for purposes of that law, includes within the scope of a subdivision a time-share project.

This bill would revise the description of a time-share project, as specified.

(7) Existing law defines and regulates land projects within this state and prohibits the commissioner from issuing a public report on any land project, as specified, unless he or she makes certain findings.

This bill would delete specified provisions of law relating to land projects.

(8) Existing law requires the consent of the commissioner for amendments and modifications to certain documents relating to ownership, possession, or use of interests in subdivisions, as specified.

This bill would delete this requirement.

(9) Existing law makes willful violations of specified provisions of law relating to subdivided lands punishable by civil penalties, as specified.



This bill would eliminate this provision of law.

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

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

1 SECTION 1. Section 10100.2 is added to the Business
2 and Professions Code, to read:

3 10100.2. A licensee against whom an investigation is
4 pending or an accusation has been filed pursuant to
5 Section 11503 of the Government Code may petition the
6 commissioner to voluntarily surrender his or her license.
7 The surrender of a license shall become effective upon
8 acceptance by the commissioner and thereafter, a
9 surrendered licensee may be relicensed only by
10 petitioning for reinstatement pursuant to Section 11522
11 of the Government Code. When deciding a petition for
12 reinstatement, the commissioner may consider all
13 relevant evidence, including affidavits.

14 SEC. 2. Section 10132 of the Business and Professions
15 Code is amended to read:

16 10132. A real estate salesman within the meaning of
17 this part is a natural person who, for a compensation or in
18 expectation of a compensation, is employed by a licensed
19 real estate broker to do one or more of the acts set forth
20 in Sections 10131, 10131.1, 10131.2, 10131.3, *10131.4*, and
21 10131.6.

22 SEC. 3. Section 10153.5 of the Business and
23 Professions Code is amended to read:

24 10153.5. As used in Sections 10153.2, 10153.3, and
25 10153.4, “an equivalent course of study” includes courses
26 at a private vocational school ~~or a supervised course of~~
27 ~~study, either~~ of which ~~has~~ *have* been found by the
28 commissioner, upon consideration of an application for
29 approval, to be equivalent in quality to the real estate
30 courses offered by the colleges and universities
31 accredited by the Western Association of Schools and
32 Colleges.



1 As used in Sections 10153.2, 10153.3, and 10153.4,
2 “accredited institution” shall mean a college or university
3 which either:

4 (a) Is accredited by the Western Association of Schools
5 and Colleges, or by any other regional accrediting agency
6 recognized by the United States Department of
7 Education.

8 (b) In the judgment of the commissioner, has a real
9 estate curriculum equivalent in quality to that of the
10 institutions accredited pursuant to subdivision (a).

11 SEC. 4. Section 10209 of the Business and Professions
12 Code is amended to read:

13 10209. (a) The commissioner shall, by regulation,
14 establish fees for applications for approval of equivalent
15 courses of study as defined in Section 10153.5 in an
16 amount sufficient to cover the cost of administration.

17 ~~Such fees~~ *The fee for an application for approval of each*
18 *course given by a private vocational school, including any*
19 *branch school which gives the same course, shall not*
20 ~~exceed the amounts specified in the following:~~

21 ~~(a) Application for approval of each supervised course~~
22 ~~of study, fifty dollars (\$50).~~

23 ~~(b) Application for approval of each course given by~~
24 ~~a private vocational school, including any branch school~~
25 ~~which gives the same course, one hundred fifty dollars~~
26 ~~(\$150).~~

27 (b) The commissioner shall notify every applicant of
28 his decision on the application no later than 60 days after
29 receipt by the commissioner of a completed application.
30 The application shall be on a form to be supplied by the
31 commissioner.

32 SEC. 5. Section 10231.3 of the Business and
33 Professions Code is repealed.

34 ~~10231.3. A real estate broker who satisfies the criteria~~
35 ~~of subdivision (a), (b), (c), or (d) during any calendar~~
36 ~~year shall within 30 days thereafter notify the department~~
37 ~~in writing of that fact on a form prescribed by the~~
38 ~~commissioner.~~

39 ~~(a) Negotiates eight or more loans pursuant to~~
40 ~~subdivision (d) of Section 10131.~~



1 ~~(b) Negotiates the sale or exchange of eight or more~~
2 ~~promissory notes pursuant to subdivision (e) of Section~~
3 ~~10131.~~

4 ~~(c) Collects payments on or performs services in~~
5 ~~connection with eight or more loans pursuant to~~
6 ~~subdivision (d) of Section 10131.~~

7 ~~(d) Acts as a real estate broker pursuant to Section~~
8 ~~10131.1 by acquiring for resale to the public, and not as an~~
9 ~~investment, eight or more promissory notes, or sells to or~~
10 ~~exchanges with the public eight or more promissory~~
11 ~~notes.~~

12 ~~This section does not apply to a real estate broker who~~
13 ~~has filed a written notice with the department pursuant~~
14 ~~to subdivision (f) of Section 10232 if that prior written~~
15 ~~notice is still effective.~~

16 SEC. 6. Section 10232.4 of the Business and
17 Professions Code, as amended by Chapter 994 of the
18 Statutes of 1994, is amended to read:

19 10232.4. (a) In making a solicitation to a particular
20 person and in negotiating with that person to make a loan
21 secured by real property or to purchase a real property
22 sales contract or a note secured by a deed of trust, a real
23 estate broker shall deliver to the person solicited the
24 applicable completed statement described in Section
25 10232.5 as early as practicable before he or she becomes
26 obligated to make the loan or purchase and, except as
27 provided in subdivision (c), before the receipt by or on
28 behalf of the broker of any funds from that person. The
29 statement shall be signed by the prospective lender or
30 purchaser and by the real estate broker, or by a real estate
31 salesperson licensed to the broker, on the broker's behalf.
32 When so executed, an exact copy shall be given to the
33 prospective lender or purchaser, and the broker shall
34 retain a true copy of the executed statement for a period
35 of ~~four~~ *three* years.

36 (b) The requirement of delivery of a disclosure
37 statement pursuant to subdivision (a) shall not apply with
38 respect to the following persons:

39 (1) The prospective purchaser of a security offered
40 under authority of a permit issued pursuant to Article 6



1 (commencing with Section 10237) of this chapter or
2 applicable provisions of the Corporate Securities Law of
3 1968 (Division 1 (commencing with Section 25000) of
4 Title 4 of the Corporations Code) which requires that
5 each prospective purchaser of a security be given a
6 prospectus or other form of disclosure statement
7 approved by the department issuing the permit.

8 (2) The seller of real property who agrees to take back
9 a promissory note of the purchaser as a method of
10 financing all or a part of the purchase of the property.

11 (3) The prospective purchaser of a security offered
12 pursuant to and in accordance with a regulation duly
13 adopted by the Commissioner of Corporations granting
14 an exemption from qualification under the Corporate
15 Securities Law of 1968 for the offering if one of the
16 conditions of the exemption is that each prospective
17 purchaser of the security be given a disclosure statement
18 prescribed by the regulation before the prospective
19 purchaser becomes obligated to purchase the security.

20 (4) A prospective lender or purchaser, if that lender or
21 purchaser is any of the following:

22 (A) The United States or any state, district, territory,
23 or commonwealth thereof, or any city, county, city and
24 county, public district, public authority, public
25 corporation, public entity, or political subdivision of a
26 state, district, territory, or commonwealth of the United
27 States, or any agency or corporate or other
28 instrumentality of any one or more of the foregoing,
29 including the Federal National Mortgage Association, the
30 Government National Mortgage Association, the Federal
31 Home Loan Mortgage Corporation, the Federal Housing
32 Administration, and the Veteran’s Administration.

33 (B) Any bank or subsidiary thereof, bank holding
34 company or subsidiary thereof, trust company, savings
35 bank or savings and loan association or subsidiary thereof,
36 savings bank or savings association holding company or
37 subsidiary thereof, credit union, industrial bank or
38 industrial loan company, personal property broker,
39 commercial finance lender, consumer finance lender, or
40 insurance company doing business under the authority



1 of, and in accordance with, the laws of this state, any other
2 state, or of the United States relating to banks, trust
3 companies, savings banks or savings associations, credit
4 unions, industrial banks or industrial loan companies,
5 commercial finance lenders, or insurance companies, as
6 evidenced by a license, certificate, or charter issued by
7 the United States or any state, district, territory, or
8 commonwealth of the United States.

9 (C) Trustees of pension, profit-sharing, or welfare
10 fund, if the pension, profit-sharing, or welfare fund has a
11 net worth of not less than fifteen million dollars
12 (\$15,000,000).

13 (D) Any corporation with outstanding securities
14 registered under Section 12 of the Securities Exchange
15 Act of 1934 or any wholly owned subsidiary of that
16 corporation.

17 (E) Any syndication or other combination of any of the
18 entities specified in subparagraph (A), (B), (C), or (D)
19 which is organized to purchase the promissory note.

20 (F) A licensed real estate broker engaging in the
21 business of selling all or part of the loan, note, or contract
22 to a lender or purchaser to whom no disclosure is required
23 pursuant to this subdivision.

24 (G) A licensed residential mortgage lender or servicer
25 when acting under the authority of that license.

26 (c) When the broker has custody of funds of a
27 prospective lender or purchaser which were received
28 and are being maintained with the express permission of
29 the owner and in accordance with law, and the broker
30 retains the funds in an escrow depository or a trust fund
31 account pending receipt of the owner's express written
32 instructions to disburse the funds for a loan or purchase,
33 the broker shall cause the disclosure statement to be
34 delivered to the owner and shall obtain the owner's
35 written consent to the proposed disbursement before
36 making the disbursement. Unless the broker has a written
37 agreement with the owner as provided in Section 10231.1,
38 the broker shall transmit to the owner not later than 60
39 days after receipt, all funds then in the broker's custody



1 for which the owner has not given written instructions
2 authorizing disbursement.

3 SEC. 7. Section 10240 of the Business and Professions
4 Code is amended to read:

5 10240. (a) Every real estate broker, upon acting
6 within the meaning of subdivision (d) of Section 10131,
7 who negotiates a loan to be secured directly or collaterally
8 by a lien on real property shall, within three business days
9 after receipt of a completed written loan application or
10 before the borrower becomes obligated on the note,
11 whichever is earlier, cause to be delivered to the
12 borrower a statement in writing, containing all the
13 information required by Section 10241. It shall be
14 personally signed by the borrower and by the real estate
15 broker negotiating the loan or by a real estate licensee
16 acting for the broker in negotiating the loan. When so
17 executed, an exact copy thereof shall be delivered to the
18 borrower at the time of its execution. The real estate
19 broker negotiating the loan shall retain on file for a period
20 of ~~four~~ three years a true and correct copy of such
21 statement as signed by the borrower.

22 No real estate licensee shall permit such statement to
23 be signed by a borrower if any information required by
24 Section 10241 is omitted.

25 (b) For the purposes of applying the provisions of this
26 article, a real estate broker is acting within the meaning
27 of subdivision (d) of Section 10131 if he or she solicits
28 borrowers, or causes borrowers to be solicited, through
29 express or implied representations that the broker will act
30 as an agent in arranging a loan, but in fact makes the loan
31 to the borrower from funds belonging to the broker.

32 SEC. 8. Section 10250.1 of the Business and
33 Professions Code is amended to read:

34 10250.1. "Subdivision," as used in this article, includes
35 both of the following:

36 (a) A time-share project as defined in Section 11003.5
37 and subdivision (e) of Section 11004.5, situated outside
38 this state, including a project situated outside the United
39 States but only if it consists of, or will consist of, two or



1 more distinct geographic locations, *one of which is*
2 *located within the United States.*

3 (b) A qualified resort vacation club as defined in
4 Section 10260.

5 SEC. 9. Section 10509 of the Business and Professions
6 Code is amended to read:

7 10509. (a) It is unlawful for a mineral, oil, and gas
8 broker or a real estate broker to employ or compensate,
9 directly or indirectly, any person who is not a mineral, oil,
10 and gas broker *or a licensed real estate salesperson in the*
11 *employ of the real estate broker* for performing any acts
12 for which a mineral, oil, and gas broker license is required.

13 (b) It is a misdemeanor, punishable by a fine of not
14 exceeding one hundred dollars (\$100) for each offense,
15 for any person, whether obligor, escrow holder or
16 otherwise, to pay or deliver compensation to a person for
17 performing any acts for which a mineral, oil, and gas
18 broker license is required unless that person is known by
19 the payer to be or has presented evidence to the payer
20 that he or she was a licensed mineral, oil, and gas broker
21 at the time the compensation was earned.

22 SEC. 10. Section 11000.5 of the Business and
23 Professions Code is repealed.

24 ~~11000.5. A “land project” is a subdivision or~~
25 ~~subdivided lands within this state which satisfies all of the~~
26 ~~following conditions:~~

27 ~~(a) The subdivision or subdivided lands contain 50 or~~
28 ~~more parcels of which any 50 are both:~~

29 ~~(1) Not improved with residential, industrial,~~
30 ~~commercial, or institutional buildings.~~

31 ~~(2) Offered for sale, lease, or financing for purposes~~
32 ~~other than industrial, commercial, institutional, or~~
33 ~~commercial agricultural uses.~~

34 ~~(b) The subdivision or subdivided lands are located in~~
35 ~~an area in which reside less than 1,500 registered voters~~
36 ~~within the subdivision or within two miles of the~~
37 ~~boundaries of the property described in the final public~~
38 ~~report.~~

39 ~~(c) Not constituting a community apartment project~~
40 ~~as defined in Section 11004, a project consisting of~~



1 condominiums as defined in Section 783 of the Civil Code,
2 or a stock cooperative as defined in Section 11003.2.

3 For purposes of subdivision (a), lands owned or
4 beneficially controlled by substantially the same entities
5 or interests shall be deemed to be part of the same
6 subdivided lands or subdivision.

7 SEC. 11. Section 11000.6 of the Business and
8 Professions Code is repealed.

9 11000.6. A subdivision which would otherwise be
10 treated as a land project under Section 11000.5 shall not
11 be so treated, if the subdivider submits evidence
12 satisfactory to the commissioner that any one of the
13 following conditions exists:

14 (a) All lots within the subdivision are to be offered for
15 sale only to builders or developers.

16 (b) The lots are not to be offered by means of
17 substantial direct mail advertising, and overall sales
18 promotion costs in connection with the sales thereof are
19 nominal. For the purposes of this section, sales promotion
20 costs shall be deemed nominal if they include a
21 conventional real estate brokerage commission which
22 commission shall not exceed similar commissions for
23 similar services in nonland projects in the area where
24 such services are rendered or a comparable area as
25 determined by the commissioner plus an allowance of not
26 more than 10 percent of the projected selling price of all
27 of the lots for overhead and advertising.

28 (c) Other characteristics of the subdivision render
29 such treatment unnecessary in order to provide
30 protection to the public, as determined in accordance
31 with reasonable regulations adopted by the commissioner
32 to carry out the provisions of this chapter.

33 SEC. 12. Section 11018.7 of the Business and
34 Professions Code is repealed.

35 11018.7. (a) No amendment or modification of
36 provisions in the declaration of restrictions, bylaws,
37 articles of incorporation or other instruments controlling
38 or otherwise affecting rights to ownership, possession or
39 use of interests in subdivisions as defined in Sections
40 11000.1 and 11004.5, which are not also land projects as



1 ~~defined in Section 11000.5, which would materially~~
2 ~~change such rights of an owner, either directly or as a~~
3 ~~member of an association of owners, is valid without the~~
4 ~~prior written consent of the Real Estate Commissioner~~
5 ~~during the period of time when the subdivider or his~~
6 ~~successor in interest holds or directly controls as many as~~
7 ~~one-fourth of the votes that may be cast to effect such~~
8 ~~change.~~

9 ~~If the subdivision is a land project as well as a~~
10 ~~subdivision within the definition of Section 11000.1 or~~
11 ~~11004.5, no such amendment or modification is valid~~
12 ~~without the prior written consent of the Real Estate~~
13 ~~Commissioner until three years from the date on which~~
14 ~~the subdivider, or his successor in interest, ceases to hold~~
15 ~~or directly control one-third of the votes that may be cast~~
16 ~~to effect such change.~~

17 ~~(b) The commissioner shall not grant his consent to~~
18 ~~the submission of the proposed change to a vote of owners~~
19 ~~or members if he finds that the change if effected would~~
20 ~~create a new condition or circumstance that would form~~
21 ~~the basis for denial of a public report under Sections 11018~~
22 ~~or 11018.5.~~

23 ~~An application for consent may be filed by any~~
24 ~~interested person on a form prescribed by the~~
25 ~~commissioner. A filing fee to be fixed by regulation, but~~
26 ~~not to exceed twenty-five dollars (\$25), shall accompany~~
27 ~~each application.~~

28 ~~There shall be no official meeting of owners or~~
29 ~~members nor any written solicitation of them for the~~
30 ~~purpose of effectuating a change referred to herein~~
31 ~~except in accordance with a procedure approved by the~~
32 ~~commissioner after the application for consent has been~~
33 ~~filed with him; provided, however, that the governing~~
34 ~~body of the owners association may meet and vote on the~~
35 ~~question of submission of the proposed change to the~~
36 ~~commissioner.~~

37 ~~SEC. 13. Section 11025 of the Business and Professions~~
38 ~~Code is repealed.~~

39 ~~11025. In addition to the other grounds for denial of~~
40 ~~a public report as set forth in this chapter, the~~



1 commissioner shall not issue a public report on any land
2 project within the purview of Section 11000.5, as modified
3 by Section 11000.6, unless he makes a specific finding that:

4 (1) The total complex of existing or proposed
5 improvements reflected in the subdivision offering
6 (including storm sewers, sanitary sewers, water systems,
7 roads, utilities, community facilities, recreational
8 amenities) will be adequate to serve the projected
9 population of the entire land project.

10 (2) The arrangements that have been made to assure
11 completion, maintenance and financing of the total
12 complex of existing or proposed improvements referred
13 to in paragraph (1) are reasonable. In determining the
14 reasonableness of such arrangements, the commissioner
15 shall consider whether the probable continuing financial
16 burden with respect to the financing of completion and
17 maintenance of improvements within the subdivision
18 bears a reasonable relationship to the value of the lots
19 therein.

20 (3) The offsite and onsite measures, including the
21 overall design of the entire land project, are adequate to
22 prevent damage to property by reason of flooding,
23 erosion and other natural occurrences which are usual or
24 predictable for the area.

25 (4) The method of financing the purchase of
26 individual parcels or lots, including the effect of balloon
27 payments, is reasonable.

28 (5) The existing zoning, or any change in zoning that
29 has been proposed to the local governing body, is
30 compatible with the proposed use of the lots within the
31 land project.

32 (6) The use, or zoning, of adjacent properties is
33 compatible with the proposed land project.

34 This section shall not be applicable to subdivisions on
35 which final public reports were issued prior to January 2,
36 1970.

37 SEC. 14. Section 11027 of the Business and Professions
38 Code is repealed.



1 ~~11027. (a) A copy of the public report issued on land~~
2 ~~within a land project shall be given by the subdivider or~~
3 ~~his agents or salesmen:~~

4 ~~(1) At any time, upon oral or written request, to any~~
5 ~~member of the public:~~

6 ~~(2) To every adult or head of a family who, as a~~
7 ~~prospective purchaser, visits the site of a land project,~~
8 ~~whether by appointment or by casual visitation and~~
9 ~~whose presence is known, or should reasonably be known,~~
10 ~~by the subdivider, his agents or salesmen.~~

11 ~~(3) To every prospective purchaser to whom the~~
12 ~~subdivider, his agent or salesman makes a sale~~
13 ~~presentation or to whom promotional material, other~~
14 ~~than a preliminary solicitation, is sent.~~

15 ~~(b) Willful failure to distribute a copy of the public~~
16 ~~report pursuant to this section shall be a misdemeanor.~~

17 ~~(c) If a subdivider or his agent or salesman violates the~~
18 ~~provisions of subdivision (b) the commissioner, at his~~
19 ~~discretion, may order the subdivider, his agents and~~
20 ~~salesmen to desist and refrain from the further sale or~~
21 ~~lease of lots or parcels within the land project for a period~~
22 ~~not to exceed 30 days.~~

23 ~~(d) No receipt shall be required for a copy of a public~~
24 ~~report issued pursuant to this section.~~

25 SEC. 15. Section 11028 of the Business and Professions
26 Code is repealed.

27 ~~11028. Any contract or agreement to purchase or~~
28 ~~lease a lot or parcel in a land project within the purview~~
29 ~~of Section 11000.5, as modified by Section 11000.6, may be~~
30 ~~rescinded by the purchaser without cause of any kind by~~
31 ~~sending or delivering written notice of rescission by~~
32 ~~midnight of the 14th calendar day following the day on~~
33 ~~which the purchaser or prospective purchaser has~~
34 ~~executed such contract or agreement. The subdivider~~
35 ~~shall clearly and conspicuously disclose, in accordance~~
36 ~~with regulations adopted by the commissioner, the right~~
37 ~~to rescind provided for in this section and shall provide,~~
38 ~~in accordance with regulations adopted by the~~
39 ~~commissioner, an adequate opportunity to exercise the~~
40 ~~right to rescission provided for herein within the time~~



1 ~~limit set forth above. Any certificate signed by the~~
 2 ~~purchaser or lessee which sets forth a brief description of~~
 3 ~~the property sold or leased and a statement that the~~
 4 ~~purchaser or lessee has not exercised the right of~~
 5 ~~rescission as provided for in this section within the time~~
 6 ~~limit above set forth shall be conclusive evidence of its~~
 7 ~~contents in favor of any third party acting in good faith~~
 8 ~~and in reliance thereon. The remedy granted under this~~
 9 ~~section shall not be cumulative with any remedy granted~~
 10 ~~and exercised under the Interstate Land Sales Full~~
 11 ~~Disclosure Act (15 U.S.C., Sec. 1701, et seq.) or any other~~
 12 ~~federal act pursuant to which the purchaser or party~~
 13 ~~contracting with respect to a lot in a land project may~~
 14 ~~have a right of rescission.~~

15 ~~This section shall not be applicable to conveyances of~~
 16 ~~or contracts for the purchase and sale of lots, which~~
 17 ~~conveyances were made or which contracts were~~
 18 ~~executed prior to November 10, 1969.~~

19 SEC. 16. Section 11029.1 of the Business and
 20 Professions Code is repealed.

21 ~~11029.1. Any person who willfully violates any of the~~
 22 ~~provisions of Section 11010, 11010.1, 11013.1, 11013.2,~~
 23 ~~11013.4, 11018.1, 11018.2, 11018.7, 11028, or 17500 of this~~
 24 ~~code, and which violation arises in connection with a~~
 25 ~~subdivision or subdivided lands as defined in Section~~
 26 ~~11000.5, shall be liable for civil penalties not to exceed two~~
 27 ~~thousand five hundred dollars (\$2,500) for each such~~
 28 ~~violation. This penalty shall be recovered in a civil action~~
 29 ~~brought by the Real Estate Commissioner or in the name~~
 30 ~~of the people of the State of California by the Attorney~~
 31 ~~General, or by any district attorney in any court of~~
 32 ~~competent jurisdiction.~~

33 ~~If the Real Estate Commissioner is a party plaintiff to~~
 34 ~~the action, one-half of the penalty collected shall be paid~~
 35 ~~to the treasurer of the county in which the judgment is~~
 36 ~~entered and one-half to the Real Estate Fund. If the~~
 37 ~~action is brought by a district attorney, the entire amount~~
 38 ~~of the penalty collected shall be paid to the treasurer of~~
 39 ~~the county in which the judgment is entered. If the action~~
 40 ~~is brought by the Attorney General and the Real Estate~~



1 ~~Commissioner is not a party plaintiff, one-half of the~~
2 ~~penalty collected shall be paid to the treasurer of the~~
3 ~~county in which the judgment is entered and one-half to~~
4 ~~the State General Fund.~~

5 SEC. 17. Section 11030 of the Business and Professions
6 Code is repealed.

7 ~~11030. The requirements of this article are in addition~~
8 ~~to those of any other provision of this chapter.~~

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