

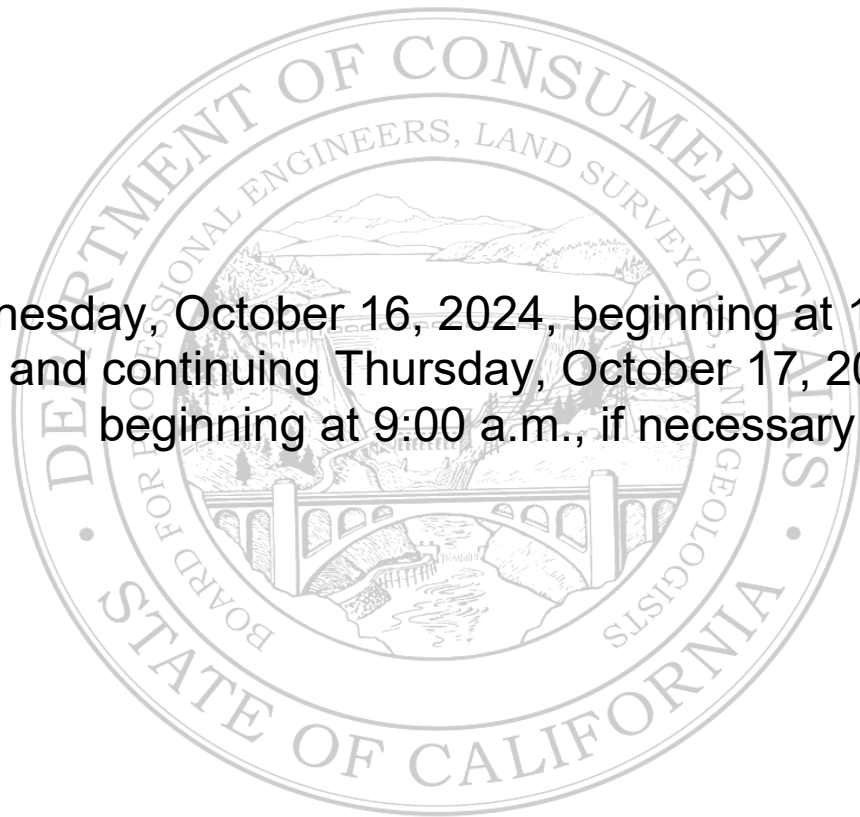


Gavin Newsom, Governor

Meeting of the Board for Professional Engineers, Land Surveyors, and Geologists

Board for Professional Engineers,
Land Surveyors, and Geologists

Wednesday, October 16, 2024, beginning at 1:00 p.m.,
and continuing Thursday, October 17, 2024,
beginning at 9:00 a.m., if necessary



Board for Professional Engineers,
Land Surveyors, and Geologists
2535 Capitol Oaks Drive
Third Floor Conference Room
Sacramento, CA 95833

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MEETING OF THE BOARD FOR PROFESSIONAL ENGINEERS, LAND SURVEYORS, AND GEOLOGISTS

BOARD MEETING

OCTOBER 16-17, 2024

Board for Professional Engineers, Land Surveyors, and Geologists
2535 Capitol Oaks Drive
Third Floor Conference Room
Sacramento, CA 95833

BOARD MEMBERS

President Christina Wong; Vice-President Guillermo Martinez; Fel Amistad; Alireza Asgari; Khaesha Brooks; Rossana D'Antonio; Michael Hartley; Coby King; Betsy Mathieson; Frank Ruffino; Wilfredo Sanchez; Fermin Villegas; and Cliff Waldeck

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B. Confer with, or Receive Advice from, Its Legal Counsel Regarding Pending Litigation Pursuant to Government Code Section 11126(e)(1) and (2)(A), on the following matters:	
1. <u>Ryan Crownholm, et al. vs. Richard B. Moore, et al.</u> , United States District Court, Eastern District of California, Case No. 2:22-cv-01720-DAD-CKD	
2. <u>Victor Rodriguez-Fernandez vs. California Board for Professional Engineers, Land Surveyors, and Geologists</u> , San Diego County Superior Court, Case No. 37-2023-00053465-CU-WM-CTL	
XIII. Adjourn	177

I. Roll Call to Establish a Quorum

II. Pledge of Allegiance

III. Public Comment for Items Not on the Agenda

IV. Strategic Planning Session

NOTE: The Board will engage in a Strategic Planning Session related to Diversity, Equity, and Inclusion (DEI) on Wednesday, October 16, 2024.



Board for Professional Engineers, Land Surveyors, and Geologists DEI Supplement Session

Objectives Worksheet

Planning Session:
October 16, 2024



Instructions

As we get ready for the Diversion, Equity, and Inclusion (DEI) Supplement Session, take a moment to think about what you would like to see the Board work on over the next few years.

Consider the following:

- DEI Supplement Environmental Scan Report
- Items outlined in Sunset Review

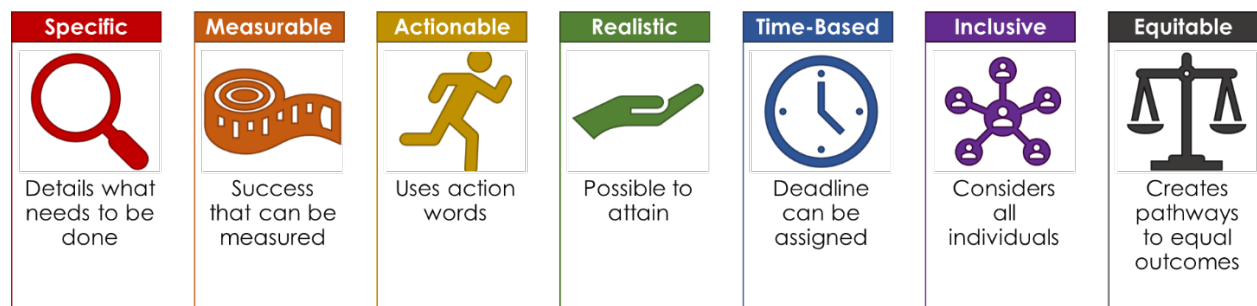
Determine Issues/Areas for Improvement and Brainstorm Solutions

What issues/areas for improvements come to mind for the following strategic goal areas? Record issues/areas for improvement and identify solutions on the attached worksheets.

1. Licensing
2. Applications and Examinations
3. Laws and Regulations
4. Enforcement
5. Outreach
6. Customer Service and Administration

SMARTIE Methodology

For more effective objectives, consider the SMARTIE methodology when coming up with solutions to issues/areas for improvement:



Goal 1: Licensing

The Board protects the public by licensing qualified individuals who provide professional services in California.

After reading the DEI Supplement Environmental Scan report, is there anything you believe the Board should address in relation to the goal area of Licensing?

List topics and any discussion points below in preparation for the DEI Supplement Session.

Goal 2: Applications and Examinations

The Board processes applications and administers examinations in a timely and accessible manner to determine individuals' qualifications for licensure.

After reading the DEI Supplement Environmental Scan report, is there anything you believe the Board should address in relation to the goal area Applications and Examinations?

List topics and any discussion points below in preparation for the DEI Supplement Session.

Goal 3: Laws and Regulations

The Board strives to ensure that statutes, regulations, policies, and procedures strengthen and support its mandate and mission.

After reading the DEI Supplement Environmental Scan report, is there anything you believe the Board should address in relation to the goal area of Laws and Regulations?

List topics and any discussion points below in preparation for the DEI Supplement Session.

Goal 4: Enforcement

The Board strives to protect the public by enforcing the laws and regulations governing the Board's professions.

After reading the DEI Supplement Environmental Scan report, is there anything you believe the Board should address in relation to the goal area of Enforcement?

List topics and any discussion points below in preparation for the DEI Supplement Session.

Goal 5: Outreach

The Board promotes the importance of licensure to educate applicants, licensees, the public, and other stakeholders about the practice and regulation of the professions.

After reading the DEI Supplement Environmental Scan report, is there anything you believe the Board should address in relation to the goal area of Outreach?

List topics and any discussion points below in preparation for the DEI Supplement Session.

Goal 6: Customer Service and Administration

The Board continuously works to improve efficiency and quality of its services.

After reading the DEI Supplement Environmental Scan report, is there anything you believe the Board should address in relation to the goal area of Customer Service and Administration?

List topics and any discussion points below in preparation for the DEI Supplement Session.



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Environmental Scan

Diversity, Equity, and Inclusion (DEI)
Supplement

2024

*Prepared by
SOLID Planning Solutions
for the Board for Professional Engineers,
Land Surveyors, and Geologists*



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Introduction

In September of 2022, Governor Gavin Newsom, through [Executive Order \(N-16-22\)](#), strengthened the State's commitment to a "California For All" by directing state agencies and departments to take additional actions to embed equity analysis and considerations into their policies and practices, including but not limited to the strategic planning process.

At the Department of Consumer Affairs (DCA), we are driven by our consumer protection mission and common goal to support our employees and the people and communities across California. As part of advancing the Governor's Executive Order, DCA's strategic planning process reflects our commitment to diversity, equity, and inclusion (DEI), incorporating inclusive public engagement and enhanced data collection and analysis.

DCA DEI Mission Statement: To advance a diverse, equitable, and inclusive California Department of Consumer Affairs for all.

Diversity: The inherent and acquired qualities, characteristics, and experiences that make us unique as individuals and the groups to which we belong.

Equity: Creating pathways to equal outcomes.

Inclusion: A practice to maintain a positive environment where all individuals feel recognized, understood, and valued.

DCA encourages the Board for Professional Engineers, Land Surveyors, and Geologists (BPELSG or Board) to consider DEI impacts of policy decisions when reviewing the feedback from this report and when revising or developing strategic objectives.

In 2022, SOLID facilitated the development of BPELSG's 2022-2027 strategic plan. In support of the Governor's mandate, SOLID conducted a new DEI focused scan and analysis from January through March of 2024. This report is a summary of the feedback obtained during this survey-based scan, which will be used to assist BPELSG in adding a diversity, equity, and inclusion perspective to its current strategic plan.

This supplemental survey consisted of specific questions designed to assist strategic planning participants in considering the DEI impacts of policy decisions such as regulatory, statutory, and continuing education requirements. Feedback was solicited from external stakeholders, board members, and the Board's leadership and staff.

As you read through this report, you are encouraged to consider:

- Who will benefit from or be burdened by the particular decision or proposal?
- Are there needs that may be different for various demographic or geographic groups?
- Once implemented, how will the Board measure the effect on impacted populations?
- What data/metrics will be used to evaluate the impacts?

This document summarizes trends, including areas where stakeholders agree and disagree, while providing insight to assist the Board in considering strategic plan objectives.

At the upcoming supplemental planning session, the board members and leadership will discuss and evaluate this information as a group to help create or modify objectives that the Board will include in its work during this ongoing strategic plan period.

If you have any questions about this report, please contact Ann Fisher with SOLID Planning at Ann.Fisher@dca.ca.gov .

Diversity, Equity, and Inclusion Scan Summary

Gaining Different Perspectives

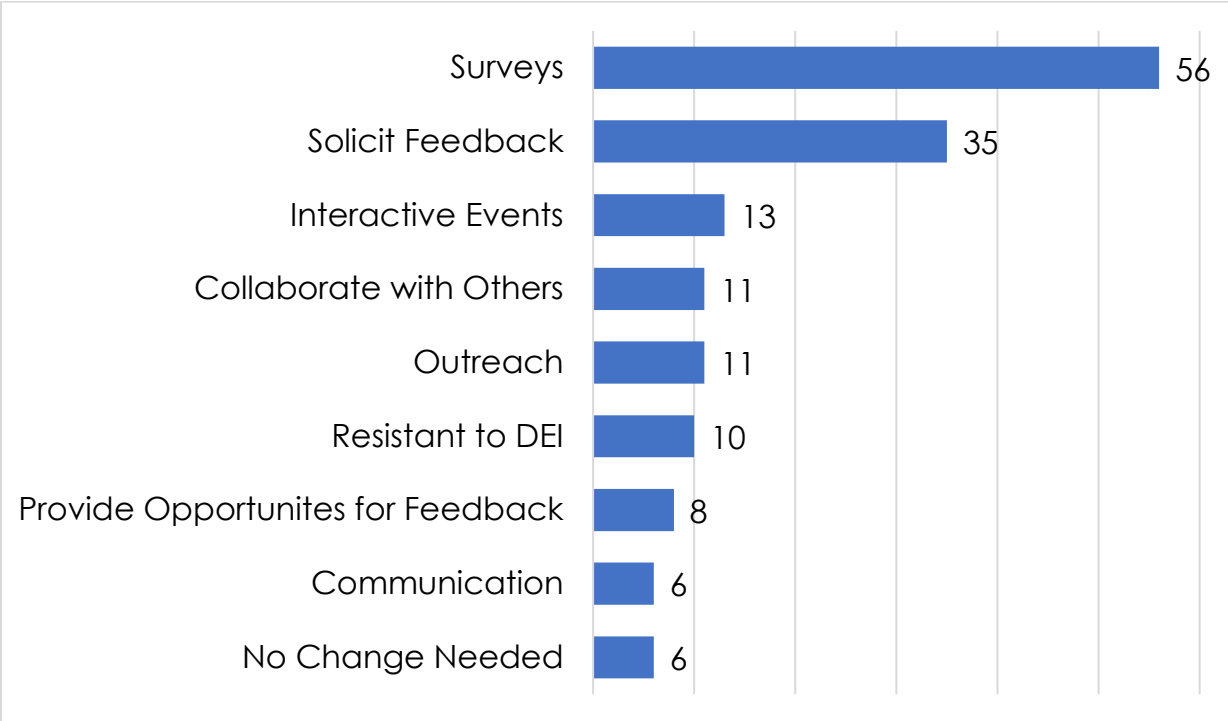
Survey question: What are ways BPELSG can gain different perspectives about ideas and priorities related to the Board's activities?

Summary of Stakeholder Comments

- 1. Many stakeholders suggest surveys like the one they answered be used to gain perspectives and ideas.
- 2. Stakeholders suggest approaching various groups for feedback, with the most commonly suggested being licensees.
- 3. Stakeholders mention interactive events including town hall meetings and listening events, as well as offering virtual participation when possible.
- 4. Collaborating with professional associations and other groups is offered as a way to gain perspectives.

Stakeholder Comment Trends

The chart below lists the top trends along with the corresponding number of comments for feedback provided by stakeholders.



Unnecessary Requirements or Barriers to Licensure

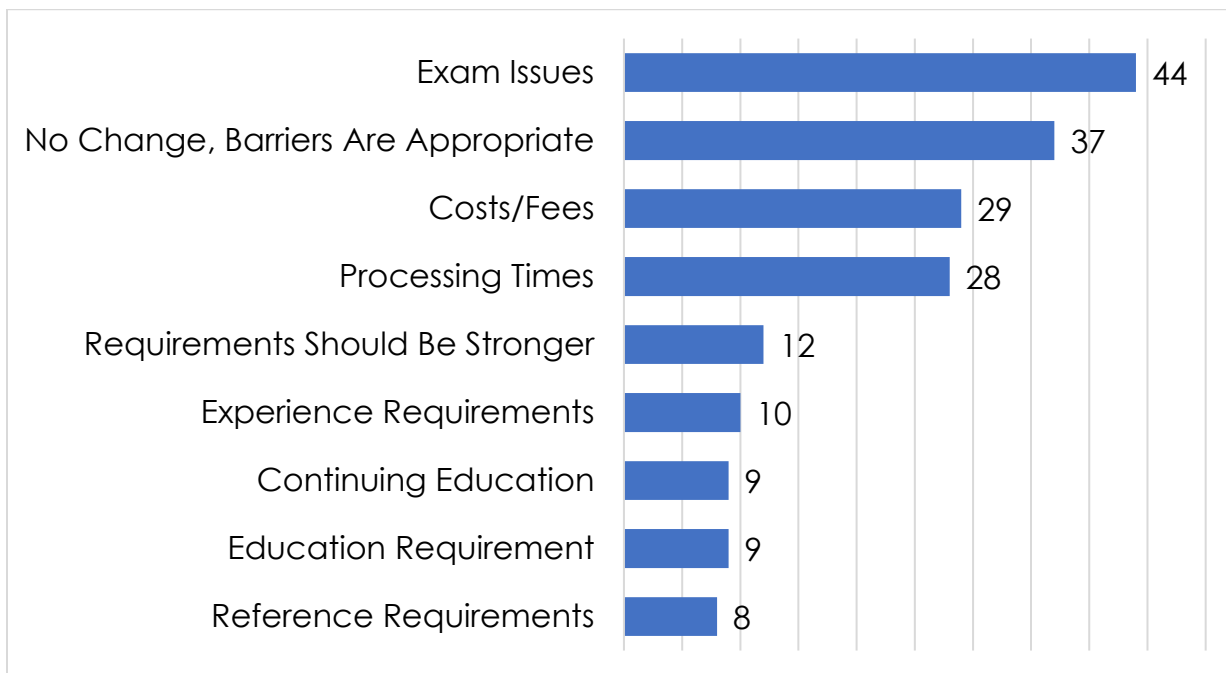
Survey question: Are there unnecessary requirements or barriers to licensure (e.g., education, experience, examination, continuing education, cost of licensure, processing time)?

Summary of Stakeholder Comments

1. Stakeholders state that exam issues are an unnecessary barrier to licensure in these ways:
 - a. access to exams
 - b. scheduling issues
 - c. the relevancy of the exam to the various types of licenses being pursued
2. Another large group of stakeholders express that there is no need for change, and that all barriers are appropriate.
3. Costs and fees are reported as barriers by stakeholders, with the cost of licensure being mentioned most often.
4. Processing time is also reported as a barrier to licensure, with numerous licensees saying they waited over six months for licensure.

Stakeholder Comment Trends

The chart below lists the top trends along with the corresponding number of comments for feedback provided by stakeholders.



Ways to Increase Outreach and Connection to All California Communities Trends

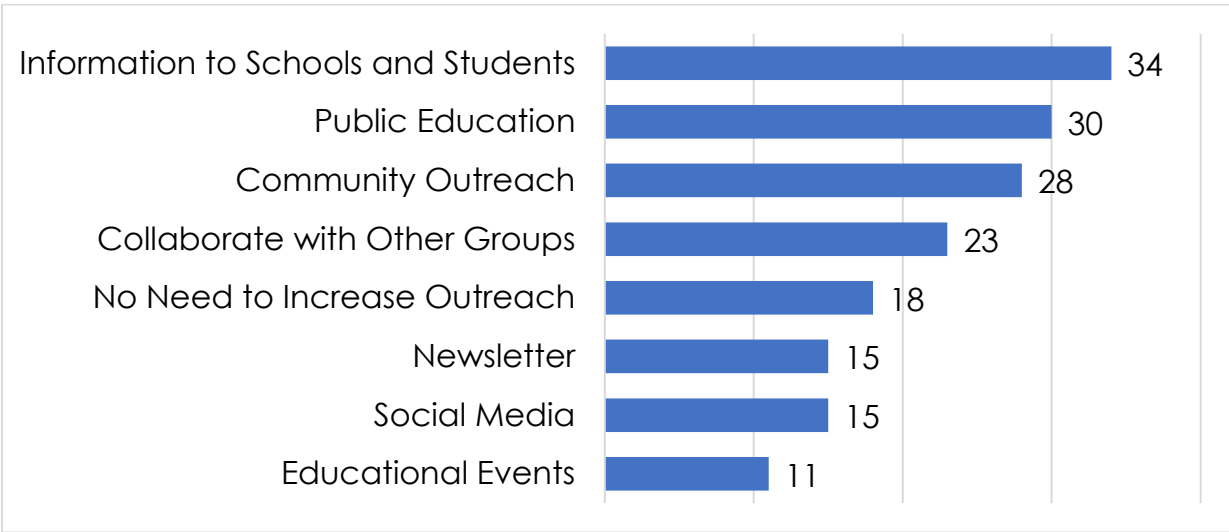
Survey question: What are ways that BPELSG can increase its outreach and connection to all California communities?

Summary of Stakeholder Comments

1. Stakeholders state that distributing information to students and schools would improve connection with Californians, from high school-based advocacy for the professions through providing licensing process information to schools and graduating students.
2. Public education is also suggested as a way to increase connection, including emphasizing the importance of utilizing licensed professionals, career advocacy, and options for reporting complaints.
3. Outreach performed in specific communities is seen as a way to increase connection, including attending and presenting information at local meetings and events as well as communicating about Board activities and producing an informative newsletter.
4. Collaborating with other groups is suggested as a way to increase outreach, including other government agencies and local governments, professional organizations, schools, and other stakeholder groups.
5. Some stakeholders do not see any need for increasing outreach at all.

Stakeholder Comment Trends

The chart below lists the top trends along with the corresponding number of comments for feedback provided by stakeholders.



Other Actions to Take to Further Equal Access to Opportunities

Survey question: What other actions should BPELSG take to further equal access to opportunities (e.g., entry into the profession, education/training opportunities, apprenticeships/ mentorships)?

Summary of Stakeholder Comments

- 1. Promoting the professions is seen as a way to further equal access to opportunities, predominantly to students in all levels of education and especially among high school and college students.
- 2. Many stakeholders feel that no actions are needed, stating that this is not the role of the Board or expressing resistance to the DEI concept.
- 3. Publicizing the reasons for becoming licensed and the licensure process is seen as an action to further access.
- 4. Providing alternate pathways to licensure is seen as a way to further access, including internships, apprenticeships, and mentorships.

Stakeholder Comment Trends

The chart below lists the top trends along with the corresponding number of comments for feedback provided by stakeholders.



Appendix A – Acronym List

Acronym	Definition
BPELSG	Board for Professional Engineers, Land Surveyors, and Geologists
DCA	Department of Consumer Affairs
DEI	Diversity, Equity, and Inclusion
SOLID	Strategic Organization, Leadership, and Individual Development; DCA's strategic planning and training unit

Appendix B – Data Collection Method

Data for this report was gathered by surveying stakeholder groups that are important to the success of the Board. Stakeholders include any individual or group who is influenced by or influences a program. Information for this survey was gathered by surveying external stakeholders and internal stakeholders using an online survey.

Classification of Stakeholder Relationship with BPELSG

Relationship with BPELSG	Number of Responses	Response Rate
Leadership and Executives	1	50%
Staff	5	14%
Board Member	4	31%
Preparing to Become a Licensee	77	1
Licensee	617	1
Work in a Related Occupation	19	1
Consumer	8	1
Government Agency	46	1
Professional Association/Group	19	1
Educational/School Association/ Group	3	1
Other ²	20	1

¹ A response rate cannot be determined for these external stakeholders because of the undetermined number having access to the survey link.

² Respondents listed in the “Other” category identified themselves as follows:

- Engineer (1)
- Inactive Licensee (2)
- Member of a professional organization (2)
- Retired (4)
- Subject matter expert for the Board (2)

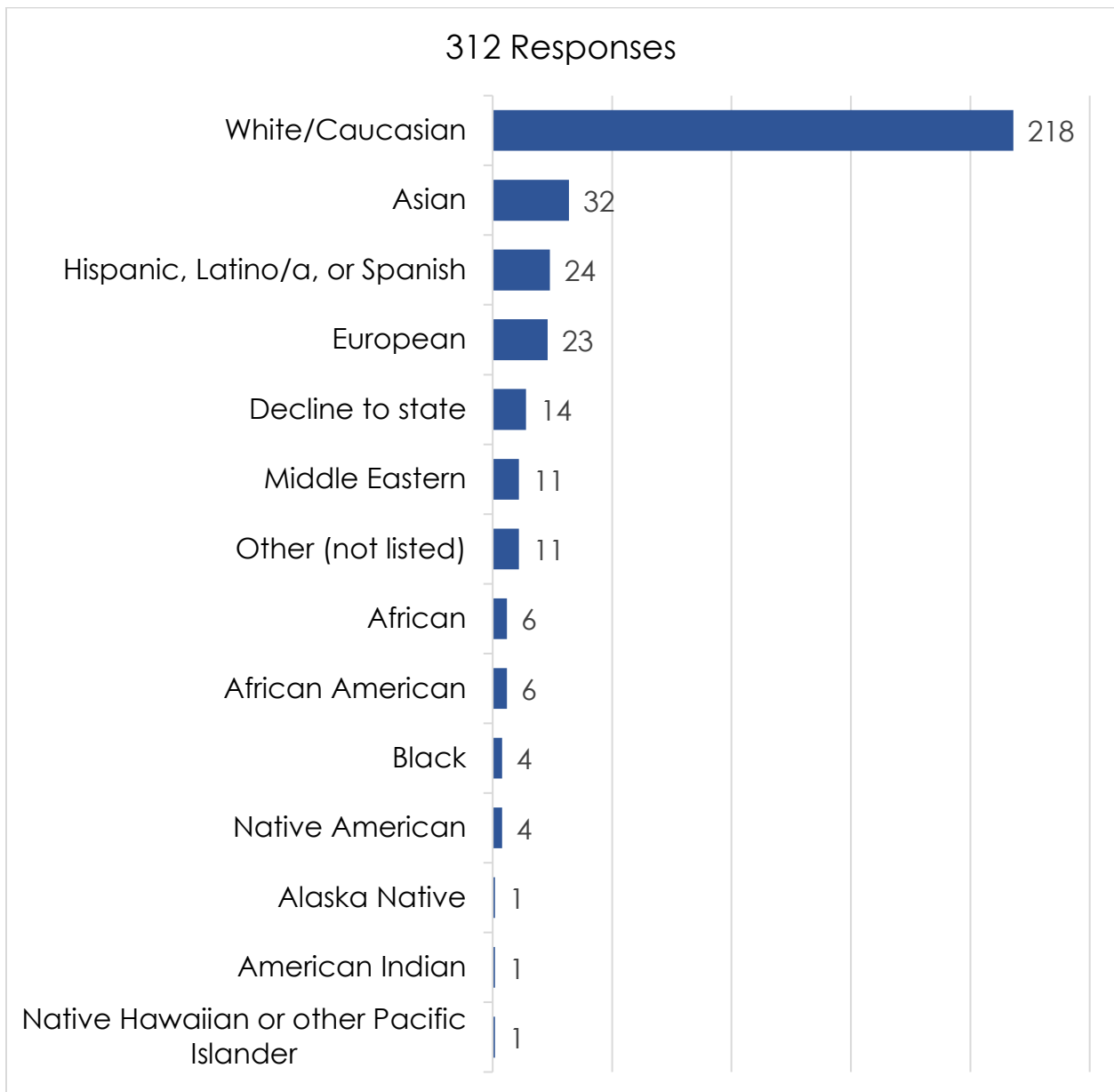
Appendix C – Demographic Data

Demographic questions were marked as optional. Given the small percentage of stakeholders who did choose to answer these questions, we provide them for information only.

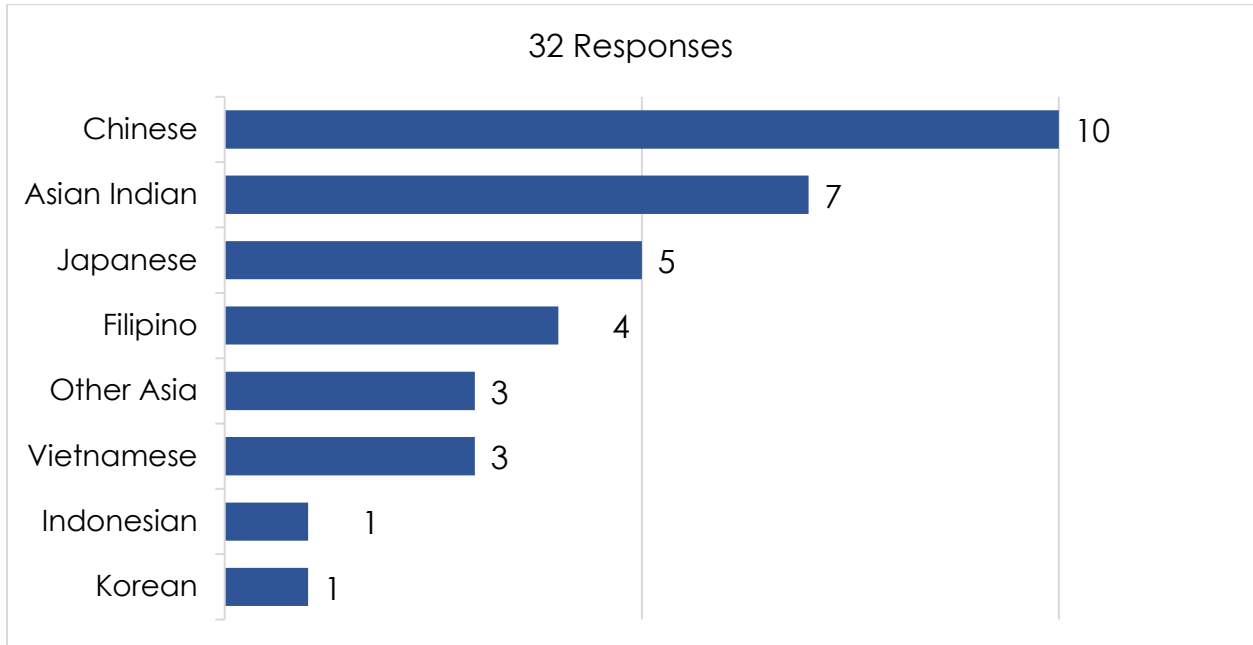
Race

Races Stakeholders Identified With.

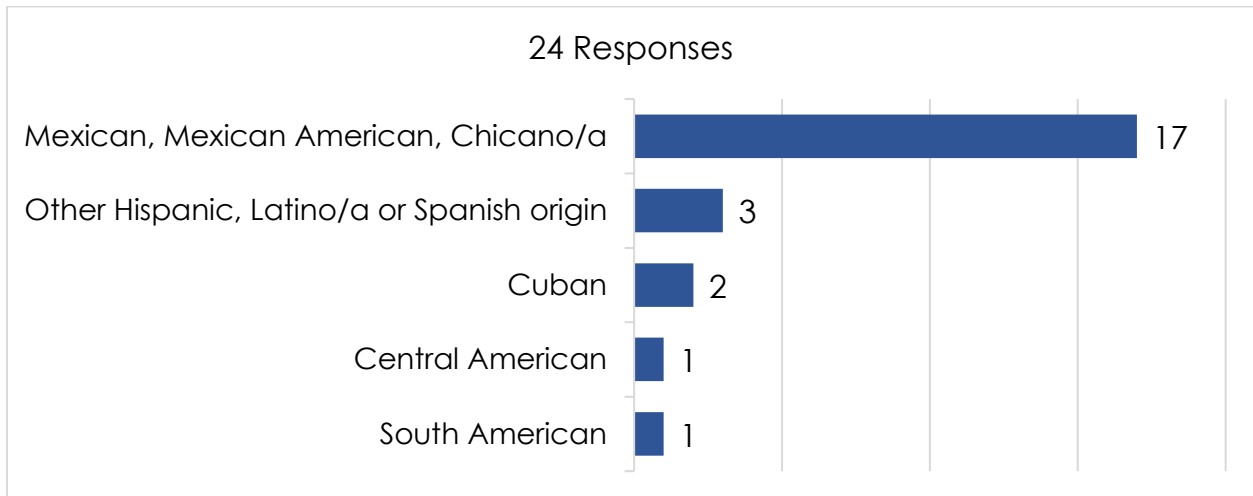
* Multiple options could be selected.



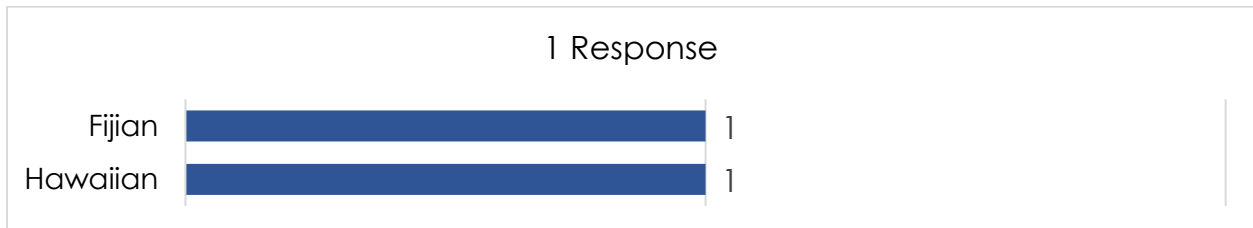
Asian Stakeholders Identified With



Hispanic, Latino/a, or Spanish Stakeholders Identified With

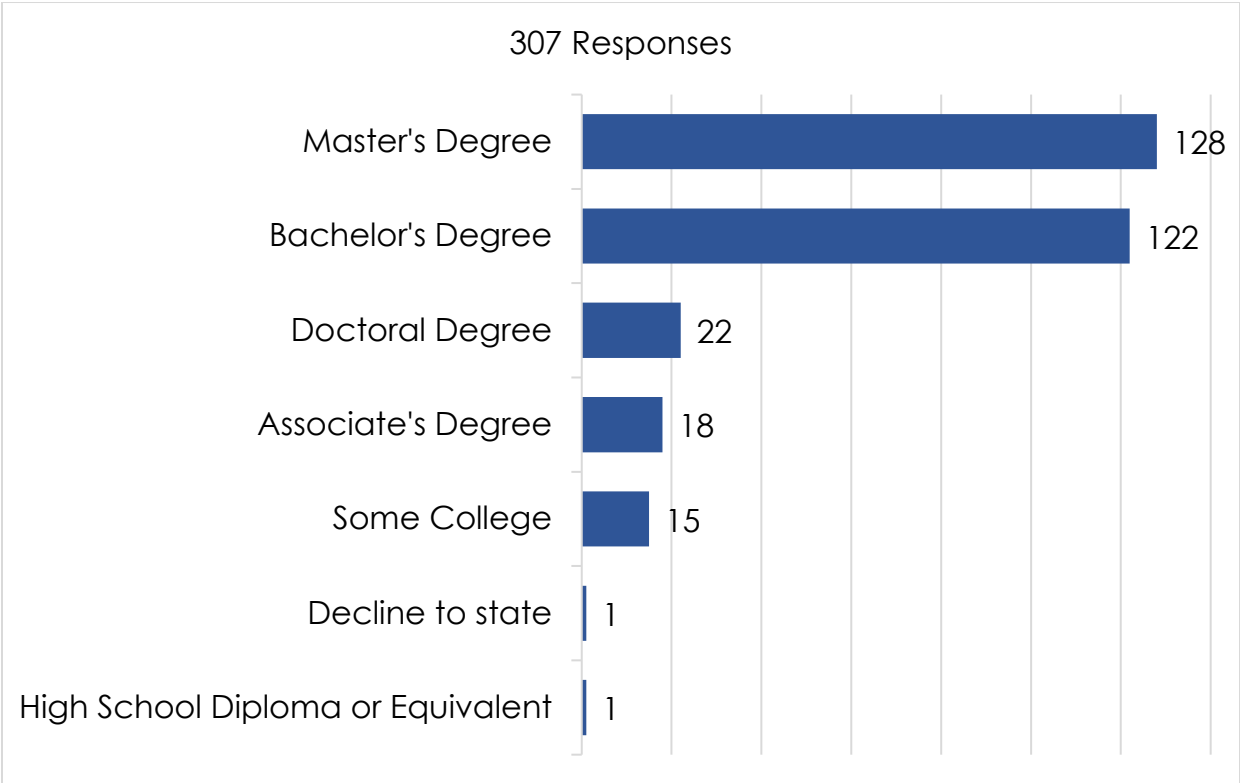


Native Hawaiian or Other Pacific Islander Stakeholders Identify With



Education

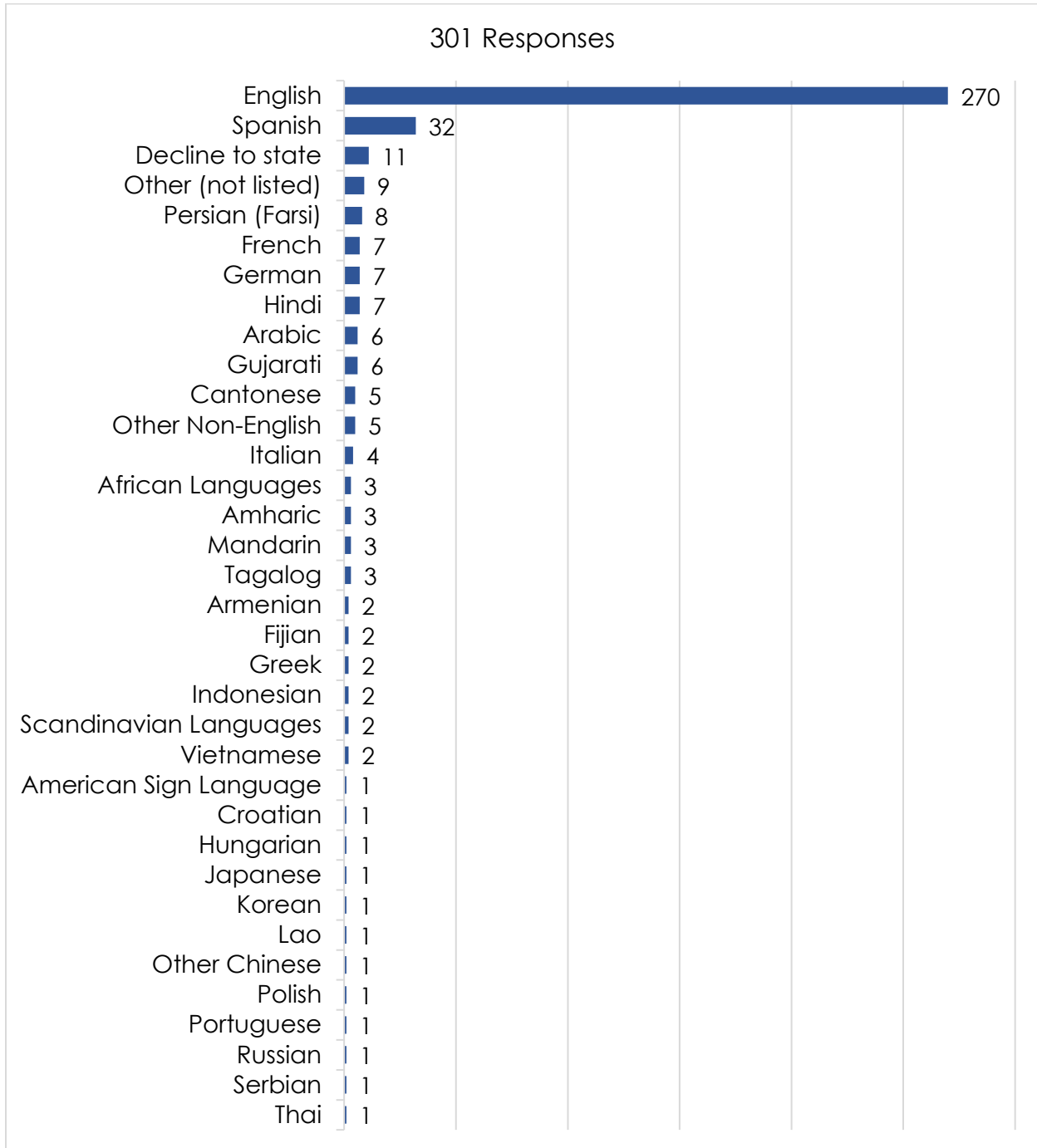
Stakeholders' Highest Level of Education



Languages

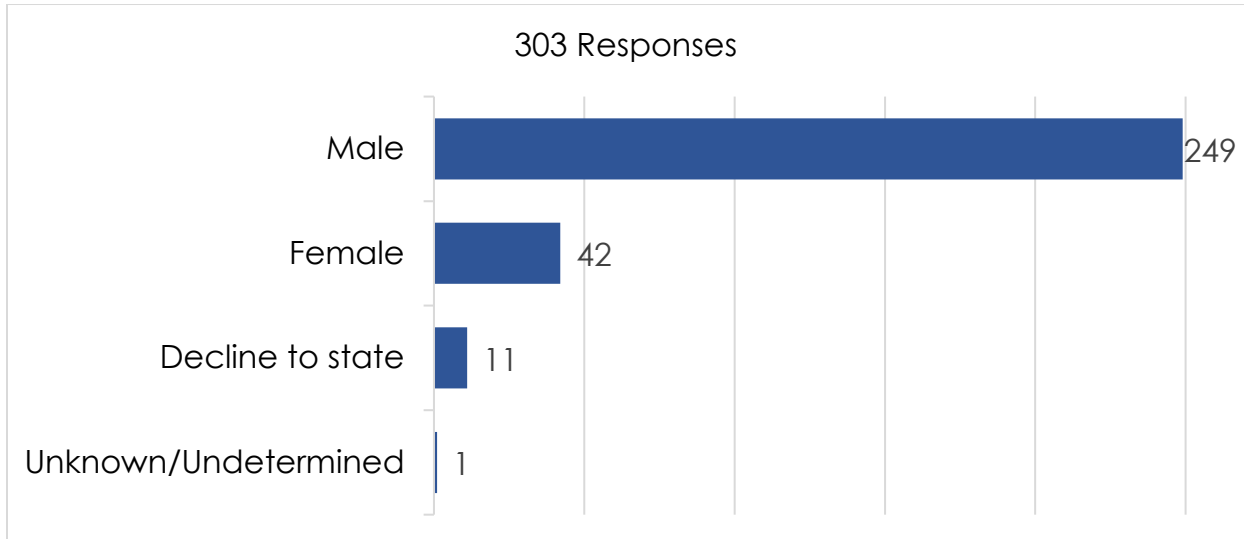
Languages External Stakeholders Speak Fluently

- * A total of 58 options were provided, including "Decline to State". Multiple options could be selected. Languages not selected are not shown.



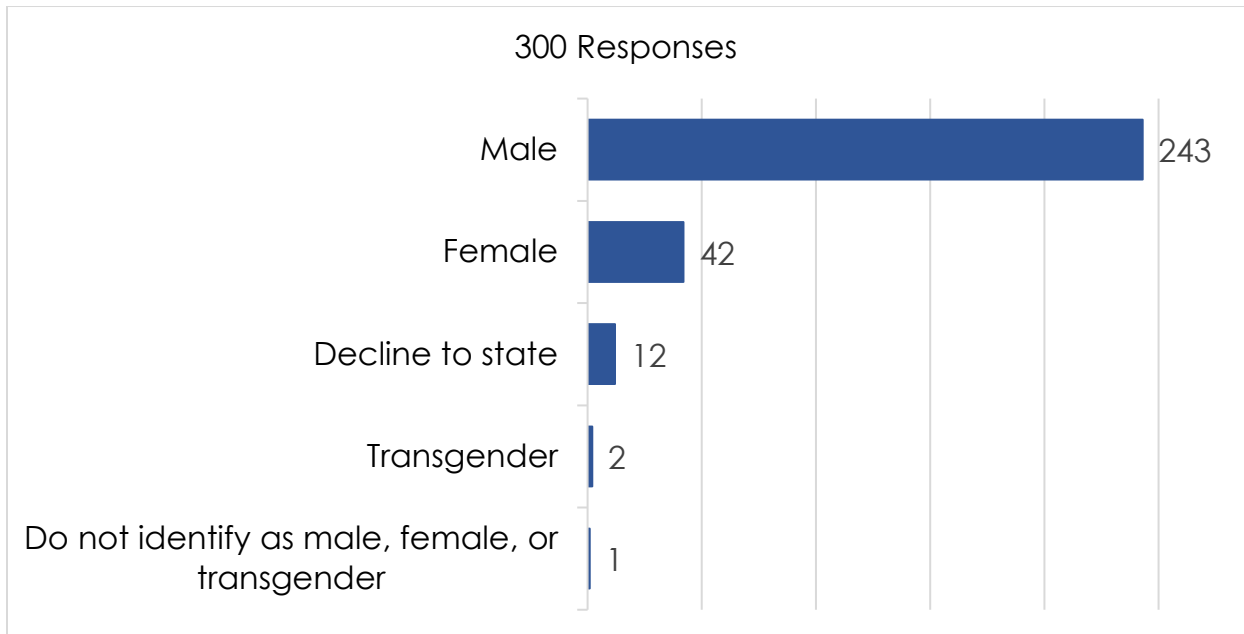
Birth Sex

Stakeholders' Assigned Sex at Birth



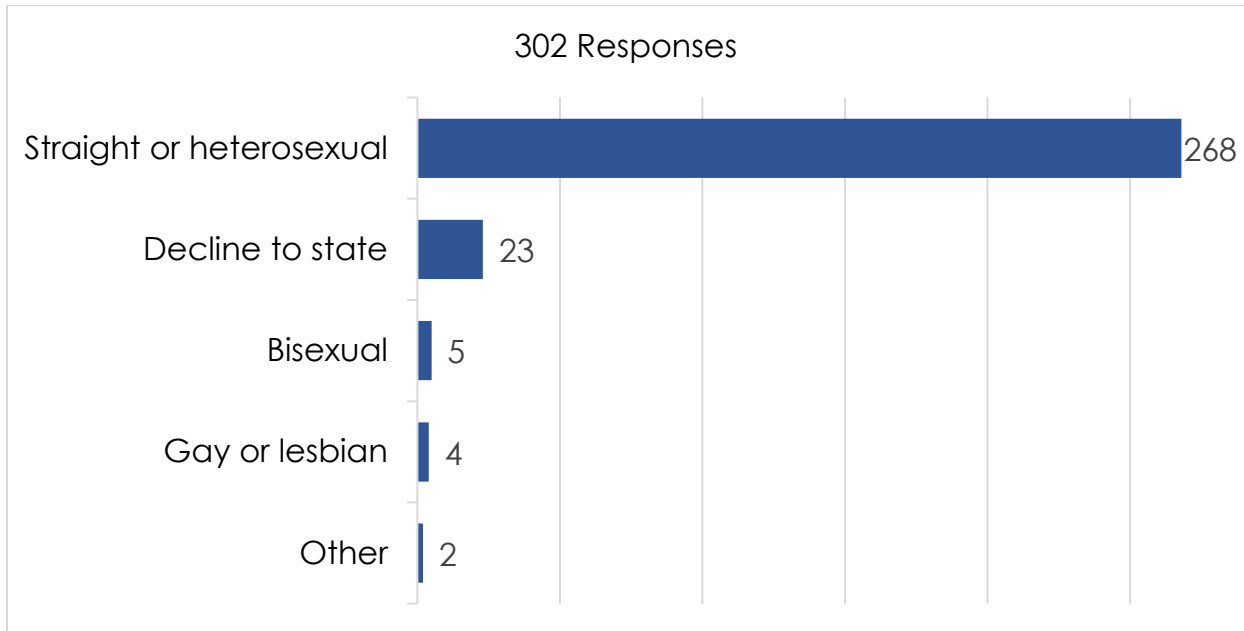
Current Gender

How Stakeholders Describe Themselves



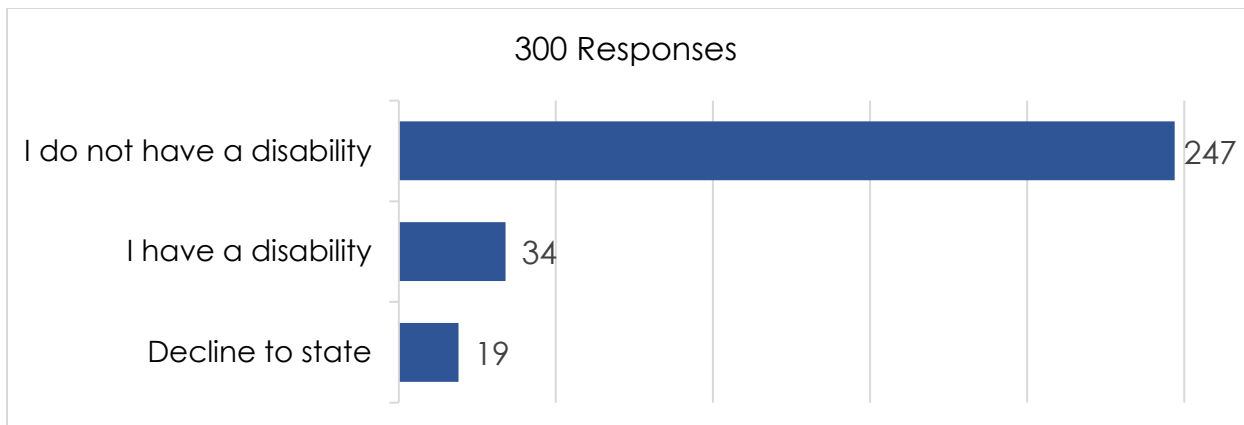
Orientation

Stakeholders' Orientation



Disability Status

Stakeholders' Disability Status





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V. Administration

- A. Fiscal Year 2023/24 Fiscal Month 13 Financial Results
- B. Fiscal Year 2024/25 Budget Report

GUIDE TO READING THE REVENUE REPORT AND EXPENDITURE REPORT

Revenues

Fee increase effective January 1, 2021 has had a positive impact on revenues. Total revenue up \$1,276,880 (25%) over prior period.

Current Year Projections
Identifies the revenue amount that BPELSG projects for FY 21-22.

Revenue Category	PRIOR YEAR FY 2020-21 FM 4	CURRENT YEAR FY 2021-22 FM 4	CURRENT YEAR Projections
Delinquent Fees	\$38,696	↑ \$51,464	\$150,076
Other Regulatory Fees	\$32,130	↑ \$39,578	\$102,138
Other Regulatory Licenses & Permits	\$297,960	↑ \$645,747	\$1,743,588
Other Revenue	\$20,822	↓ \$10,486	\$51,328
Renewal Fees	\$3,415,953	↑ \$4,335,166	\$10,269,519
Total	\$3,805,560	↑ \$5,082,440	\$12,316,649

Revenue Category
Provides the name of the line item where our revenues occur.

Prior Year
Revenue collected up to FM 4 in October of 2020.

Arrows
These indicate a change in the current year over prior year. Up/green arrows indicate an increase and down/red arrows indicate a decrease over the prior period.

Current Year
Revenue collected up to FM 4 in October of 2021.

Department of Consumer Affairs
Expenditure Projection Report

Fiscal Month: 4
Fiscal Year: 2021 - 2022
Run Date: 12/09/2021

Fiscal Month
Identifies the expenditures up to October 2021

Fiscal Year
Identifies the current year

Run Date
Identifies the date this report was pulled from QBIRT

CY 21-22 YTD + Encumbrance
Provides a FM 4 total of YTD Actual and Encumbrance.

Governor's Budget
Publication that the Governor presents which identifies the current year authorized expenditures.

PERSONAL SERVICES

Notes	Fiscal Code	PY 20-21 FM 4 YTD + Encumbrance	CY 21-22 FM 4 YTD + Encumbrance	Governor's Budget	Percent of Governor's Budget Spent	Projections to Year End
1	5100 PERMANENT POSITIONS	\$955,435	\$1,077,755	\$3,425,000	31%	\$3,389,367
	5100 TEMPORARY POSITIONS	\$35,155	\$45,403	\$232,000	20%	\$130,000
	5105-5108 PER DIEM, OVERTIME, & LUMP SUM	\$600	\$38,876	\$36,000	108%	\$48,476
	5150 STAFF BENEFITS	\$559,421	\$618,030	\$1,703,000	36%	\$1,812,693
	PERSONAL SERVICES	\$1,550,611	\$1,780,065	\$5,396,000	33%	\$5,380,536

OPERATING EXPENSES & EQUIPMENT

2	5301 GENERAL EXPENSE	\$23,898	\$22,392	\$32,000	70%	\$71,871
3	5302 PRINTING	\$24,766	\$69,808	\$26,000	268%	\$33,966
	5304 COMMUNICATIONS	\$4,452	\$3,384	\$15,000	23%	\$20,777

Object Description
Provides the name of the line item where our expenditures occur.

PY 20-21 YTD + Encumbrance
Provides a FM 4 total of YTD Actual and Encumbrance.

Percent of Governor's Budget spent
Identifies the percentage spent at CY 21-22 FM 4 according to the Governor's Budget.

Projections to Year End
Identifies the expenditure amount that BPELSG projects for FY 21-22.

	OPERATING EXPENSES & EQUIPMENT	\$3,239,095	\$2,474,539	\$6,831,000	36%	\$5,308,996
	OVERALL TOTALS	\$4,789,706	\$4,254,604	\$12,227,000	35%	\$10,689,532

*Does not include additional Architecture Revolving Fund Expenses TBD

SURPLUS/(DEFICIT): 13%

Surplus/(Deficit)
Identifies if we have higher revenue and lower expenses (Surplus) or higher expenses and lower revenue (Deficit). This percentage is calculated using (Governor's Budget-Projections to Year End)/ Governor's Budget.

**Department of Consumer Affairs
Expenditure Projection Report
Fiscal Month: 13**

Fiscal Year: 2023 - 2024

Run Date: 8/26/2024

PERSONAL SERVICES

Notes	Fiscal Code	PY 22-23 FM 13 YTD + Encumbrance	CY 23-24 FM 13 YTD + Encumbrance	Governor's Budget	Percent of Governor's Budget Spent	Projections to Year End
1	5100 PERMANENT POSITIONS	\$3,493,641	\$3,498,880	\$3,809,000	92%	\$3,498,880
	5100 TEMPORARY POSITIONS	\$121,262	\$1,191	\$232,000	1%	\$1,191
	5105-5108 PER DIEM, OVERTIME, & LUMP SUM	\$24,481	\$185,473	\$36,000	515%	\$185,473
	5150 STAFF BENEFITS	\$2,084,775	\$2,094,348	\$2,031,000	103%	\$2,094,348
	PERSONAL SERVICES	\$5,724,159	\$5,779,892	\$6,108,000	95%	\$5,779,892

OPERATING EXPENSES & EQUIPMENT

2	5301 GENERAL EXPENSE	\$77,072	\$73,084	\$32,000	228%	\$73,084
	5302 PRINTING	\$99,920	\$165,638	\$26,000	637%	\$165,638
	5304 COMMUNICATIONS	\$15,370	\$21,800	\$15,000	145%	\$21,800
	5306 POSTAGE	\$1,983	\$34,449	\$36,000	96%	\$34,449
	5308 INSURANCE	\$65	\$86	\$0	0%	\$86
	53202-204 IN STATE TRAVEL	\$37,082	\$40,497	\$22,000	184%	\$40,497
	53206-208 OUT OF STATE TRAVEL	\$0	\$3,671	\$0	0%	\$3,671
	5322 TRAINING	\$0	\$0	\$15,000	0%	\$0
3	5324 FACILITIES*	\$497,957	\$476,779	\$377,000	126%	\$476,779
4	53402-53403 C/P SERVICES (INTERNAL)	\$738,591	\$649,972	\$1,127,000	58%	\$649,972
5	53404-53405 C/P SERVICES (EXTERNAL)	\$2,568,168	\$2,240,074	\$3,639,000	62%	\$2,240,074
6	5342 DEPARTMENT PRORATA	\$1,700,803	\$1,777,394	\$2,078,000	86%	\$1,777,394
7	5342 DEPARTMENTAL SERVICES	\$25,470	\$26,209	\$27,000	97%	\$26,209
	5344 CONSOLIDATED DATA CENTERS	\$26,395	\$27,040	\$22,000	123%	\$27,040
	5346 INFORMATION TECHNOLOGY	\$39,759	\$244,447	\$94,000	260%	\$244,447
	5362-5368 EQUIPMENT	\$99,833	\$31,364	\$0	0%	\$31,364
	5390 OTHER ITEMS OF EXPENSE	\$12	\$0	\$3,000	0%	\$0
	54 SPECIAL ITEMS OF EXPENSE	\$1,922	\$1,638	\$0	0%	\$1,638
	OPERATING EXPENSES & EQUIPMENT	\$5,930,402	\$5,814,142	\$7,513,000	77%	\$5,814,142
	TOTALS	\$11,654,561	\$11,594,034	\$13,621,000	85%	\$11,594,034
8	4840-4850 REIMBURSEMENTS					\$117,955
	OVERALL TOTALS & REIMBURSEMENTS					\$11,476,079

FINANCIAL REPORT

FISCAL YEAR 2024-25 FISCAL MONTH 1 FINANCIAL STATEMENT

Revenues

Total revenue is up \$87,793 over Prior Year 2022-23. Current Fiscal Year 2024-25 is a low volume year for renewals therefore we are comparing it to Prior Year 2022-23 due to it also being a low volume year for renewals.

Revenue Category	PRIOR YEAR FY 2022-23 FM 1	PRIOR YEAR FY 2023-24 FM 1	CURRENT YEAR FY 2024-25 FM 1	CURRENT YEAR FY 2024-25 PROJECTION
Delinquent Fees	\$10,463	\$7,945	\$5,868	\$141,610
Other Regulatory Fees	\$2,090	\$ 1,380	\$ 12,648	\$79,487
Other Regulatory Licenses & Permits	\$166,326	\$164,025	\$185,480	\$1,895,668
Other Revenue	\$1,338	\$2,070	\$362	\$14,324
Renewal Fees	\$270,765	\$398,056	\$ 334,415	\$9,302,981
Total	\$450,981	\$573,476	\$538,773	\$11,434,070

Reimbursements as of FM1 totaled \$16,085 including \$6,468 in Background Checks and \$9,617 in Cost Recovery. Background check expenses are included in the General Expense category.

**Department of Consumer Affairs
Expenditure Projection Report**

Fiscal Month: 1

Fiscal Year: 2024 - 2025

Run Date: 9/24/2024

PERSONAL SERVICES

Notes	Fiscal Code	PY 23-24 FM1 YTD + Encumbrance	CY 24-25 FM1 YTD + Encumbrance	Governor's Budget	Percent of Governor's Budget Spent	Projections to Year End
1	5100 PERMANENT POSITIONS	\$291,765	\$284,968	\$3,817,000	7%	\$3,713,500
	5100 TEMPORARY POSITIONS	\$397	\$0	\$232,000	0%	\$3,000
	5105-5108 PER DIEM, OVERTIME, & LUMP SUM	\$0	\$0	\$36,000	0%	\$18,000
	5150 STAFF BENEFITS	\$182,859	\$155,425	\$2,065,000	8%	\$2,228,100
	PERSONAL SERVICES	\$475,021	\$440,393	\$6,150,000	7%	\$5,962,600

OPERATING EXPENSES & EQUIPMENT

2	5301 GENERAL EXPENSE	\$2,568	\$1,350	\$32,000	4%	\$76,523
	5302 PRINTING	\$539	\$3,350	\$26,000	13%	\$88,555
	5304 COMMUNICATIONS	\$0	\$69	\$15,000	0%	\$27,497
	5306 POSTAGE	\$2,848	\$0	\$36,000	0%	\$36,000
	5308 INSURANCE	\$0	\$0	\$0	0%	\$86
	53202-204 IN STATE TRAVEL	\$0	\$0	\$22,000	0%	\$42,000
	53206-208 OUT OF STATE TRAVEL	\$0	\$0	\$0	0%	\$4,250
	5322 TRAINING	\$0	\$0	\$15,000	0%	\$0
3	5324 FACILITIES*	\$444,960	\$465,069	\$377,000	123%	\$494,542
4	53402-53403 C/P SERVICES (INTERNAL)	\$80,000	\$0	\$1,127,000	0%	\$619,000
5	53404-53405 C/P SERVICES (EXTERNAL)	\$2,266,107	\$1,348,408	\$3,639,000	37%	\$2,472,414
6	5342 DEPARTMENT PRORATA	\$500,250	\$525,250	\$2,101,000	25%	\$2,101,000
7	5342 DEPARTMENTAL SERVICES	\$0	\$9	\$27,000	0%	\$27,000
	5344 CONSOLIDATED DATA CENTERS	\$0	\$0	\$22,000	0%	\$22,000
	5346 INFORMATION TECHNOLOGY	\$0	\$121,681	\$94,000	129%	\$318,692
	5362-5368 EQUIPMENT	\$15,886	\$14,588	\$0	0%	\$37,000
	5390 OTHER ITEMS OF EXPENSE	\$0	\$0	\$3,000	0%	\$0
	54 SPECIAL ITEMS OF EXPENSE	\$0	\$0	\$0	0%	\$1,700
	OPERATING EXPENSES & EQUIPMENT	\$3,313,158	\$2,479,773	\$7,536,000	33%	\$6,368,259
	TOTALS	\$3,788,179	\$2,920,166	\$13,686,000	21%	\$12,330,859
8	4840-4850 REIMBURSEMENTS					\$108,000
	OVERALL TOTALS & REIMBURSEMENTS		44			\$12,222,859

SURPLUS/(DEFICIT): 11%

0770 - Professional Engineer's, Land Surveyor's and Geologist's Fund

Analysis of Fund Condition

Prepared 9/24/2024

(Dollars in Thousands)

PY 23-24 Actuals & CY 24-25 FM 1	Actual 2023-24	CY 2024-25	BY 2025-26	BY+1 2026-27
BEGINNING BALANCE	\$ 2,481	\$ 2,997	\$ 1,768	\$ 1,097
Prior Year Adjustment	\$ -	\$ -	\$ -	\$ -
Adjusted Beginning Balance	\$ 2,481	\$ 2,997	\$ 1,768	\$ 1,097
REVENUES, TRANSFERS AND OTHER ADJUSTMENTS				
Revenues:				
4121200 Delinquent fees	\$ 114	\$ 142	\$ 139	\$ 142
4127400 Renewal fees	\$ 10,028	\$ 9,303	\$ 10,080	\$ 9,303
4129200 Other regulatory fees	\$ 78	\$ 79	\$ 79	\$ 79
4129400 Other regulatory licenses and permits	\$ 2,289	\$ 1,896	\$ 1,907	\$ 1,896
4163000 Income from surplus money investments	\$ 264	\$ 193	\$ 180	\$ 193
4171400 Escheat of unclaimed checks and warrants	\$ 10	\$ 17	\$ 12	\$ 17
4172500 Miscellaneous revenues	\$ 0	\$ 0	\$ 0	\$ 0
Totals, Revenues	\$ 12,783	\$ 11,630	\$ 12,398	\$ 11,630
Operating Transfers to General Fund per EO E 21/22 - 276 Revised (AB 84)	\$ -	\$ -	\$ -	\$ -
Totals, Transfers and Other Adjustments	\$ 12,783	\$ 11,630	\$ 12,398	\$ 11,630
Totals, Revenues, Transfers and Other Adjustments	\$ 15,264	\$ 14,627	\$ 14,166	\$ 12,727
EXPENDITURES				
Disbursements:				
1111 Department of Consumer Affairs (State Operations)	\$ 11,476	\$ 12,223	\$ 12,590	\$ 12,967
9892 Supplemental Pension Payments (State Operations)	\$ 209	\$ 157	\$ 0	\$ 0
9900 Statewide General Administrative Expenditures (Pro Rata) (State Operations)	\$ 582	\$ 479	\$ 479	\$ 479
Less funding provided by General Fund (State Operations)	\$ -	\$ -	\$ -	\$ -
Total Disbursements	\$ 12,267	\$ 12,859	\$ 13,069	\$ 13,446
FUND BALANCE				
Reserve for economic uncertainties	\$ 2,997	\$ 1,768	\$ 1,097	\$ -719
Months in Reserve	2.8	1.6	1.0	-0.6

NOTES:

- A. ASSUMES WORKLOAD AND REVENUE PROJECTIONS ARE REALIZED IN CY AND BY.
- B. ASSUMES APPROPRIATION GROWTH OF 3% PER YEAR BEGINNING IN BY+1

Expenditure Report Notes

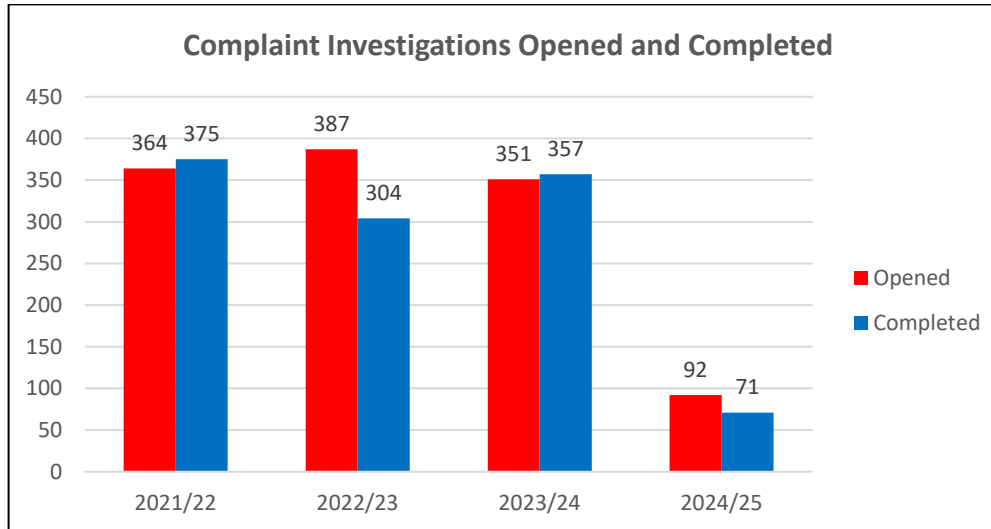
- 1 Salary & Wages (Staff)** - The projected expenditures for salaries and wages is due to the Board being almost fully staffed, and includes merit salary adjustments and the bargaining unit agreements effective July 1, 2024.
- 2 General Expenses** - Includes Membership and Subscription Fees, Freight and Drayage, Office Equipment - Maintenance, Office Supplies, and DOJ and FBI fees for background checks which are reimbursed. Scheduled background check reimbursements through FM 1 are at \$6,468.
- 3 Facilities Operations** - Includes facilities maintenance, facilities operations, janitorial Services, rent and leases, exam rental sites, and security.
- 4 C&P Services Interdepartmental** - Includes all contract services with other state agencies for examination services (Dept. of Conservation). This line item also now includes enforcement expenses for the Attorney General and the Office of Administrative Hearings.
- 5 C&P Services External** - Includes all external contracts (examination development, expert consultant agreements, business modernization contracts, credit card processing, evidence and witness fees, and court reporter services).
- 6 DCA Pro Rata** - Includes distributed costs of programmatic and administrative services from DCA.
- 7 Departmental Services (Interagency Services)** - Includes pay-per-services billed through the Department of General Services.
- 8 Reimbursements** - Includes Reimbursements-Private Sectors (contracted with Guam to provide California Civil Seismic Principles Exams on the same dates the exam is administered in California by the Guam Registration Board at the rate of \$175 per examination that are administered to applicants), Fingerprint Reports, Cost Recovery, and US DOI Civil Case.

VI. Enforcement

- A. Enforcement Statistical Reports
 - 1. Fiscal Year 2024/25 Update

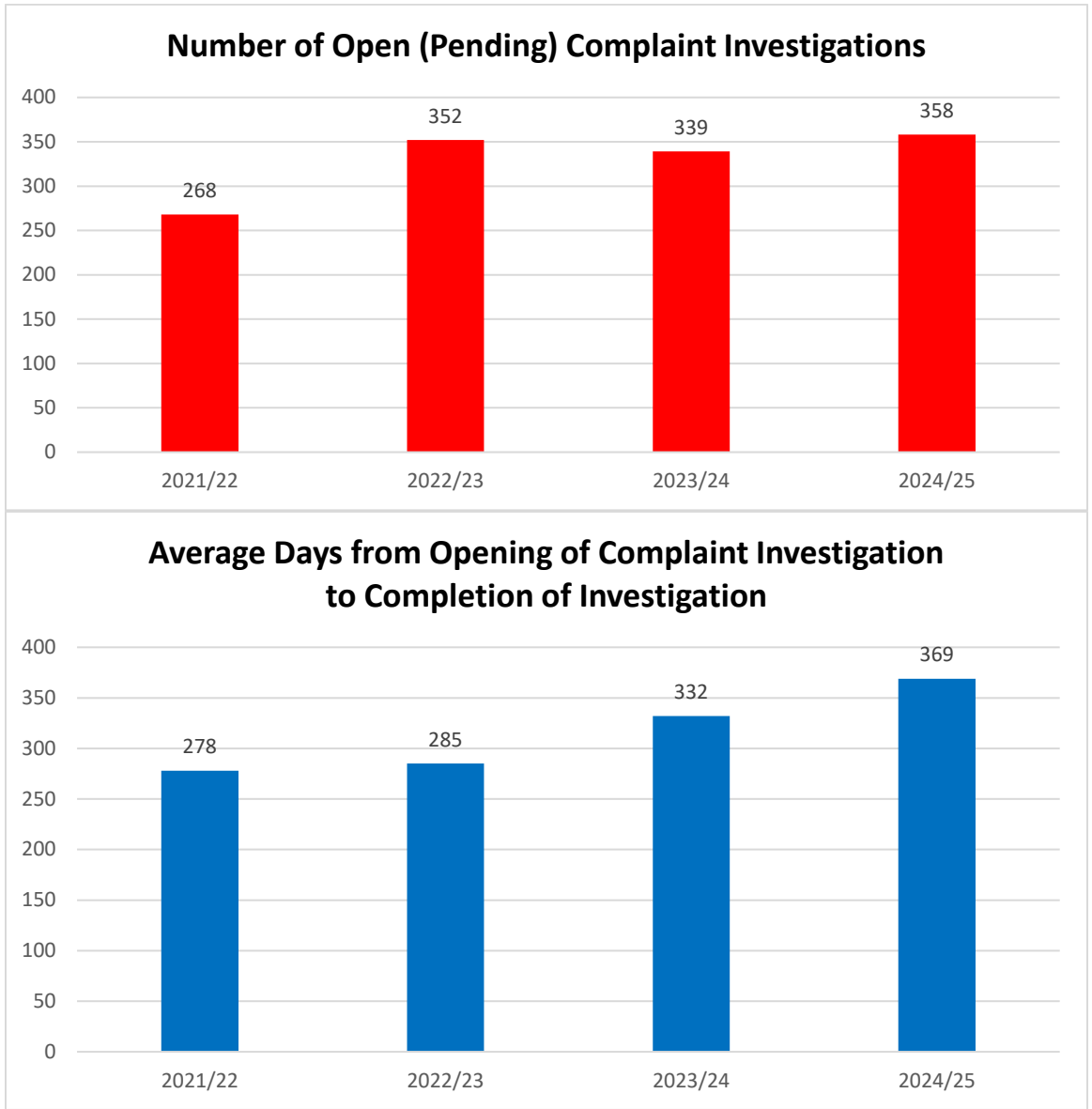
Complaint Investigation Phase

Number of Complaint Investigations Opened & Completed by Month
FY 24/25



NOTE: FY24/25 statistics are through September 30, 2024

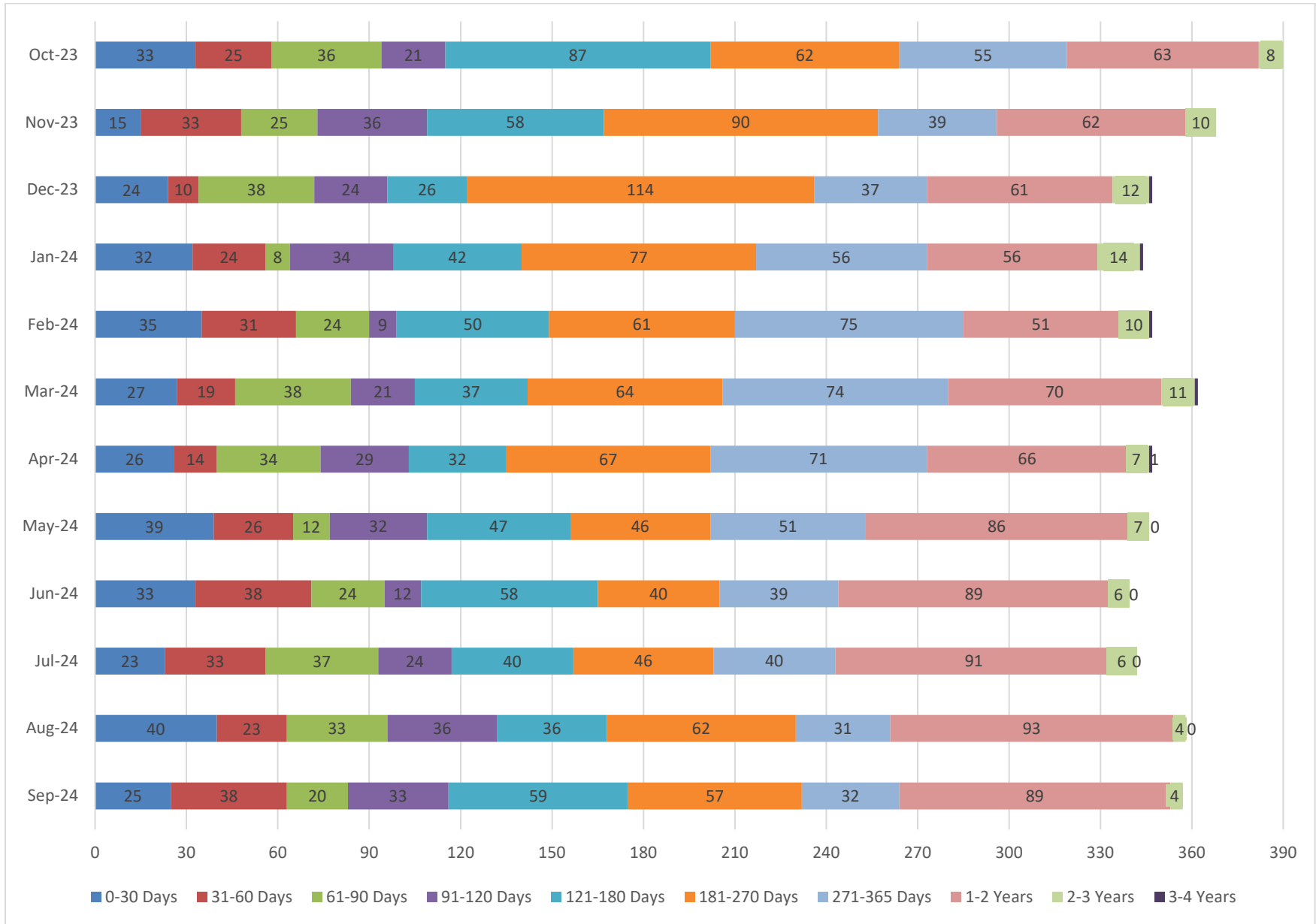
Complaint Investigation Phase



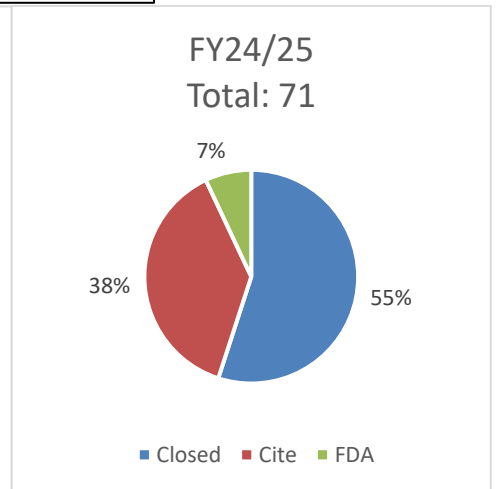
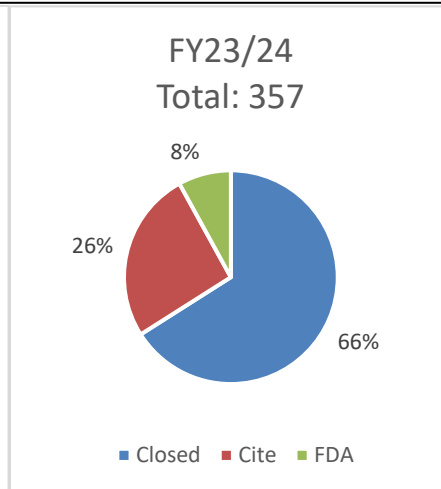
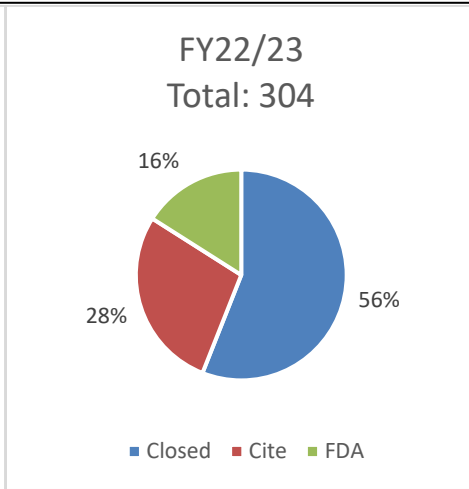
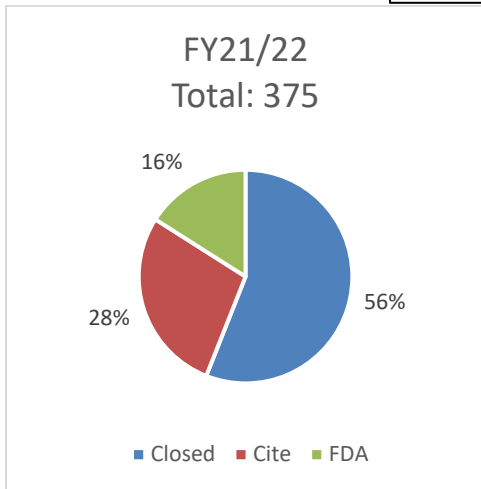
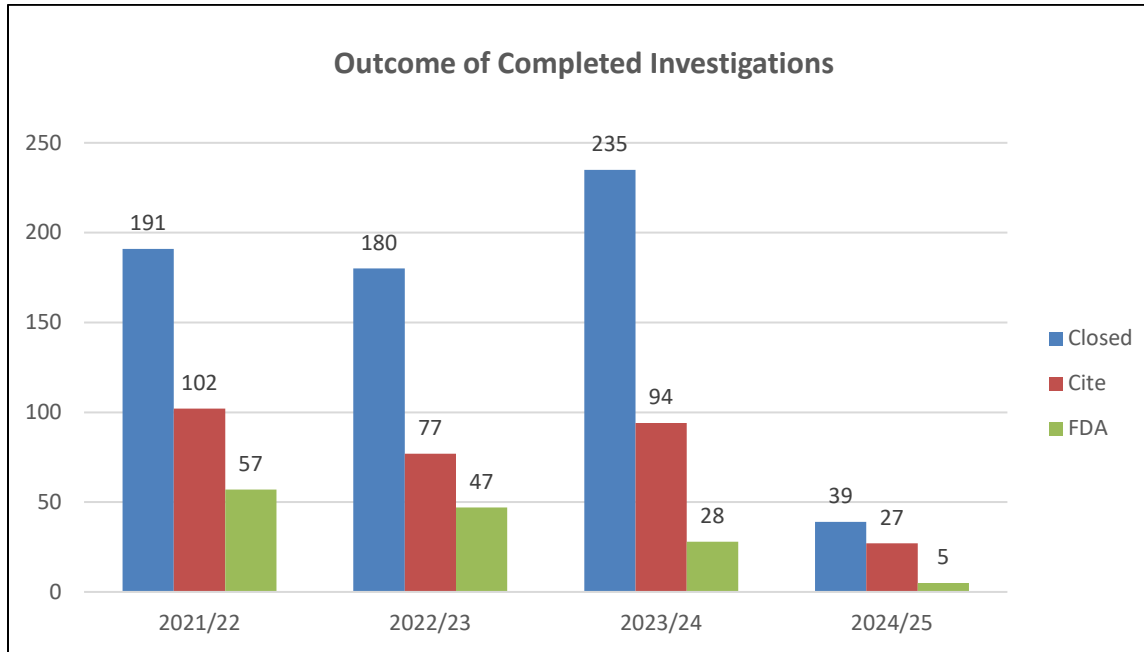
NOTE: FY24/25 statistics are through September 30, 2024

Complaint Investigation Phase

Aging of Open (Pending) Complaint Investigation Cases – 12-Month Cycle



Complaint Investigation Phase



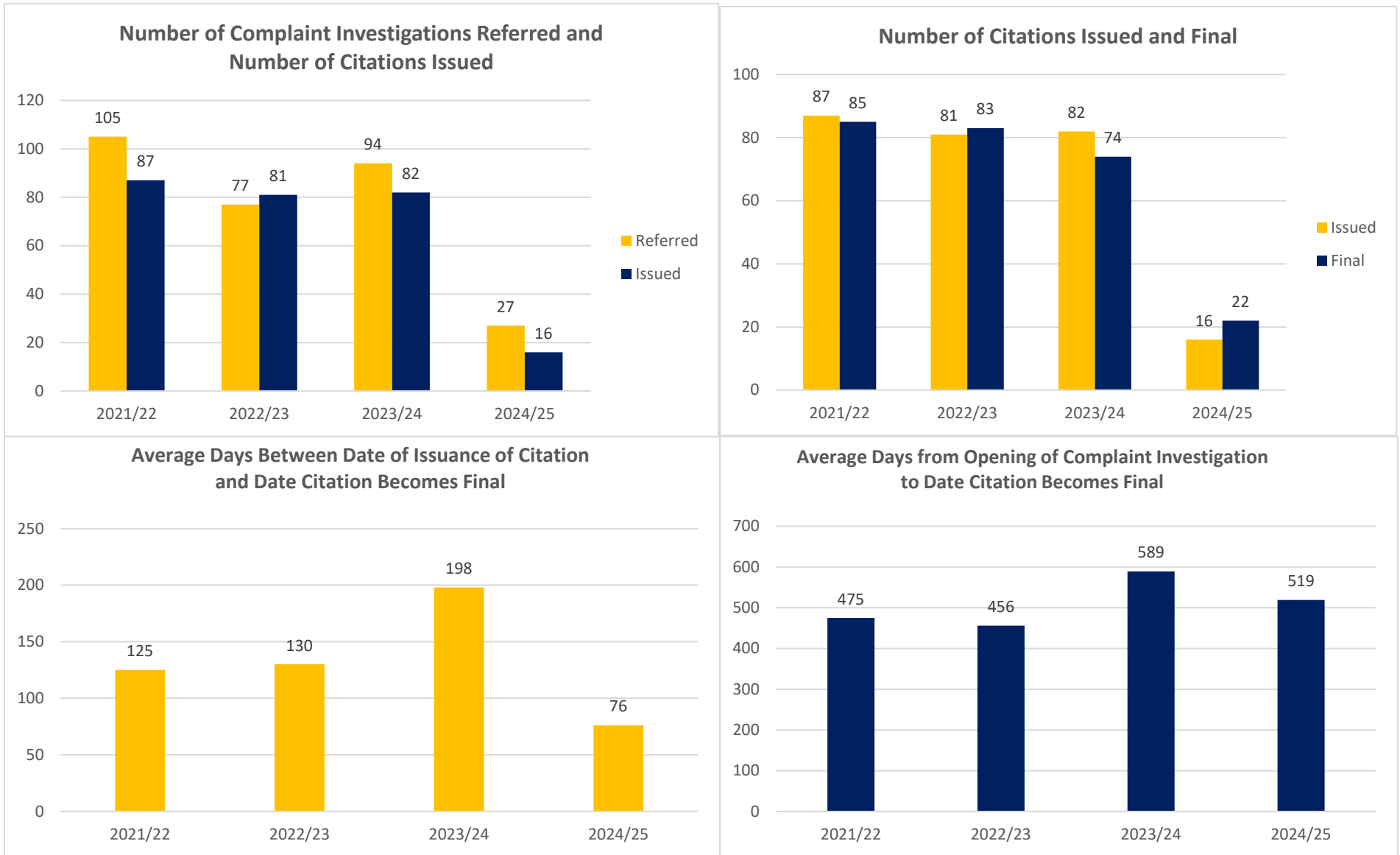
NOTE: FY24/25 statistics are through September 30, 2024

Closed = Closed with No Action Taken, includes No Violation/Insufficient Evidence; Compliance Obtained; Warning Letter; Other Reason for Closing Without Action (e.g., subject deceased); Resolved After Initial Notification; Referred to District Attorney with Request to File Criminal Charges; and Mediated.

Cite = Referred for Issuance of Citation

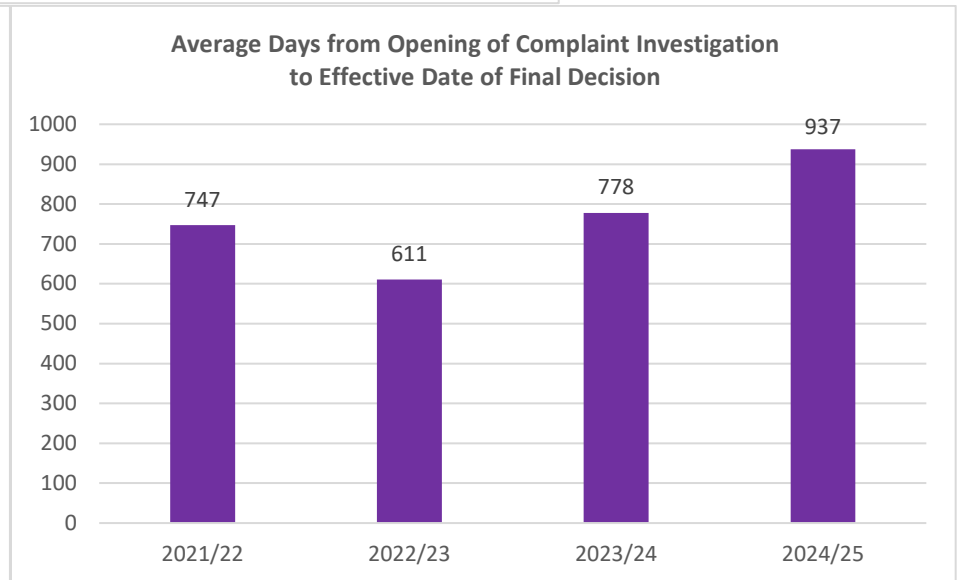
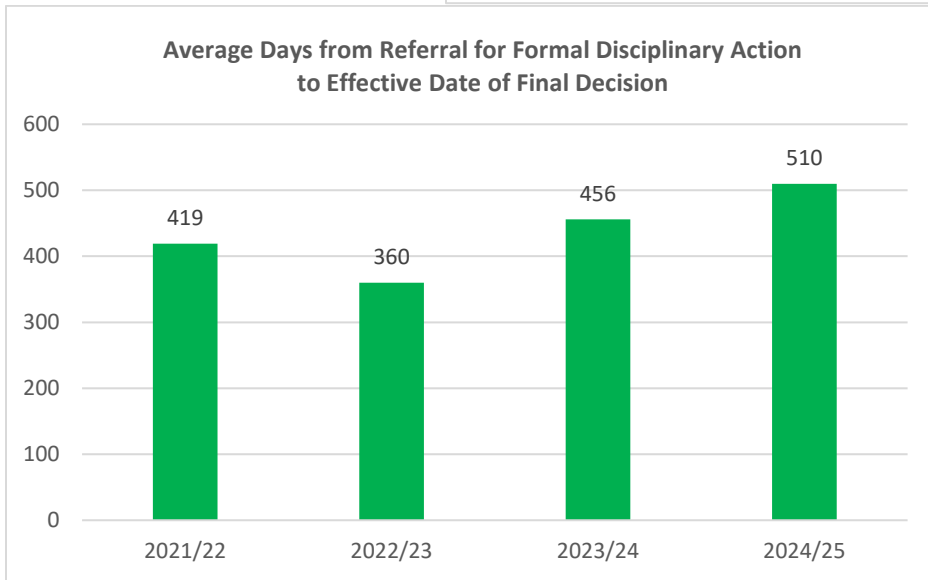
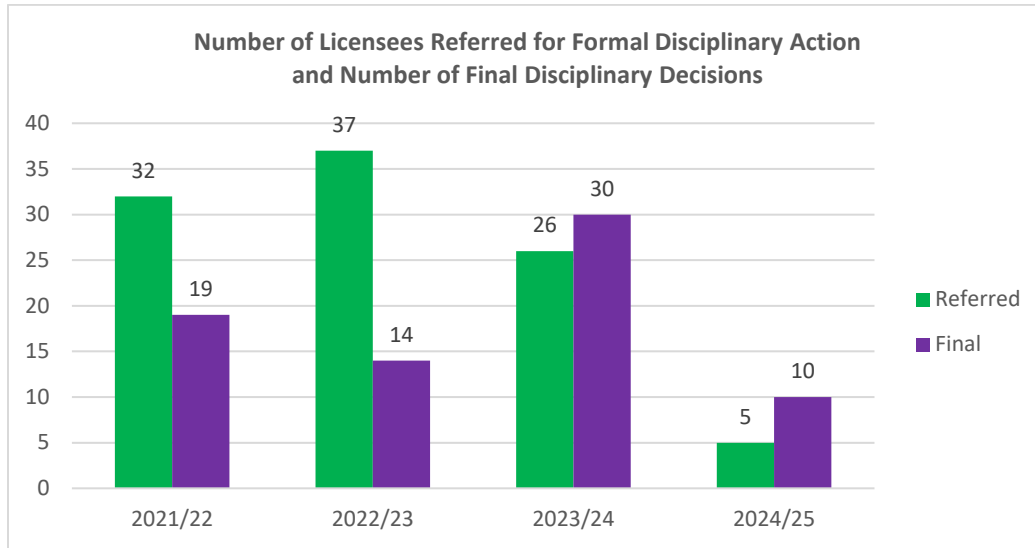
FDA = Referred for Formal Disciplinary Action

Citations (Informal Enforcement Actions)



NOTE: FY24/25 statistics are through September 30, 2024

Formal Disciplinary Actions Against Licensees



NOTE: FY24/25 statistics are through September 30, 2024

VII. Exams/Licensing

- A. Examination/Licensing Updates
- B. Presentation from Prometric, LLC on Occupational Analysis (OA) process
- C. Adoption of Test Plan Specifications
 - 1. Geotechnical Engineer Examination

Geotechnical Engineer Examination Test Plan

Effective January 2025

General Definition of Geotechnical Engineering:

Geotechnical Engineering is defined as the investigation and engineering evaluation of earth materials including soil, rock, groundwater and man-made materials and their interaction with earth retention systems, structural foundations and other civil engineering works. The practice involves application of the principles of soil mechanics and the earth sciences, and requires knowledge of engineering principles, formulas, construction techniques and performance evaluation of civil engineering works influenced by earth materials. (Title 16, CCR section 404).

This area of practice is structured into six primary content areas:

- I. Scope Development and Project Planning (12%)
- II. Site Characterization (18%)
- III. Engineering Analyses (27%)
- IV. Development of Conclusions and Recommendations (23%)
- V. Report Content (8%)
- VI. Evaluation of Construction, Post-Construction and Site Monitoring (12%)

Geotechnical Engineer Examination Test Plan

Test Specifications	% of Questions
<p>I. Scope Development and Project Planning</p> <p>Professional Activities:</p> <ol style="list-style-type: none"> 1. Evaluate objective(s) based on client’s needs and project feasibility 2. Develop project approach and description based on information from the client and/or design team (e.g., location, preliminary project plan, project model, structural loading) 3. Evaluate potential geotechnical and regulatory issues that may influence investigation, design and construction of the proposed project 4. Evaluate relevant data about site and subsurface conditions by reviewing available regional and site-specific information (e.g., aerial/satellite photographs, existing reports, geology, reconnaissance, topography) 5. Develop proposal, scope of work, or work plan for field exploration, laboratory testing, analyses, geotechnical recommendations, and construction observation for the proposed project 	12%
<p>Test questions on these professional activities may include one or more of the following:</p> <ol style="list-style-type: none"> A. Developing a geotechnical scope of work B. Methodologies to gather, review, and interpret available information relevant to site and project C. The effects of project design criteria (e.g., civil and structural requirements) on the scope of geotechnical work D. The impacts of project schedule and cost on the scope of geotechnical work E. Geotechnical considerations for different project types (e.g., bridges, buildings, dams, pipelines, tunnels) F. Regulatory and code requirements G. Effects of surface conditions (e.g., topography, existing improvements) H. Effects of geology and geomorphology on geotechnical scope (e.g., depositional environment, geologic age, current and historic groundwater elevation, hazard maps) I. Effects of local and regional geologic hazards on geotechnical scope (e.g., earthquakes, landslides, liquefaction) J. Field exploration and instrumentation applications K. Laboratory tests including their application to site characterization and analyses L. Analyses relevant to the project M. Constraints (e.g., archaeological, biological, environmental, public utilities, site access) that affect geotechnical scope and/or project planning N. The “standard of care” for geotechnical engineering 	
<p>II. Site Characterization</p> <p>Professional Activities:</p> <ol style="list-style-type: none"> 1. Identify local and regional geologic hazards (e.g., earthquakes, fault rupture hazards, landslides, liquefaction) 2. Conduct a reconnaissance to assess site conditions 3. Perform subsurface exploration (e.g., CPT, drilling, geophysical, in-situ tests, test pits) to collect soil, rock and groundwater data and prepare field logs of explorations 4. Utilize field instrumentation to characterize a site (e.g., depth to groundwater, ground movement) 5. Review field exploration data for consistency with local geologic information 6. Evaluate the need for changes to exploration program during field investigations 7. Develop soil and rock classifications from field investigations and laboratory testing 8. Determine engineering properties from results of field investigations and laboratory testing 9. Evaluate the need for changes to laboratory testing program 10. Develop representative site characterization model 	18%

Test questions on these professional activities may include one or more of the following:

- A. Safety regulations pertaining to site exploration
- B. Exploration methods to evaluate subsurface conditions
- C. Measures to address constraints that affect geotechnical exploration (e.g., archaeological, biological environmental, underground utilities)
- D. Application of geophysical methods to geotechnical engineering
- E. Techniques to locate proposed explorations in the field
- F. Field methods to identify local and regional geologic hazards (e.g., earthquakes, landslides, liquefaction)
- G. Field methods for evaluating site class
- H. Drilling and sampling techniques including their advantages and constraints
 - I. Techniques to measure and document groundwater conditions in the field
- J. Procedures to log subsurface conditions (e.g., rock, soil)
- K. Visual-manual soil classification and rock identification
- L. In-situ testing methods (e.g., CPT, infiltration, percolation, SPT, Torvane shear) and factors that influence the validity of the results
- M. Different types of field instrumentation and their applications
- N. Procedures for collecting and interpreting field instrumentation data
- O. Factors that may alter the work plan during field investigation (e.g., groundwater, historic/existing data, literature data, refusal, unexpected soil strata)
- P. Site conditions to document during field investigation
- Q. Procedures to follow when suspected hazardous materials are encountered in site investigations
- R. Effects of exploration, sampling, and sample handling methods on laboratory test results
- S. Procedures and interpretation of particle-size distribution tests
- T. Procedures and interpretation of Atterberg Limits test
- U. Procedures and interpretation of density tests
- V. Procedures and interpretation of water content tests
- W. Procedures and interpretation of swell/expansion tests
- X. Procedures and interpretation of collapse tests
- Y. Procedures and interpretation of consolidation tests
- Z. Procedures and interpretation of R-value tests
- AA. Procedures and interpretation of hydraulic conductivity tests
- BB. Procedures and interpretation of compaction tests
- CC. Procedures and interpretation of unconfined compression tests
- DD. Procedures and interpretation of direct shear tests
- EE. Procedures and interpretation of triaxial shear tests
- FF. Methods for identifying, testing, and reporting soil corrosivity

III. Engineering Analyses

27%

Professional Activities:

1. Analyze representative subsurface profiles to characterize the engineering properties of the subsurface strata by integration of field and laboratory data
2. Analyze soil movement (e.g., total and differential settlement, expansion, collapse) using available data and project requirements
3. Analyze lateral earth pressures using available data and project requirements
4. Analyze excavation stability using available data and project requirements
5. Analyze foundation types and capacities based on available data and project requirements
6. Analyze infiltration rates, groundwater conditions, and seepage using available data and project requirements
7. Analyze slope stability using available data and project requirements
8. Analyze impact of geologic and seismic hazards (e.g., cyclic softening, expansive soils, ground motion, landslides, lateral spreading, liquefaction, slope stability) using available data and project requirements
9. Perform pavement design based on available data and project requirements
10. Analyze earthwork and grading based on available data and project requirements

Test questions on these professional activities may include one or more of the following:

- A. Representative parameters for given analyses
- B. Stress distribution
- C. Immediate/elastic settlement analyses
- D. Consolidation settlement analyses
- E. Collapse potential
- F. Swell/expansion potential
- G. Static lateral earth pressures, surcharge loads, and hydrostatic pressures
- H. Seismic lateral earth pressures
- I. Retaining wall design (e.g., sliding, overturning, global stability, deflection)
- J. Capacity of ground anchors
- K. Mechanically stabilized earth (MSE) wall design
- L. Slope stability and associated deformation (static and seismic)
- M. Vertical and lateral load capacity and deflections for shallow foundations (e.g., spread footings, mat, post-tensioned slabs)
- N. Axial and lateral load capacity and deflections for deep foundations
- O. Seepage (e.g., flow nets, gradient, infiltration, uplift forces)
- P. Construction dewatering
- Q. Filter compatibility criteria (e.g., dams, subdrains, wells)
- R. Code-related seismic design criteria
- S. Site specific response spectra and earthquake ground motions
- T. Liquefaction evaluation
- U. Seismically-induced settlement
- V. Lateral spreading
- W. Site earthwork and temporary excavations (e.g., benching, bulking, shrinkage, slot cutting)
- X. Pavement design (e.g., flexible and rigid structural sections)
- Y. Sensitivity analysis (e.g., parameters, ground water, risk, stratigraphy)
- Z. Numerical analysis (e.g., boundary conditions, finite difference analysis, finite element analysis, model parameters)

IV. Development of Conclusions and Recommendations

23%

Professional Activities:

1. Develop recommendations to address soil movement (e.g., settlement, expansion, collapse)
2. Develop recommendations for foundations and slabs
3. Develop recommendations related to slope stability
4. Develop recommendations for excavation support / stability systems
5. Develop recommendations that incorporate lateral earth pressures
6. Develop recommendations related to groundwater and seepage conditions
7. Develop recommendations for surface drainage / subsurface infiltration
8. Develop recommendations to address seismic / geologic hazards
9. Develop recommendations for pavement design (e.g., section thickness, subgrade preparation)
10. Develop recommendations for earthwork and grading
11. Develop recommendations for field instrumentation programs
12. Develop recommendations for ground improvement options based on available data and project requirements
13. Develop a quality assurance program for project construction to determine conformance with recommendations in geotechnical report

Test questions on these professional activities may include one or more of the following:

- A. Evaluating feasibility of design alternatives
- B. Effects of regulatory requirements (e.g., CBC, CGS, Cal/OSHA) on formulation of recommendations and specifications
- C. Potential impacts of site recommendations on adjacent properties
- D. Potential discrepancies between field and laboratory data
- E. Magnitude of total and differential settlement for proposed improvements (e.g., collapse, consolidation, immediate, seismic)
- F. Soil expansion impact on proposed improvements
- G. Soil stabilization techniques (e.g., cement, lime treatment, ~~60~~synthetics)

- H. Constructability (e.g., foundations, pipelines, retaining walls)
- I. Impacts of construction procedures (e.g., pre- and post- construction surveys, vibration monitoring)
- J. Shallow foundations (e.g., capacity, embedment, size, type)
- K. Deep foundations (e.g., capacity, depth, size, type)
- L. Exterior slab-on-grade support (non-structural)
- M. Retention / retaining wall systems (e.g., applications, components, types)
- N. Pavement recommendations (e.g., structural sections, subgrade preparation/improvement)
- O. Moisture intrusion mitigation
- P. Subdrain design (e.g., earthwork, French drains, retaining wall)
- Q. Seepage and groundwater impacts and mitigation
- R. Static and seismic lateral earth pressures
- S. Types and applications of geosynthetics (e.g., erosion, groundwater protection, MSE, slope stabilization, subgrade improvement)
- T. Seismic design criteria and applicable codes
- U. Geologic hazards mitigation (e.g., fault rupture, landslide, rockfall, tsunami)
- V. Site earthwork (e.g., compaction requirements, excavatability, over-excavation, soil suitability)
- W. Temporary excavation and shoring
- X. Techniques and applications for ground improvement or modification and their advantages and limitations
- Y. Slope stabilization alternatives
- Z. Field instrumentation and monitoring programs
- AA. Liquefaction mitigation
- BB. Lateral spreading mitigation
- CC. Incorporating appropriate safety factors into design recommendations
- DD. Quality assurance program
- EE. Ground improvement design criteria including their advantages and constraints (e.g., compaction grouting, soil mix columns, stone columns)
- FF. Post-construction conclusions/recommendations (e.g., durability, monitoring, maintenance)

V. Report Content

8%

Professional Activities:

1. Describe project scope and purpose of work
2. Describe findings of document review, reconnaissance, field exploration, laboratory testing, and analyses
3. Describe methodologies used and activities performed in field exploration, lab testing, and geologic and engineering analyses
4. Provide conclusions, recommendations, and limitations based on geologic and geotechnical findings and engineering analyses
5. Prepare and summarize supporting data (e.g., laboratory test data, logs of field exploration, references, site plan, soil profiles/cross-sections, specifications)

Test questions on these professional activities may include one or more of the following:

- A. Components of geotechnical reports
- B. Elements of field and laboratory documentation
- C. Current applicable references
- D. Limitations of the geotechnical reports and recommendations

VI. Evaluation of Construction, Post-Construction, and Site Monitoring

12%

Professional Activities:

1. Review plans, specifications, and construction documentation (e.g., submittals and request for information) for conformance with geotechnical recommendations
2. Observe and test during construction activities to evaluate conformance with geotechnical aspects of plans and specifications
3. Evaluate the need for revised recommendations based on changed conditions
4. Evaluate site and surrounding conditions by installing, monitoring, and interpreting results of field instrumentation
5. Document results of construction monitoring and post construction observations

Board for Professional Engineers, Land Surveyors & Geologists (BPELSG)
Geotechnical Engineer Examination Test Plan (2019 to 2024 Updates)
(Additions in **GREEN** & Deletions in **RED**)

I. Scope Development and Project Planning (12%)

Professional Activities:

01. Evaluate objective(s) based on client's needs and project feasibility

~~01.~~ **02.** Develop project approach and description based on information obtained from the client and/or design team (e.g., location, preliminary project plan, project model, structural loading)

~~02.~~ **03.** Evaluate potential geotechnical and regulatory issues that may influence investigation, design, and construction of the proposed project

~~03.~~ **04.** Evaluate relevant data about site and subsurface conditions by reviewing available regional and site-specific information (e.g., aerial/satellite photographs, existing reports, geology, reconnaissance, topography)

~~04.~~ **05.** Develop proposal, scope of work, or work plan for field exploration, laboratory testing, analyses, geotechnical recommendations, and construction observation for the proposed project

Test questions on these professional activities may include one or more of the following:

A. Developing a geotechnical scope of work

B. Methodologies to gather, review, and interpret available information relevant to site and project

C. The effects of the project design team's criteria (e.g., civil; and structural requirements) on the scope of geotechnical scope of work

~~0.~~ **D.** Impacts The impacts of geotechnical scope of work on project schedule and cost on the scope of geotechnical work

~~D.~~ **E.** Geotechnical considerations for different project types (e.g., bridges, buildings, dams, pipelines, tunnels)

~~E.~~ **F.** Regulatory and code requirements

~~F.~~ **G.** Effects of surface conditions (e.g., existing improvements, topography)

~~G.~~ **H.** Effects of geology and geomorphology on geotechnical scope (E.G., depositional environment, geologic age, current and historic groundwater elevation, hazard maps)

~~H.~~ **I.** Effects of local and regional geologic hazards on geotechnical scope (e.g., earthquakes, landslides, liquefaction)

~~I.~~ **J.** Field exploration and instrumentation methodologies applications

~~J.~~ **K.** Laboratory tests including their application to site characterization and analyses

~~K.~~ **L.** Analyses relevant to the project

~~L.~~ **M.** Constraints (e.g., archaeological, biological, environmental, public utilities, site access) that affect geotechnical scope and/or project planning

~~M.~~ **Risk and liability considerations**

N. The "standard of care" for geotechnical engineering

~~0.~~ **Impacts of geotechnical scope of work on project schedule and cost**

II. Site Characterization (~~17%~~ 18%)

Professional Activities:

01. Identify local and regional geologic hazards (e.g., earthquakes, [fault rupture hazards](#), landslides, liquefaction)
02. Conduct a reconnaissance to assess site conditions
03. Perform subsurface exploration (e.g., CPT, drilling, [geophysical](#), in-situ tests, test pits) to collect soil, rock, and groundwater data and prepare field logs of explorations
04. ~~Measure groundwater depth/pressure and/or ground movement using~~ Utilize field instrumentation [to characterize a site](#) (e.g., ~~extensometer, inclinometer, piezometer~~ [depth to groundwater, ground movement](#))
05. Review field exploration data for consistency with local geologic information
06. Evaluate the need for changes to ~~proposed~~ exploration program during field investigations
07. Develop soil [and rock](#) classifications from field investigations and laboratory testing
08. Determine engineering properties from results of field investigations and laboratory testing
09. Evaluate the need for changes to laboratory testing program
10. [Develop representative site characterization model](#)

Test questions on these professional activities may include one or more of the following:

- A. Safety regulations pertaining to site exploration
- ~~B.~~ ~~Regulatory and code requirements for site exploration~~
- ~~C.~~ [B.](#) Exploration methods to evaluate subsurface conditions
- ~~D.~~ [C.](#) Measures to address constraints that affect geotechnical exploration (e.g., archaeological, biological environmental, underground utilities)
- ~~E.~~ [D.](#) [Geophysical](#) [Application of geophysical](#) methods [to geotechnical engineering](#)
- ~~F.~~ [E.](#) [Where](#) [Techniques](#) to locate proposed explorations in the field
- ~~DD.~~ [F.](#) [Methods](#) [Field methods](#) to identify local and regional geologic hazards (e.g., earthquakes, landslides, liquefaction)
- ~~G.~~ [Field methods for evaluating site class](#)
- ~~H.~~ [H.](#) [Sampling](#) [Drilling and sampling techniques](#) ~~and their purposes~~ [including their advantages and constraints](#)
- ~~I.~~ [Techniques to measure and document groundwater conditions in the field](#)
- ~~H.~~ [J.](#) Procedures to log subsurface conditions ([e.g., rock, soil](#))
- ~~I.~~ [K.](#) Visual-manual soil classification [and rock identification](#)
- ~~J.~~ [L.](#) In-situ testing methods (e.g., CPT, infiltration, percolation, SPT, Torvane shear) and factors that influence the validity of the result
- ~~K.~~ [M.](#) Different types of field instrumentation and their applications
- ~~N.~~ [Procedures for collecting and interpreting field instrumentation data](#)
- ~~L.~~ [O.](#) Factors that may alter the work plan during field investigation (e.g., groundwater, [historic/existing data, literature data](#), refusal, unexpected soil strata)
- ~~M.~~ [P.](#) Site conditions to document during field investigation
- ~~N.~~ [Q.](#) Procedures to follow when suspected hazardous materials are encountered in site investigations
- ~~O.~~ [R.](#) Effects of exploration, sampling, and sample handling methods on laboratory test results
- ~~P.~~ [S.](#) Procedures and interpretation of particle-size distribution tests
- ~~Q.~~ [T.](#) Procedures and interpretation of Atterberg Limits test
- ~~R.~~ [U.](#) Procedures and interpretation of density tests
- ~~S.~~ [V.](#) Procedures and interpretation of water content tests
- ~~T.~~ [W.](#) Procedures and interpretation of swell/expansion tests
- ~~U.~~ [X.](#) Procedures and interpretation of collapse tests
- ~~V.~~ [Y.](#) Procedures and interpretation of consolidation tests
- ~~W.~~ [Z.](#) Procedures and interpretation of R-value tests
- ~~X.~~ [AA.](#) Procedures and interpretation of hydraulic conductivity tests
- ~~Y.~~ [BB.](#) Procedures and interpretation of compaction tests
- ~~Z.~~ [CC.](#) Procedures and interpretation of unconfined compression tests
- ~~AA.~~ [DD.](#) Procedures and interpretation of direct shear tests
- ~~BB.~~ [EE.](#) Procedures and interpretation of triaxial shear tests
- ~~CC.~~ [FF.](#) [Evaluation of](#) [Methods for identifying, testing, and reporting](#) soil corrosivity

III. Engineering Analyses (30% 27%)

Professional Activities:

- ~~01.~~ ~~Develop an idealized soil profile(s)~~ Analyze representative subsurface profiles to characterize the engineering properties of the subsurface strata by integration of field and laboratory data
02. Analyze soil movement (e.g., total and differential settlement, expansion, collapse) using available data and project requirements
03. Analyze lateral earth pressures using available data and project requirements
04. Analyze excavation stability using available data and project requirements
- ~~04.~~ 05. Analyze ~~capacity of foundations and ground anchors~~ foundation types and capacities ~~using based on~~ available data and project requirements
- ~~05.~~ 06. Analyze infiltration rates, groundwater conditions, and seepage using available data and project requirements
- ~~06.~~ 07. Analyze slope stability using available data and project requirements
- ~~07.~~ 08. Analyze impact of ~~seismicity and~~ geologic and seismic hazards (e.g., cyclic softening, expansive soils, ground motion, landslides, lateral spreading, liquefaction, slope stability) using available data and project requirements
- ~~08.~~ 09. Perform pavement design based on available data and project requirements
- ~~09.~~ 10. Analyze earthwork and grading based on available data and project requirements

Test questions on these professional activities may include one or more of the following:

A. Representative parameters for given analyses

- ~~A.~~ B. Stress distribution
- ~~B.~~ C. Immediate/elastic settlement analyses
- ~~C.~~ D. Consolidation settlement analyses
- ~~D.~~ E. Collapse potential
- ~~E.~~ F. Swell/expansion potential
- ~~F.~~ G. Static lateral earth pressures, surchARGE loads, and hydrostatic pressures
- ~~G.~~ H. Seismic lateral earth pressures
- ~~H.~~ I. Retaining wall design (e.g., deflection, global stability, overturning, sliding)
- ~~I.~~ J. Capacity of ground anchors
- ~~J.~~ K. Mechanically stabilized earth (MSE) wall design
- ~~K.~~ L. Slope stability and associated deformation (static and seismic)
- ~~L.~~ M. Vertical and lateral load capacity and deflections for shallow foundations (e.g., spread footings, mat, post-tensioned slabs)
- ~~M.~~ N. Axial and lateral load capacity and deflections for deep foundations
- ~~N.~~ Design parameters for mat foundations
- ~~O.~~ Design parameters for post-tensioned slabs
- ~~P.~~ Q. Seepage (e.g., flow nets, gradient, infiltration, uplift forces)
- ~~Q.~~ R. Construction dewatering
- ~~R.~~ Q. Filter compatibility criteria (e.g., dams, ~~dewatering~~, subdrains, ~~injection~~ wells)
- ~~S.~~ R. Code-related seismic design criteria
- ~~T.~~ Earthquake ground motions (~~site acceleration~~)
- ~~U.~~ S. Site specific response spectra and earthquake ground motions
- ~~V.~~ T. Liquefaction evaluation
- ~~W.~~ U. Seismically-induced settlement
- ~~X.~~ V. Lateral spreading
- ~~Y.~~ W. Site earthwork and temporary excavations (e.g., benching, bulking, shrinkage, slot cutting)
- ~~Z.~~ X. Pavement design (e.g., flexible and rigid structural sections)
- Y. Sensitivity analysis (e.g., parameters, ground water, risk, stratigraphy)
- Z. Numerical analysis (e.g., boundary conditions, finite difference analysis, finite element analysis, model parameters)

IV. Development of Conclusions and Recommendations (20% 23%)

Professional Activities:

01. Develop recommendations to **mitigate address** soil movement (e.g., settlement, expansion, collapse)
02. Develop recommendations for foundations and slabs
03. Develop recommendations related to slope stability
04. **Develop recommendations for excavation support / stability systems**
- ~~04-~~ 05. Develop recommendations that incorporate lateral earth pressures
- ~~05-~~ 06. Develop recommendations related to groundwater and seepage conditions
- ~~06-~~ 07. Develop recommendations for surface drainage / subsurface infiltration
- ~~07-~~ 08. Develop recommendations to **mitigate address** seismic / **geologic** hazards
- ~~08-~~ 09. Develop recommendations for pavement design (e.g., section thickness, subgrade preparation)
- ~~09-~~ 10. Develop recommendations for earthwork and grading
- ~~10-~~ 11. Develop recommendations for field instrumentation programs
12. **Develop recommendations for ground improvement options based on available data and project requirements**
- ~~11-~~ 13. Develop a quality assurance program for project construction to determine conformance with recommendations in geotechnical report

Test questions on these professional activities may include one or more of the following:

- A. Evaluating feasibility of **design** alternatives
- B. Effects of regulatory requirements (e.g., CBC, CGS, **Cal/OSHA**) on formulation of recommendations and specifications
- C. Potential impacts of site recommendations on adjacent properties
- D. Potential discrepancies between field and laboratory data
- E. **Effects of Magnitude of total and differential** settlement **on for** proposed improvements (e.g., collapse, consolidation, immediate, seismic)
- F. Soil expansion impact on proposed improvements
- G. **Potentially corrosive soils** **Soil stabilization techniques (e.g., cement, lime treatment, geosynthetics)**
- H. Constructability (e.g., foundations, pipelines, retaining walls)
- ~~W-~~ I. Impacts of construction procedures (**e.g., pre- and post- construction surveys, vibration monitoring**)
- ~~I-~~ J. Shallow foundations (e.g., capacity, embedment, size, type)
- ~~J-~~ K. Deep foundations (e.g., capacity, depth, size, type)
- ~~K-~~ L. Exterior slab-on-grade support (non-structural)
- ~~L-~~ M. Retention / retaining wall systems (e.g., applications, components, types)
- ~~M-~~ N. Pavement recommendations (e.g., structural sections, subgrade preparation/improvement)
- ~~N-~~ O. Moisture intrusion mitigation
- ~~O-~~ P. Subdrain design (e.g., **canyons earthwork**, French drains, retaining wall)
- ~~P-~~ Q. Seepage and groundwater impacts and mitigation
- ~~Q-~~ R. Static and seismic lateral earth pressures
- ~~R-~~ S. Types and applications of geosynthetics (e.g., erosion, groundwater protection, MSE, slope stabilization, subgrade improvement)
- ~~S-~~ T. Seismic design criteria and applicable codes
- ~~T-~~ U. Geologic hazards mitigation (e.g., fault rupture, landslide, rockfall, tsunami)
- ~~U-~~ V. Site earthwork (e.g., compaction requirements, excavatability, over-excavation, soil suitability)
- ~~V-~~ W. Temporary excavation and shoring
- X. Techniques and applications for ground improvement or modification and their advantages and limitations
- Y. Slope stabilization alternatives
- Z. Field instrumentation and monitoring programs
- AA. Liquefaction mitigation
- BB. Lateral spreading mitigation
- CC. **Factors of safety and resistance factors (LRFD) for incorporation** **Incorporating important safety factors** into design recommendations
- DD. Quality assurance program
- EE. **Ground improvement design criteria including their advantages and constraints (e.g., compaction grouting, soil mix columns, stone columns)**
- FF. **Post-construction conclusions/recommendations (e.g., durability, monitoring, maintenance)**

V. Report Content (10% 8%)

Professional Activities:

01. Describe project scope and purpose of work **in a formal written report**
02. Describe findings of document review, reconnaissance, field exploration, laboratory testing, and analyses **in a formal written report**
03. Describe methodologies used **and activities performed** in field exploration, lab testing, and **geologic and engineering analyses in a formal written report**
04. ~~Describe~~ **Provide** conclusions, recommendations, and limitations based on **geologic and geotechnical findings and engineering analyses in a formal written report**
05. Prepare and summarize supporting data (e.g., laboratory test data, logs of field exploration, references, site plan, soil profiles/cross-sections, **guideline specifications**) **in a formal written report**

Test questions on these professional activities may include one or more of the following:

- A. Components of geotechnical **investigation** reports
- B. Elements of field and laboratory documentation
- C. Current applicable references
- D. Limitations of the geotechnical **investigation reports** and recommendations
- E. Components of geotechnical guideline specifications

VI. Domain VI: Evaluation of Construction, Post-Construction & Site Monitoring (11% 12%)

Professional Activities:

01. Review plans, specifications, and construction documentation (e.g., submittals and request for information) for conformance with geotechnical recommendations
02. Observe and test during construction activities to evaluate conformance with geotechnical aspects of plans and specifications
03. Evaluate the need for revised recommendations based on changed conditions
04. Evaluate site **and surrounding** conditions by installing, monitoring, and **evaluating interpreting** results of field instrumentation
05. Document results of construction monitoring and post construction observations

Test questions on these professional activities may include one or more of the following:

- A. Factors to consider when reviewing plans and specifications for geotechnical issues
- B. Methods to verify that project construction conforms to geotechnical recommendations, plans, and specifications
- C. Required observation and monitoring elements to document during and after construction
- D. ~~Effects of regulatory requirements, including health and safety regulations, during construction~~
Geotechnical considerations pertaining to construction safety
- E. Interpretation of data from observations, testing, and field instrumentation before, during, and after construction
- F. Techniques to **mitigate address** differing site conditions encountered during construction
- G. **Evaluating and addressing non-conforming construction**
- ~~G.~~ **H.** Forensic/failure evaluations and techniques

VIII. Legislation

A. 2024 Legislative Calendar

B. Discussion of Legislation for 2024

1. AB 1862 - Engineering, land surveying, and architecture: limited liability partnerships.
2. AB 2862 - Licenses: African American applicants.
3. AB 3176 - Professional land surveyors: surveying practices: monuments and corner accessories.
4. AB 3253 - Board for Professional Engineers, Land Surveyors, and Geologists: licensees

DEADLINES

JANUARY						
S	M	T	W	TH	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

- Jan. 1** Statutes take effect (Art. IV, Sec. 8(c)).
- Jan. 3** **Legislature Reconvenes** (J.R. 51(a)(4)).
- Jan. 10** Budget must be submitted by Governor (Art. IV, Sec. 12(a)).
- Jan. 12** Last day for **policy committees** to hear and report to **fiscal committees** fiscal bills introduced in their house in the **odd-numbered year** (J.R. 61(b)(1)).
- Jan. 15** Martin Luther King, Jr. Day.
- Jan. 19** Last day for any committee to hear and report to the **floor** bills introduced in that house in the odd-numbered year (J.R. 61(b)(2)).

Last day to **submit bill requests** to the Office of Legislative Counsel.
- Jan. 31** Last day for each house to **pass bills introduced** in that house in the odd-numbered year (J.R. 61(b)(3), (Art. IV, Sec. 10(c)).

FEBRUARY						
S	M	T	W	TH	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29		

- Feb. 16** Last day for bills to be **introduced** (J.R. 61(b)(4), (J.R. 54(a)).
- Feb. 19** Presidents' Day.

MARCH						
S	M	T	W	TH	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

- Mar. 21** **Spring Recess** begins upon adjournment of this day's session (J.R. 51(b)(1)).
- Mar. 29** Cesar Chavez Day observed.

APRIL						
S	M	T	W	TH	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

- Apr. 1** Legislature Reconvenes from **Spring Recess** (J.R. 51(b)(1)).
- Apr. 26** Last day for **policy committees** to hear and report to **fiscal committees** fiscal bills introduced in their house (J.R. 61(b)(5)).

MAY						
S	M	T	W	TH	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

- May 3** Last day for **policy committees** to hear and report to the floor **non-fiscal** bills introduced in their house (J.R. 61(b)(6)).
- May 10** Last day for **policy committees** to meet prior to May 28 (J.R. 61(b)(7)).
- May 17** Last day for **fiscal committees** to hear and report to the floor bills introduced in their house (J.R. 61(b)(8)).

Last day for **fiscal committees** to meet prior to May 28 (J.R. 61(b)(9)).
- May 20- 24 Floor Session only.** No committees, other than conference or Rules committees, may meet for any purpose (J.R. 61 (b)(10)).
- May 24** Last day for each house to pass bills introduced in that house (J.R. 61(b)(11)).
- May 27** Memorial Day.
- May 28** Committee meetings may resume (J.R. 61(b)(12)).

*Holiday schedule subject to Senate Rules committee approval

JUNE						
S	M	T	W	TH	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	<u>15</u>
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

June 15 Budget Bill must be passed by **midnight** (Art. IV, Sec. 12(c)(3)).

June 27 Last day for a legislative measure to qualify for the Nov. 5 General Election ballot (Elections Code Sec. 9040).

JULY						
S	M	T	W	TH	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

July 3 Last day for **policy committees** to meet and report bills (J.R. 61(b)(13)).

Summer Recess begins upon adjournment provided Budget Bill has been passed (J.R. 51(b)(2)).

July 4 Independence Day.

AUGUST						
S	M	T	W	TH	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	<u>16</u>	17
18	<u>19</u>	20	21	22	<u>23</u>	24
25	26	27	28	29	30	<u>31</u>

Aug. 5 Legislature Reconvenes from **Summer Recess** (J.R. 51(b)(2)).

Aug. 16 Last day for **fiscal committees** to meet and report bills (J.R. 61(b)(14)).

Aug. 19-31 Floor Session only. No committees, other than conference and Rules committees, may meet for any purpose (J.R. 61(b)(15)).

Aug. 23 Last day to **amend** on the floor (J.R. 61(b)(16)).

Aug. 31 Last day for **each house to pass bills.** (Art. IV, Sec. 10(c), (J.R. 61(b)(17)).

Final Recess begins upon adjournment (J.R. 51(b)(3)).

*Holiday schedule subject to Senate Rules committee approval

IMPORTANT DATES OCCURRING DURING FINAL STUDY RECESS

2024

Sept. 30 Last day for Governor to sign or veto bills passed by the Legislature before Sept. 1 and in the Governor's possession on or after Sept. 1 (Art. IV, Sec. 10(b)(2)).

Nov. 5 General Election

Nov. 30 Adjournment *Sine Die* at midnight (Art. IV, Sec. 3(a)).

Dec. 2 12 Noon convening of the 2025-26 Regular Session (Art. IV, Sec. 3(a)).

2025

Jan. 1 Statutes take effect (Art. IV, Sec. 8(c)).

AB 1862 (Chen, D-Orange)
Engineering, land surveying, and architecture: limited liability partnerships.

Status/History: 9/22/2024 – Chaptered

Location: 9/22/2024 – Chapter 361, Statutes 2024

Introduced: 1/18/2024

Amended: 6/28/2024 (JUD)

Board Position: Support (as of August 22, 2024)

Board Staff Analysis: 10/09/2024

Bill Summary: Existing law (Business and Professions Code sections 6738 and 8729) authorizes engineers and land surveyors to offer their services through certain types of business entities if specific requirements are met. Currently, a Limited Liability Partnership (LLP) is one of the business entities allowed; however, the laws include a sunset date of January 1, 2026, for LLPs. This bill would eliminate the sunset date.

Affected Laws: An act to amend and repeal Sections 6738 and 8729 of the Business and Professions Code, to amend Sections 8, 174.5, 5063.5, 12242.5, and 16403 of, and to amend and repeal Sections 16101, 16956, and 16959 of, the Corporations Code, relating to limited liability partnerships.

Staff Comment: Assembly Bill (AB) 1682 will indefinitely extend the authority for engineers and land surveyors to operate within their scope of licensure while conducting business as a limited liability partnership and to be designated as a registered limited liability partnership, something that they have been authorized to do since 2010.

This bill is sponsored by American Council of Engineering Companies – California (ACEC-CA). They sponsored the original bill and subsequent bills that extended the sunset date. In 2018, ACEC-CA sponsored legislation (Senate Bill [SB] 920) that would have eliminated the sunset date. However, the sunset date was added back in (and extended) when the bill was heard by the Senate Judiciary Committee. The Board had a position of “Support” on SB 920.

The Board’s Enforcement Unit has not received any complaints from consumers relating to engineers or land surveyors offering their services through an LLP. As such, Board staff recommends the Board take a position of “Support” on AB 1682.

Board staff sent the authors and Assembly Business & Professions Committee Chair a letter of Support on March 21, 2024.

6/17/2024 Update: Amendments from Assembly floor were minor and related to author and dollar amount for security amounts.

8/12/2024 Update: Amendments from Senate Judiciary Committee added sunset date of January 1, 2034.

10/09/2024 Update: This bill was signed by the Governor and chaptered to become effective January 1, 2025.

Staff Recommendation: No action necessary at this time.

Assembly Bill No. 1862

CHAPTER 361

An act to amend Sections 6738 and 8729 of the Business and Professions Code, and to amend Sections 8, 174.5, 5063.5, 12242.5, 16101, 16403, 16956, and 16959 of the Corporations Code, relating to limited liability partnerships.

[Approved by Governor September 22, 2024. Filed with
Secretary of State September 22, 2024.]

legislative counsel's digest

AB 1862, Chen. Engineering, land surveying, and architecture: limited liability partnerships.

Existing law, the Professional Engineers Act and the Professional Land Surveyors' Act, provide for the licensure and regulation of engineers and land surveyors by the Board for Professional Engineers, Land Surveyors, and Geologists. Existing law, the Architects Practice Act, provides for the licensure and regulation of architects by the California Architects Board. Existing law, the Uniform Partnership Act of 1994, authorizes the formation of registered limited liability partnerships and foreign limited liability partnerships, as specified.

Existing law authorizes persons licensed to engage in the practice of engineering, land surveying, or architecture to form registered limited liability partnerships and foreign limited liability partnerships if specified conditions are met. Existing law requires a registered limited liability partnership or foreign limited liability partnership providing architectural, engineering, or land surveying services to comply with requirements, as specified, for claims based upon acts, errors, or omissions arising out of those services. Existing law repeals these provisions on January 1, 2026.

This bill would extend the operation of the above-described provisions to January 1, 2034, and make conforming changes.

This bill would incorporate additional changes to Sections 6738 and 8729 of the Business and Professions Code proposed by AB 3253 to be operative only if this bill and AB 3253 are enacted and this bill is enacted last.

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

SECTION 1. Section 6738 of the Business and Professions Code, as amended by Section 1 of Chapter 302 of the Statutes of 2022, is amended to read:

6738. (a) This chapter does not prohibit one or more civil, electrical, or mechanical engineers from practicing or offering to practice, within the

scope of their license, civil (including geotechnical and structural), electrical, or mechanical engineering as a sole proprietorship, partnership, limited liability partnership, firm, or corporation (hereinafter called business), if all of the following requirements are met:

(1) A civil, electrical, or mechanical engineer currently licensed in this state is an owner, partner, or officer in charge of the engineering practice of the business.

(2) All civil, electrical, or mechanical engineering services are performed by, or under the responsible charge of, a professional engineer licensed in the appropriate branch of professional engineering.

(3) If the business name of a California engineering business contains the name of any person, then that person shall be licensed as a professional engineer, a licensed land surveyor, a licensed architect, or a geologist registered under the Geologist and Geophysicist Act (Chapter 12.5 (commencing with Section 7800)). Any offer, promotion, or advertisement by the business that contains the name of any individual in the business, other than by use of the name of an individual in the business name, shall clearly and specifically designate the license or registration discipline of each individual named.

(b) An out-of-state business with a branch office in this state shall meet the requirements of subdivision (a) and shall have an owner, partner, or officer who is in charge of the engineering work in the branch in this state, who is licensed in this state, and who is physically present at the branch office in this state on a regular basis. However, the name of the business may contain the name of any person not licensed in this state if that person is appropriately registered or licensed in another state. Any offer, promotion, or advertisement that contains the name of any individual in the business, other than by use of the names of the individuals in the business name, shall clearly and specifically designate the license or registration discipline of each individual named.

(c) The business name of a California engineering business may be a fictitious name. However, if the fictitious name includes the name of any person, the requirements of paragraph (3) of subdivision (a) shall be met.

(d) A person not licensed under this chapter may also be a partner or an officer of a civil, electrical, or mechanical engineering business if the requirements of subdivision (a) are met. This section does not permit a person who is not licensed under this chapter to be the sole owner of a civil, electrical, or mechanical engineering business, unless otherwise exempt under this chapter.

(e) This section shall not prevent the use of the name of any business engaged in rendering civil, electrical, or mechanical engineering services, including the use by any lawful successor or survivor, that lawfully was in existence on December 31, 1987. However, the business is subject to paragraphs (1) and (2) of subdivision (a).

(f) A business engaged in rendering civil, electrical, or mechanical engineering services may use in its name the name of a deceased or retired person provided all of the following conditions are satisfied:

(1) The person's name had been used in the name of the business, or a predecessor in interest of the business, before and after the death or retirement of the person.

(2) The person shall have been an owner, partner, or officer of the business, or an owner, partner, or officer of the predecessor in interest of the business.

(3) The person shall have been licensed as a professional engineer, or a land surveyor, or an architect, or a geologist, (A) by the appropriate licensing board if that person is operating a place of business or practice in this state, or (B) by the applicable state board if no place of business existed in this state.

(4) The person, if retired, has consented to the use of the name and does not permit the use of the name in the title of another professional engineering business in this state during the period of the consent. However, the retired person may use their name as the name of a new or purchased business if it is not identical in every respect to that person's name as used in the former business.

(5) The business shall be subject to the provisions of paragraphs (1) and (2) of subdivision (a).

(g) This section does not affect the provisions of Sections 6731.2 and 8726.1.

(h) A current organization record form shall be filed with the board for all businesses engaged in rendering civil, electrical, or mechanical engineering services.

(i) This section shall remain in effect only until January 1, 2034, and as of that date is repealed.

SEC. 1.5. Section 6738 of the Business and Professions Code, as amended by Section 1 of Chapter 302 of the Statutes of 2022, is amended to read:

6738. (a) This chapter does not prohibit one or more civil, electrical, or mechanical engineers from practicing or offering to practice, within the scope of their license, civil (including geotechnical and structural), electrical, or mechanical engineering as a sole proprietorship, partnership, limited liability partnership, firm, or corporation (hereinafter called business), if all of the following requirements are met:

(1) A civil, electrical, or mechanical engineer currently licensed in this state is an owner, partner, or officer in charge of the engineering practice of the business.

(2) All civil, electrical, or mechanical engineering services are performed by, or under the responsible charge of, a professional engineer licensed in the appropriate branch of professional engineering.

(3) If the business name of a California engineering business contains the name of any person, then that person shall be licensed as a professional engineer, a licensed land surveyor, a licensed architect, or a geologist registered under the Geologist and Geophysicist Act (Chapter 12.5 (commencing with Section 7800)). Any offer, promotion, or advertisement by the business that contains the name of any individual in the business,

other than by use of the name of an individual in the business name, shall clearly and specifically designate the license or registration discipline of each individual named.

(b) An out-of-state business with a branch office in this state shall meet the requirements of subdivisions (a) and (h) and shall have an owner, partner, or officer who is in charge of the engineering work in the branch in this state, who is licensed in this state, and who is physically present at the branch office in this state on a regular basis. However, the name of the business may contain the name of any person not licensed in this state if that person is appropriately registered or licensed in another state. Any offer, promotion, or advertisement that contains the name of any individual in the business, other than by use of the names of the individuals in the business name, shall clearly and specifically designate the license or registration discipline of each individual named.

(c) The business name of a California engineering business may be a fictitious name. However, if the fictitious name includes the name of any person, the requirements of paragraph (3) of subdivision (a) shall be met.

(d) A person not licensed under this chapter may also be a partner or an officer of a civil, electrical, or mechanical engineering business if the requirements of subdivision (a) are met. This section does not permit a person who is not licensed under this chapter to be the sole owner of a civil, electrical, or mechanical engineering business, unless otherwise exempt under this chapter.

(e) This section shall not prevent the use of the name of any business engaged in rendering civil, electrical, or mechanical engineering services, including the use by any lawful successor or survivor, that lawfully was in existence on December 31, 1987. However, the business is subject to paragraphs (1) and (2) of subdivision (a).

(f) A business engaged in rendering civil, electrical, or mechanical engineering services may use in its name the name of a deceased or retired person provided all of the following conditions are satisfied:

(1) The person's name had been used in the name of the business, or a predecessor in interest of the business, before and after the death or retirement of the person.

(2) The person shall have been an owner, partner, or officer of the business, or an owner, partner, or officer of the predecessor in interest of the business.

(3) The person shall have been licensed as a professional engineer, or a land surveyor, or an architect, or a geologist, (A) by the appropriate licensing board if that person is operating a place of business or practice in this state, or (B) by the applicable state board if no place of business existed in this state.

(4) The person, if retired, has consented to the use of the name and does not permit the use of the name in the title of another professional engineering business in this state during the period of the consent. However, the retired person may use their name as the name of a new or purchased business if

it is not identical in every respect to that person's name as used in the former business.

(5) The business shall be subject to the provisions of paragraphs (1) and (2) of subdivision (a).

(g) This section does not affect the provisions of Sections 6731.2 and 8726.1.

(h) (1) A current organization record form shall be filed with the board for all businesses engaged in rendering civil, electrical, or mechanical engineering services.

(2) The filing of the organization record form described in paragraph (1) shall be accompanied by documentary evidence that demonstrates compliance with the provisions described in paragraphs (1) and (2) of subdivision (a).

(i) This section shall remain in effect only until January 1, 2034, and as of that date is repealed.

SEC. 2. Section 6738 of the Business and Professions Code, as amended by Section 2 of Chapter 302 of the Statutes of 2022, is amended to read:

6738. (a) This chapter does not prohibit one or more civil, electrical, or mechanical engineers from practicing or offering to practice within the scope of their license civil (including geotechnical and structural), electrical, or mechanical engineering as a sole proprietorship, partnership, firm, or corporation (hereinafter called business), if all of the following requirements are met:

(1) A civil, electrical, or mechanical engineer currently licensed in this state is an owner, partner, or officer in charge of the engineering practice of the business.

(2) All civil, electrical, or mechanical engineering services are performed by, or under the responsible charge of, a professional engineer licensed in the appropriate branch of professional engineering.

(3) If the business name of a California engineering business contains the name of any person, then that person shall be licensed as a professional engineer, a licensed land surveyor, a licensed architect, or a geologist registered under the Geologist and Geophysicist Act (Chapter 12.5 (commencing with Section 7800)). Any offer, promotion, or advertisement by the business that contains the name of any individual in the business, other than by use of the name of an individual in the business name, shall clearly and specifically designate the license or registration discipline of each individual named.

(b) An out-of-state business with a branch office in this state shall meet the requirements of subdivision (a) and shall have an owner, partner, or officer who is in charge of the engineering work in the branch in this state, who is licensed in this state, and who is physically present at the branch office in this state on a regular basis. However, the name of the business may contain the name of any person not licensed in this state if that person is appropriately registered or licensed in another state. Any offer, promotion, or advertisement that contains the name of any individual in the business, other than by use of the names of the individuals in the business name, shall

clearly and specifically designate the license or registration discipline of each individual named.

(c) The business name of a California engineering business may be a fictitious name. However, if the fictitious name includes the name of any person, the requirements of paragraph (3) of subdivision (a) shall be met.

(d) A person not licensed under this chapter may also be a partner or an officer of a civil, electrical, or mechanical engineering business if the requirements of subdivision (a) are met. This section does not permit a person who is not licensed under this chapter to be the sole owner of a civil, electrical, or mechanical engineering business, unless otherwise exempt under this chapter.

(e) This section shall not prevent the use of the name of any business engaged in rendering civil, electrical, or mechanical engineering services, including the use by any lawful successor or survivor, that lawfully was in existence on December 31, 1987. However, the business is subject to paragraphs (1) and (2) of subdivision (a).

(f) A business engaged in rendering civil, electrical, or mechanical engineering services may use in its name the name of a deceased or retired person provided all of the following conditions are satisfied:

(1) The person's name had been used in the name of the business, or a predecessor in interest of the business, before and after the death or retirement of the person.

(2) The person shall have been an owner, partner, or officer of the business, or an owner, partner, or officer of the predecessor in interest of the business.

(3) The person shall have been licensed as a professional engineer, or a land surveyor, or an architect, or a geologist, (A) by the appropriate licensing board if that person is operating a place of business or practice in this state, or (B) by the applicable state board if no place of business existed in this state.

(4) The person, if retired, has consented to the use of the name and does not permit the use of the name in the title of another professional engineering business in this state during the period of the consent. However, the retired person may use their name as the name of a new or purchased business if it is not identical in every respect to that person's name as used in the former business.

(5) The business shall be subject to the provisions of paragraphs (1) and (2) of subdivision (a).

(g) This section does not affect the provisions of Sections 6731.2 and 8726.1.

(h) A current organization record form shall be filed with the board for all businesses engaged in rendering civil, electrical, or mechanical engineering services.

(i) This section shall become operative on January 1, 2034.

SEC. 2.5. Section 6738 of the Business and Professions Code, as amended by Section 2 of Chapter 302 of the Statutes of 2022, is amended to read:

6738. (a) This chapter does not prohibit one or more civil, electrical, or mechanical engineers from practicing or offering to practice within the scope of their license civil (including geotechnical and structural), electrical, or mechanical engineering as a sole proprietorship, partnership, firm, or corporation (hereinafter called business), if all of the following requirements are met:

(1) A civil, electrical, or mechanical engineer currently licensed in this state is an owner, partner, or officer in charge of the engineering practice of the business.

(2) All civil, electrical, or mechanical engineering services are performed by, or under the responsible charge of, a professional engineer licensed in the appropriate branch of professional engineering.

(3) If the business name of a California engineering business contains the name of any person, then that person shall be licensed as a professional engineer, a licensed land surveyor, a licensed architect, or a geologist registered under the Geologist and Geophysicist Act (Chapter 12.5 (commencing with Section 7800)). Any offer, promotion, or advertisement by the business that contains the name of any individual in the business, other than by use of the name of an individual in the business name, shall clearly and specifically designate the license or registration discipline of each individual named.

(b) An out-of-state business with a branch office in this state shall meet the requirements of subdivisions (a) and (h) and shall have an owner, partner, or officer who is in charge of the engineering work in the branch in this state, who is licensed in this state, and who is physically present at the branch office in this state on a regular basis. However, the name of the business may contain the name of any person not licensed in this state if that person is appropriately registered or licensed in another state. Any offer, promotion, or advertisement that contains the name of any individual in the business, other than by use of the names of the individuals in the business name, shall clearly and specifically designate the license or registration discipline of each individual named.

(c) The business name of a California engineering business may be a fictitious name. However, if the fictitious name includes the name of any person, the requirements of paragraph (3) of subdivision (a) shall be met.

(d) A person not licensed under this chapter may also be a partner or an officer of a civil, electrical, or mechanical engineering business if the requirements of subdivision (a) are met. This section does not permit a person who is not licensed under this chapter to be the sole owner of a civil, electrical, or mechanical engineering business, unless otherwise exempt under this chapter.

(e) This section shall not prevent the use of the name of any business engaged in rendering civil, electrical, or mechanical engineering services, including the use by any lawful successor or survivor, that lawfully was in existence on December 31, 1987. However, the business is subject to paragraphs (1) and (2) of subdivision (a).

(f) A business engaged in rendering civil, electrical, or mechanical engineering services may use in its name the name of a deceased or retired person provided all of the following conditions are satisfied:

(1) The person's name had been used in the name of the business, or a predecessor in interest of the business, before and after the death or retirement of the person.

(2) The person shall have been an owner, partner, or officer of the business, or an owner, partner, or officer of the predecessor in interest of the business.

(3) The person shall have been licensed as a professional engineer, or a land surveyor, or an architect, or a geologist, (A) by the appropriate licensing board if that person is operating a place of business or practice in this state, or (B) by the applicable state board if no place of business existed in this state.

(4) The person, if retired, has consented to the use of the name and does not permit the use of the name in the title of another professional engineering business in this state during the period of the consent. However, the retired person may use their name as the name of a new or purchased business if it is not identical in every respect to that person's name as used in the former business.

(5) The business shall be subject to the provisions of paragraphs (1) and (2) of subdivision (a).

(g) This section does not affect the provisions of Sections 6731.2 and 8726.1.

(h) (1) A current organization record form shall be filed with the board for all businesses engaged in rendering civil, electrical, or mechanical engineering services.

(2) The filing of the organization record form described in paragraph (1) shall be accompanied by documentary evidence that demonstrates compliance with the provisions described in paragraphs (1) and (2) of subdivision (a).

(i) This section shall become operative on January 1, 2034.

SEC. 3. Section 8729 of the Business and Professions Code, as amended by Section 7 of Chapter 302 of the Statutes of 2022, is amended to read:

8729. (a) This chapter does not prohibit one or more licensed land surveyors or civil engineers licensed in this state before 1982 (hereinafter called civil engineers) from practicing or offering to practice, within the scope of their licensure, land surveying as a sole proprietorship, partnership, limited liability partnership, firm, or corporation (hereinafter called business), if the following conditions are satisfied:

(1) A land surveyor or civil engineer currently licensed in the state is an owner, partner, or officer in charge of the land surveying practice of the business.

(2) All land surveying services are performed by or under the responsible charge of a land surveyor or civil engineer.

(3) If the business name of a California land surveying business contains the name of a person, then that person shall be licensed by the board as a

land surveyor or licensed by the board in any year as a civil engineer. Any offer, promotion, or advertisement by the business that contains the name of any individual in the business, other than by use of the name of the individual in the business name, shall clearly and specifically designate the license discipline of each individual named.

(b) An out-of-state business with a branch office in this state shall meet the requirements of subdivision (a) and shall have an owner, partner, or officer who is in charge of the land surveying work in this state, who is licensed in this state, and who is physically present at the branch office in this state on a regular basis. However, the name of the business may contain the name of a person not licensed in this state, if that person is appropriately licensed or registered in another state. Any offer, promotion, or advertisement that contains the name of any individual in the business, other than by use of the name of the individual in the business name, shall clearly and specifically designate the license or registration discipline of each individual named.

(c) The business name of a California land surveying business may be a fictitious name. However, if the fictitious name includes the names of any person, the requirements of paragraph (3) of subdivision (a) shall be met.

(d) A person not licensed under this chapter or licensed as a civil engineer in this state before 1982 may also be a partner or an officer of a land surveying business if the conditions of subdivision (a) are satisfied. This section does not permit a person who is not licensed under this chapter or licensed as a civil engineer in this state before 1982 to be the sole owner or officer of a land surveying business, unless otherwise exempt under this chapter.

(e) This section shall not prevent the use of the name of any business engaged in rendering land surveying services, including the use by any lawful successor or survivor, that lawfully was in existence on June 1, 1941. However, the business is subject to the provisions of paragraphs (1) and (2) of subdivision (a).

(f) A business engaged in rendering land surveying services may use in its name the name of a deceased or retired person if the following conditions are satisfied:

(1) The person's name had been used in the name of the business, or a predecessor in interest of the business, before the death or retirement of the person.

(2) The person shall have been an owner, partner, or officer of the business, or an owner, partner, or officer of the predecessor in interest of the business.

(3) The person shall have been licensed as a land surveyor or a civil engineer by the board, if operating a place of business or practice in this state, or by an applicable state board in the event no place of business existed in this state.

(4) The person, if retired, has consented to the use of the name and does not permit the use of the name in the title of another land surveying business in this state during the period of that consent, except that a retired person

may use their name as the name of a new or purchased business, if that business is not identical in every respect to that person's name as used in the former business.

(5) The business shall be subject to paragraphs (1) and (2) of subdivision (a).

(g) This section does not affect Sections 6731.2 and 8726.1.

(h) A current organization record form shall be filed with the board for all businesses engaged in rendering professional land surveying services.

(i) This section shall remain in effect only until January 1, 2034, and as of that date is repealed.

SEC. 3.5. Section 8729 of the Business and Professions Code, as amended by Section 7 of Chapter 302 of the Statutes of 2022, is amended to read:

8729. (a) This chapter does not prohibit one or more licensed land surveyors or civil engineers licensed in this state before 1982 (hereinafter called civil engineers) from practicing or offering to practice, within the scope of their licensure, land surveying as a sole proprietorship, partnership, limited liability partnership, firm, or corporation (hereinafter called business), if the following conditions are satisfied:

(1) A land surveyor or civil engineer currently licensed in the state is an owner, partner, or officer in charge of the land surveying practice of the business.

(2) All land surveying services are performed by or under the responsible charge of a land surveyor or civil engineer.

(3) If the business name of a California land surveying business contains the name of a person, then that person shall be licensed by the board as a land surveyor or licensed by the board in any year as a civil engineer. Any offer, promotion, or advertisement by the business that contains the name of any individual in the business, other than by use of the name of the individual in the business name, shall clearly and specifically designate the license discipline of each individual named.

(b) An out-of-state business with a branch office in this state shall meet the requirements of subdivisions (a) and (h) and shall have an owner, partner, or officer who is in charge of the land surveying work in this state, who is licensed in this state, and who is physically present at the branch office in this state on a regular basis. However, the name of the business may contain the name of a person not licensed in this state, if that person is appropriately licensed or registered in another state. Any offer, promotion, or advertisement that contains the name of any individual in the business, other than by use of the name of the individual in the business name, shall clearly and specifically designate the license or registration discipline of each individual named.

(c) The business name of a California land surveying business may be a fictitious name. However, if the fictitious name includes the names of any person, the requirements of paragraph (3) of subdivision (a) shall be met.

(d) A person not licensed under this chapter or licensed as a civil engineer in this state before 1982 may also be a partner or an officer of a land

surveying business if the conditions of subdivision (a) are satisfied. This section does not permit a person who is not licensed under this chapter or licensed as a civil engineer in this state before 1982 to be the sole owner or officer of a land surveying business, unless otherwise exempt under this chapter.

(e) This section shall not prevent the use of the name of any business engaged in rendering land surveying services, including the use by any lawful successor or survivor, that lawfully was in existence on June 1, 1941. However, the business is subject to the provisions of paragraphs (1) and (2) of subdivision (a).

(f) A business engaged in rendering land surveying services may use in its name the name of a deceased or retired person if the following conditions are satisfied:

(1) The person's name had been used in the name of the business, or a predecessor in interest of the business, before the death or retirement of the person.

(2) The person shall have been an owner, partner, or officer of the business, or an owner, partner, or officer of the predecessor in interest of the business.

(3) The person shall have been licensed as a land surveyor or a civil engineer by the board, if operating a place of business or practice in this state, or by an applicable state board in the event no place of business existed in this state.

(4) The person, if retired, has consented to the use of the name and does not permit the use of the name in the title of another land surveying business in this state during the period of that consent, except that a retired person may use their name as the name of a new or purchased business, if that business is not identical in every respect to that person's name as used in the former business.

(5) The business shall be subject to paragraphs (1) and (2) of subdivision (a).

(g) This section does not affect Sections 6731.2 and 8726.1.

(h) (1) A current organization record form shall be filed with the board for all businesses engaged in rendering professional land surveying services.

(2) The filing of the organization record form described in paragraph (1) shall be accompanied by documentary evidence that demonstrates compliance with the provisions described in paragraphs (1) and (2) of subdivision (a).

(i) This section shall remain in effect only until January 1, 2034, and as of that date is repealed.

SEC. 4. Section 8729 of the Business and Professions Code, as amended by Section 8 of Chapter 302 of the Statutes of 2022, is amended to read:

8729. (a) This chapter does not prohibit one or more licensed land surveyors or civil engineers licensed in this state before 1982 (hereinafter called civil engineers) from practicing or offering to practice within the scope of their licensure, land surveying as a sole proprietorship, partnership,

firm, or corporation (hereinafter called business), if the following conditions are satisfied:

(1) A land surveyor or civil engineer currently licensed in the state is an owner, partner, or officer in charge of the land surveying practice of the business.

(2) All land surveying services are performed by or under the responsible charge of a land surveyor or civil engineer.

(3) If the business name of a California land surveying business contains the name of a person, then that person shall be licensed by the board as a land surveyor or licensed by the board in any year as a civil engineer. Any offer, promotion, or advertisement by the business that contains the name of any individual in the business, other than by use of the name of the individual in the business name, shall clearly and specifically designate the license discipline of each individual named.

(b) An out-of-state business with a branch office in this state shall meet the requirements of subdivision (a) and shall have an owner, partner, or officer who is in charge of the land surveying work in this state, who is licensed in this state, and who is physically present at the branch office in this state on a regular basis. However, the name of the business may contain the name of a person not licensed in this state, if that person is appropriately licensed or registered in another state. Any offer, promotion, or advertisement that contains the name of any individual in the business, other than by use of the name of the individual in the business name, shall clearly and specifically designate the license or registration discipline of each individual named.

(c) The business name of a California land surveying business may be a fictitious name. However, if the fictitious name includes the names of any person, the requirements of paragraph (3) of subdivision (a) shall be met.

(d) A person not licensed under this chapter or licensed as a civil engineer in this state before 1982 may also be a partner or an officer of a land surveying business if the conditions of subdivision (a) are satisfied. This section does not permit a person who is not licensed under this chapter or licensed as a civil engineer in this state before 1982 to be the sole owner or officer of a land surveying business, unless otherwise exempt under this chapter.

(e) This section shall not prevent the use of the name of any business engaged in rendering land surveying services, including the use by any lawful successor or survivor, that lawfully was in existence on June 1, 1941. However, the business is subject to the provisions of paragraphs (1) and (2) of subdivision (a).

(f) A business engaged in rendering land surveying services may use in its name the name of a deceased or retired person if the following conditions are satisfied:

(1) The person's name had been used in the name of the business, or a predecessor in interest of the business, before the death or retirement of the person.

(2) The person shall have been an owner, partner, or officer of the business, or an owner, partner, or officer of the predecessor in interest of the business.

(3) The person shall have been licensed as a land surveyor or a civil engineer by the board, if operating a place of business or practice in this state, or by an applicable state board in the event no place of business existed in this state.

(4) The person, if retired, has consented to the use of the name and does not permit the use of the name in the title of another land surveying business in this state during the period of that consent, except that a retired person may use their name as the name of a new or purchased business, if that business is not identical in every respect to that person's name as used in the former business.

(5) The business shall be subject to paragraphs (1) and (2) of subdivision (a).

(g) This section does not affect Sections 6731.2 and 8726.1.

(h) A current organization record form shall be filed with the board for all businesses engaged in rendering professional land surveying services.

(i) This section shall become operative on January 1, 2034.

SEC. 4.5. Section 8729 of the Business and Professions Code, as amended by Section 8 of Chapter 302 of the Statutes of 2022, is amended to read:

8729. (a) This chapter does not prohibit one or more licensed land surveyors or civil engineers licensed in this state before 1982 (hereinafter called civil engineers) from practicing or offering to practice within the scope of their licensure, land surveying as a sole proprietorship, partnership, firm, or corporation (hereinafter called business), if the following conditions are satisfied:

(1) A land surveyor or civil engineer currently licensed in the state is an owner, partner, or officer in charge of the land surveying practice of the business.

(2) All land surveying services are performed by or under the responsible charge of a land surveyor or civil engineer.

(3) If the business name of a California land surveying business contains the name of a person, then that person shall be licensed by the board as a land surveyor or licensed by the board in any year as a civil engineer. Any offer, promotion, or advertisement by the business that contains the name of any individual in the business, other than by use of the name of the individual in the business name, shall clearly and specifically designate the license discipline of each individual named.

(b) An out-of-state business with a branch office in this state shall meet the requirements of subdivisions (a) and (h) and shall have an owner, partner, or officer who is in charge of the land surveying work in this state, who is licensed in this state, and who is physically present at the branch office in this state on a regular basis. However, the name of the business may contain the name of a person not licensed in this state, if that person is appropriately licensed or registered in another state. Any offer, promotion, or advertisement

that contains the name of any individual in the business, other than by use of the name of the individual in the business name, shall clearly and specifically designate the license or registration discipline of each individual named.

(c) The business name of a California land surveying business may be a fictitious name. However, if the fictitious name includes the names of any person, the requirements of paragraph (3) of subdivision (a) shall be met.

(d) A person not licensed under this chapter or licensed as a civil engineer in this state before 1982 may also be a partner or an officer of a land surveying business if the conditions of subdivision (a) are satisfied. This section does not permit a person who is not licensed under this chapter or licensed as a civil engineer in this state before 1982 to be the sole owner or officer of a land surveying business, unless otherwise exempt under this chapter.

(e) This section shall not prevent the use of the name of any business engaged in rendering land surveying services, including the use by any lawful successor or survivor, that lawfully was in existence on June 1, 1941. However, the business is subject to the provisions of paragraphs (1) and (2) of subdivision (a).

(f) A business engaged in rendering land surveying services may use in its name the name of a deceased or retired person if the following conditions are satisfied:

(1) The person's name had been used in the name of the business, or a predecessor in interest of the business, before the death or retirement of the person.

(2) The person shall have been an owner, partner, or officer of the business, or an owner, partner, or officer of the predecessor in interest of the business.

(3) The person shall have been licensed as a land surveyor or a civil engineer by the board, if operating a place of business or practice in this state, or by an applicable state board in the event no place of business existed in this state.

(4) The person, if retired, has consented to the use of the name and does not permit the use of the name in the title of another land surveying business in this state during the period of that consent, except that a retired person may use their name as the name of a new or purchased business, if that business is not identical in every respect to that person's name as used in the former business.

(5) The business shall be subject to paragraphs (1) and (2) of subdivision (a).

(g) This section does not affect Sections 6731.2 and 8726.1.

(h) (1) A current organization record form shall be filed with the board for all businesses engaged in rendering professional land surveying services.

(2) The filing of the organization record form described in paragraph (1) shall be accompanied by documentary evidence that demonstrates compliance with the provisions described in paragraphs (1) and (2) of subdivision (a).

(i) This section shall become operative on January 1, 2034.

SEC. 5. Section 8 of the Corporations Code is amended to read:

8. Writing includes any form of recorded message capable of comprehension by ordinary visual means; and when used to describe communications between a corporation, partnership, or limited liability company and its shareholders, members, partners, directors, or managers, writing shall include electronic transmissions by and to a corporation (Sections 20 and 21), electronic transmissions by and to a partnership (Section 16101), and electronic transmissions by and to a limited liability company (paragraphs (1) and (2) of subdivision (o) of Section 17001). Whenever any notice, report, statement, or record is required or authorized by this code, it shall be made in writing in the English language.

Wherever any notice or other communication is required by this code to be mailed by registered mail by or to any person or corporation, the mailing of such notice or other communication by certified mail shall be deemed to be a sufficient compliance with the requirements of law.

SEC. 6. Section 174.5 of the Corporations Code is amended to read:

174.5. "Other business entity" means a domestic or foreign limited liability company, limited partnership, general partnership, business trust, real estate investment trust, unincorporated association (other than a nonprofit association), or a domestic reciprocal insurer organized after 1974 to provide medical malpractice insurance as set forth in Article 16 (commencing with Section 1550) of Chapter 3 of Part 2 of Division 1 of the Insurance Code. As used herein, "general partnership" means a "partnership" as defined in Section 16101; "business trust" means a business organization formed as a trust; "real estate investment trust" means a "real estate investment trust" as defined in subsection (a) of Section 856 of the Internal Revenue Code of 1986, as amended; and "unincorporated association" has the meaning set forth in Section 18035.

SEC. 7. Section 5063.5 of the Corporations Code is amended to read:

5063.5. "Other business entity" means a domestic or foreign limited liability company, limited partnership, general partnership, business trust, real estate investment trust, unincorporated association, or a domestic reciprocal insurer organized after 1974 to provide medical malpractice insurance as set forth in Article 16 (commencing with Section 1550) of Chapter 3 of Part 2 of Division 1 of the Insurance Code. As used herein, "general partnership" means a "partnership" as defined in Section 16101; "business trust" means a business organization formed as a trust; "real estate investment trust" means a "real estate investment trust" as defined in subsection (a) of Section 856 of the Internal Revenue Code of 1986, as amended; and "unincorporated association" has the meaning set forth in Section 18035.

SEC. 8. Section 12242.5 of the Corporations Code is amended to read:

12242.5. "Other business entity" means a domestic or foreign limited liability company, limited partnership, general partnership, business trust, real estate investment trust, unincorporated association, or a domestic reciprocal insurer organized after 1974 to provide medical malpractice

insurance as set forth in Article 16 (commencing with Section 1550) of Chapter 3 of Part 2 of Division 1 of the Insurance Code. As used herein, “general partnership” means a “partnership” as defined in Section 16101; “business trust” means a business organization formed as a trust; “real estate investment trust” means a “real estate investment trust” as defined in subsection (a) of Section 856 of the Internal Revenue Code of 1986, as amended; and “unincorporated association” has the meaning set forth in Section 18035.

SEC. 9. Section 16101 of the Corporations Code, as amended by Section 33 of Chapter 497 of the Statutes of 2019, is amended to read:

16101. (a) As used in this chapter, the following terms and phrases have the following meanings:

(1) “Business” includes every trade, occupation, and profession.

(2) “Debtor in bankruptcy” means a person who is the subject of either of the following:

(A) An order for relief under Title 11 of the United States Code or a comparable order under a successor statute of general application.

(B) A comparable order under federal, state, or foreign law governing insolvency.

(3) “Distribution” means a transfer of money or other property from a partnership to a partner in the partner’s capacity as a partner or to the partner’s transferee.

(4) “Electronic transmission by the partnership” means a communication (a) delivered by (1) facsimile telecommunication or electronic mail when directed to the facsimile number or electronic mail address, respectively, for that recipient on record with the partnership, (2) posting on an electronic message board or network that the partnership has designated for those communications, together with a separate notice to the recipient of the posting, which transmission shall be validly delivered upon the later of the posting or delivery of the separate notice thereof, or (3) other means of electronic communication, (b) to a recipient who has provided an unrevoked consent to the use of those means of transmission, and (c) that creates a record that is capable of retention, retrieval, and review, and that may thereafter be rendered into clearly legible tangible form. However, an electronic transmission by a partnership to an individual partner is not authorized unless, in addition to satisfying the requirements of this section, the transmission satisfies the requirements applicable to consumer consent to electronic records as set forth in the Electronic Signatures in Global and National Commerce Act (15 U.S.C. Sec. 7001(c)(1)).

(5) “Electronic transmission to the partnership” means a communication (a) delivered by (1) facsimile telecommunication or electronic mail when directed to the facsimile number or electronic mail address, respectively, which the partnership has provided from time to time to partners for sending communications to the partnership, (2) posting on an electronic message board or network that the partnership has designated for those communications, and which transmission shall be validly delivered upon the posting, or (3) other means of electronic communication, (b) as to which

the partnership has placed in effect reasonable measures to verify that the sender is the partner, in person or by proxy, purporting to send the transmission, and (c) that creates a record that is capable of retention, retrieval, and review, and that may thereafter be rendered into clearly legible tangible form.

(6) (A) “Foreign limited liability partnership” means a partnership, other than a limited partnership, formed pursuant to an agreement governed by the laws of another jurisdiction and denominated or registered as a limited liability partnership or registered limited liability partnership under the laws of that jurisdiction (i) in which each partner is a licensed person or a person licensed or authorized to provide professional limited liability partnership services in a jurisdiction or jurisdictions other than this state, (ii) which is licensed under the laws of the state to engage in the practice of architecture, the practice of public accountancy, the practice of engineering, the practice of land surveying, or the practice of law, or (iii) which (I) is related to a registered limited liability partnership that practices public accountancy or, to the extent permitted by the State Bar of California, practices law or is related to a foreign limited liability partnership and (II) provides services related or complementary to the professional limited liability partnership services provided by, or provides services or facilities to, that registered limited liability partnership or foreign limited liability partnership.

(B) For the purposes of clause (iii) of subparagraph (A), a partnership is related to a registered limited liability partnership or foreign limited liability partnership if (i) at least a majority of the partners in one partnership are also partners in the other partnership, or (ii) at least a majority in interest in each partnership hold interests in or are members of another person, except an individual, and each partnership renders services pursuant to an agreement with that other person, or (iii) one partnership, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, the other partnership.

(7) “Licensed person” means any person who is duly licensed, authorized, or registered under the provisions of the Business and Professions Code to provide professional limited liability partnership services or who is lawfully able to render professional limited liability partnership services in this state.

(8) (A) “Registered limited liability partnership” means a partnership, other than a limited partnership, formed pursuant to an agreement governed by Article 10 (commencing with Section 16951), that is registered under Section 16953 and (i) each of the partners of which is a licensed person or a person licensed or authorized to provide professional limited liability partnership services in a jurisdiction or jurisdictions other than this state, (ii) is licensed under the laws of the state to engage in the practice of architecture, the practice of public accountancy, the practice of engineering, the practice of land surveying, or the practice of law, or (iii)(I) is related to a registered limited liability partnership that practices public accountancy or, to the extent permitted by the State Bar of California, practices law or is related to a foreign limited liability partnership and (II) provides services related or complementary to the professional limited liability partnership

services provided by, or provides services or facilities to, that registered limited liability partnership or foreign limited liability partnership.

(B) For the purposes of clause (iii) of subparagraph (A), a partnership is related to a registered limited liability partnership or foreign limited liability partnership if (i) at least a majority of the partners in one partnership are also partners in the other partnership, or (ii) at least a majority in interest in each partnership hold interests in or are members of another person, other than an individual, and each partnership renders services pursuant to an agreement with that other person, or (iii) one partnership, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, the other partnership.

(9) “Partnership” means an association of two or more persons to carry on as coowners a business for profit formed under Section 16202, predecessor law, or comparable law of another jurisdiction, and includes, for all purposes of the laws of this state, a registered limited liability partnership, and excludes any partnership formed under Chapter 4.5 (commencing with Section 15900).

(10) “Partnership agreement” means the agreement, whether written, oral, or implied, among the partners concerning the partnership, including amendments to the partnership agreement.

(11) “Partnership at will” means a partnership in which the partners have not agreed to remain partners until the expiration of a definite term or the completion of a particular undertaking.

(12) “Partnership interest” or “partner’s interest in the partnership” means all of a partner’s interests in the partnership, including the partner’s transferable interest and all management and other rights.

(13) “Person” means an individual, corporation, business trust, estate, trust, partnership, limited partnership, limited liability partnership, limited liability company, association, joint venture, government, governmental subdivision, agency, or instrumentality, or any other legal or commercial entity.

(14) “Professional limited liability partnership services” means the practice of architecture, the practice of public accountancy, the practice of engineering, the practice of land surveying, or the practice of law.

(15) “Property” means all property, real, personal, or mixed, tangible or intangible, or any interest therein.

(16) “State” means a state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or any territory or insular possession subject to the jurisdiction of the United States.

(17) “Statement” means a statement of partnership authority under Section 16303, a statement of denial under Section 16304, a statement of dissociation under Section 16704, a statement of dissolution under Section 16805, a statement of conversion or a certificate of conversion under Section 16906, a statement of merger under Section 16915, or an amendment or cancellation of any of the foregoing.

(18) “Transfer” includes an assignment, conveyance, lease, mortgage, deed, and encumbrance.

(b) The inclusion of the practice of architecture as a professional limited liability partnership service permitted by this section shall extend only until January 1, 2034.

(c) This section shall remain in effect only until January 1, 2034, and as of that date is repealed.

SEC. 10. Section 16101 of the Corporations Code, as amended by Section 34 of Chapter 497 of the Statutes of 2019, is amended to read:

16101. (a) As used in this chapter, the following terms and phrases have the following meanings:

(1) "Business" includes every trade, occupation, and profession.

(2) "Debtor in bankruptcy" means a person who is the subject of either of the following:

(A) An order for relief under Title 11 of the United States Code or a comparable order under a successor statute of general application.

(B) A comparable order under federal, state, or foreign law governing insolvency.

(3) "Distribution" means a transfer of money or other property from a partnership to a partner in the partner's capacity as a partner or to the partner's transferee.

(4) "Electronic transmission by the partnership" means a communication (a) delivered by (1) facsimile telecommunication or electronic mail when directed to the facsimile number or electronic mail address, respectively, for that recipient on record with the partnership, (2) posting on an electronic message board or network that the partnership has designated for those communications, together with a separate notice to the recipient of the posting, which transmission shall be validly delivered upon the later of the posting or delivery of the separate notice thereof, or (3) other means of electronic communication, (b) to a recipient who has provided an unrevoked consent to the use of those means of transmission, and (c) that creates a record that is capable of retention, retrieval, and review, and that may thereafter be rendered into clearly legible tangible form. However, an electronic transmission by a partnership to an individual partner is not authorized unless, in addition to satisfying the requirements of this section, the transmission satisfies the requirements applicable to consumer consent to electronic records as set forth in the Electronic Signatures in Global and National Commerce Act (15 U.S.C. Sec. 7001(c)(1)).

(5) "Electronic transmission to the partnership" means a communication (a) delivered by (1) facsimile telecommunication or electronic mail when directed to the facsimile number or electronic mail address, respectively, which the partnership has provided from time to time to partners for sending communications to the partnership, (2) posting on an electronic message board or network that the partnership has designated for those communications, and which transmission shall be validly delivered upon the posting, or (3) other means of electronic communication, (b) as to which the partnership has placed in effect reasonable measures to verify that the sender is the partner, in person or by proxy, purporting to send the transmission, and (c) that creates a record that is capable of retention,

retrieval, and review, and that may thereafter be rendered into clearly legible tangible form.

(6) (A) “Foreign limited liability partnership” means a partnership, other than a limited partnership, formed pursuant to an agreement governed by the laws of another jurisdiction and denominated or registered as a limited liability partnership or registered limited liability partnership under the laws of that jurisdiction (i) in which each partner is a licensed person or a person licensed or authorized to provide professional limited liability partnership services in a jurisdiction or jurisdictions other than this state, (ii) which is licensed under the laws of the state to engage in the practice of public accountancy or the practice of law, or (iii) which (I) is related to a registered limited liability partnership that practices public accountancy or, to the extent permitted by the State Bar of California, practices law or is related to a foreign limited liability partnership and (II) provides services related or complementary to the professional limited liability partnership services provided by, or provides services or facilities to, that registered limited liability partnership or foreign limited liability partnership.

(B) For the purposes of clause (iii) of subparagraph (A), a partnership is related to a registered limited liability partnership or foreign limited liability partnership if (i) at least a majority of the partners in one partnership are also partners in the other partnership, or (ii) at least a majority in interest in each partnership hold interests in or are members of another person, except an individual, and each partnership renders services pursuant to an agreement with that other person, or (iii) one partnership, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, the other partnership.

(7) “Licensed person” means any person who is duly licensed, authorized, or registered under the provisions of the Business and Professions Code to provide professional limited liability partnership services or who is lawfully able to render professional limited liability partnership services in this state.

(8) (A) “Registered limited liability partnership” means a partnership, other than a limited partnership, formed pursuant to an agreement governed by Article 10 (commencing with Section 16951), that is registered under Section 16953 and (i) each of the partners of which is a licensed person or a person licensed or authorized to provide professional limited liability partnership services in a jurisdiction or jurisdictions other than this state, (ii) is licensed under the laws of the state to engage in the practice of public accountancy or the practice of law, or (iii) (I) is related to a registered limited liability partnership that practices public accountancy or, to the extent permitted by the State Bar of California, practices law or is related to a foreign limited liability partnership and (II) provides services related or complementary to the professional limited liability partnership services provided by, or provides services or facilities to, that registered limited liability partnership or foreign limited liability partnership.

(B) For the purposes of clause (iii) of subparagraph (A), a partnership is related to a registered limited liability partnership or foreign limited liability partnership if (i) at least a majority of the partners in one partnership are

also partners in the other partnership, or (ii) at least a majority in interest in each partnership hold interests in or are members of another person, other than an individual, and each partnership renders services pursuant to an agreement with that other person, or (iii) one partnership, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, the other partnership.

(9) “Partnership” means an association of two or more persons to carry on as coowners a business for profit formed under Section 16202, predecessor law, or comparable law of another jurisdiction, and includes, for all purposes of the laws of this state, a registered limited liability partnership, and excludes any partnership formed under Chapter 4.5 (commencing with Section 15900).

(10) “Partnership agreement” means the agreement, whether written, oral, or implied, among the partners concerning the partnership, including amendments to the partnership agreement.

(11) “Partnership at will” means a partnership in which the partners have not agreed to remain partners until the expiration of a definite term or the completion of a particular undertaking.

(12) “Partnership interest” or “partner’s interest in the partnership” means all of a partner’s interests in the partnership, including the partner’s transferable interest and all management and other rights.

(13) “Person” means an individual, corporation, business trust, estate, trust, partnership, limited partnership, limited liability partnership, limited liability company, association, joint venture, government, governmental subdivision, agency, or instrumentality, or any other legal or commercial entity.

(14) “Professional limited liability partnership services” means the practice of public accountancy or the practice of law.

(15) “Property” means all property, real, personal, or mixed, tangible or intangible, or any interest therein.

(16) “State” means a state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or any territory or insular possession subject to the jurisdiction of the United States.

(17) “Statement” means a statement of partnership authority under Section 16303, a statement of denial under Section 16304, a statement of dissociation under Section 16704, a statement of dissolution under Section 16805, a statement of conversion or a certificate of conversion under Section 16906, a statement of merger under Section 16915, or an amendment or cancellation of any of the foregoing.

(18) “Transfer” includes an assignment, conveyance, lease, mortgage, deed, and encumbrance.

(b) This section shall become operative on January 1, 2034.

SEC. 11. Section 16403 of the Corporations Code is amended to read:

16403. (a) A partnership shall keep its books and records, if any, in writing or in any other form capable of being converted into clearly legible tangible form, at its principal office.

(b) A partnership shall provide partners and their agents and attorneys access to its books and records. It shall provide former partners and their agents and attorneys access to books and records pertaining to the period during which they were partners. The right of access provides the opportunity to inspect and copy books and records during ordinary business hours. A partnership may impose a reasonable charge, covering the costs of labor and material, for copies of documents furnished.

(c) Each partner and the partnership shall furnish to a partner, and to the legal representative of a deceased partner or partner under legal disability, both of the following, which may be transmitted by electronic transmission by the partnership pursuant to Section 16101:

(1) Without demand, any information concerning the partnership's business and affairs reasonably required for the proper exercise of the partner's rights and duties under the partnership agreement or this chapter; and

(2) On demand, any other information concerning the partnership's business and affairs, except to the extent the demand or the information demanded is unreasonable or otherwise improper under the circumstances.

SEC. 12. Section 16956 of the Corporations Code, as amended by Section 7 of Chapter 150 of the Statutes of 2018, is amended to read:

16956. (a) At the time of registration pursuant to Section 16953, in the case of a registered limited liability partnership, and Section 16959, in the case of a foreign limited liability partnership, and at all times during which those partnerships shall transact intrastate business, every registered limited liability partnership and foreign limited liability partnership, as the case may be, shall be required to provide security for claims against it as follows:

(1) For claims based upon acts, errors, or omissions arising out of the practice of public accountancy, a registered limited liability partnership or foreign limited liability partnership providing accountancy services shall comply with one, or pursuant to subdivision (b) some combination, of the following:

(A) Maintaining a policy or policies of insurance against liability imposed on or against it by law for damages arising out of claims; however, the total aggregate limit of liability under the policy or policies of insurance for partnerships with five or fewer licensed persons shall not be less than one million dollars (\$1,000,000), and for partnerships with more than five licensees rendering professional services on behalf of the partnership, an additional one hundred thousand dollars (\$100,000) of insurance shall be obtained for each additional licensee; however, the maximum amount of insurance is not required to exceed five million dollars (\$5,000,000) in any one designated period, less amounts paid in defending, settling, or discharging claims as set forth in this subparagraph. The policy or policies may be issued on a claims-made or occurrence basis, and shall cover: (i) in the case of a claims-made policy, claims initially asserted in the designated period, and (ii) in the case of an occurrence policy, occurrences during the designated period. For purposes of this subparagraph, "designated period" means a policy year or any other period designated in the policy that is not

greater than 12 months. The impairment or exhaustion of the aggregate limit of liability by amounts paid under the policy in connection with the settlement, discharge, or defense of claims applicable to a designated period shall not require the partnership to acquire additional insurance coverage for that designated period. The policy or policies of insurance may be in a form reasonably available in the commercial insurance market and may be subject to those terms, conditions, exclusions, and endorsements that are typically contained in those policies. A policy or policies of insurance maintained pursuant to this subparagraph may be subject to a deductible or self-insured retention.

Upon the dissolution and winding up of the partnership, the partnership shall, with respect to any insurance policy or policies then maintained pursuant to this subparagraph, maintain or obtain an extended reporting period endorsement or equivalent provision in the maximum total aggregate limit of liability required to comply with this subparagraph for a minimum of three years if reasonably available from the insurer.

(B) Maintaining in trust or bank escrow, cash, bank certificates of deposit, United States Treasury obligations, bank letters of credit, or bonds of insurance or surety companies as security for payment of liabilities imposed by law for damages arising out of all claims; however, the maximum amount of security for partnerships with five or fewer licensed persons shall not be less than one million dollars (\$1,000,000), and for partnerships with more than five licensees rendering professional services on behalf of the partnership, an additional one hundred thousand dollars (\$100,000) of security shall be obtained for each additional licensee; however, the maximum amount of security is not required to exceed five million dollars (\$5,000,000). The partnership remains in compliance with this section during a calendar year notwithstanding amounts paid during that calendar year from the accounts, funds, Treasury obligations, letters of credit, or bonds in defending, settling, or discharging claims of the type described in this paragraph, provided that the amount of those accounts, funds, Treasury obligations, letters of credit, or bonds was at least the amount specified in the preceding sentence as of the first business day of that calendar year. Notwithstanding the pendency of other claims against the partnership, a registered limited liability partnership or foreign limited liability partnership shall be deemed to be in compliance with this subparagraph as to a claim if within 30 days after the time that a claim is initially asserted through service of a summons, complaint, or comparable pleading in a judicial or administrative proceeding, the partnership has provided the required amount of security by designating and segregating funds in compliance with the requirements of this subparagraph.

(C) Unless the partnership has satisfied subparagraph (D), each partner of a registered limited liability partnership or foreign limited liability partnership providing accountancy services, by virtue of that person's status as a partner, thereby automatically guarantees payment of the difference between the maximum amount of security required for the partnership by this paragraph and the security otherwise provided in accordance with

subparagraphs (A) and (B), provided that the aggregate amount paid by all partners under these guarantees shall not exceed the difference. Neither withdrawal by a partner nor the dissolution and winding up of the partnership shall affect the rights or obligations of a partner arising prior to withdrawal or dissolution and winding up, and the guarantee provided for in this subparagraph shall apply only to conduct that occurred prior to the withdrawal or dissolution and winding up. Nothing contained in this subparagraph shall affect or impair the rights or obligations of the partners among themselves, or the partnership, including, but not limited to, rights of contribution, subrogation, or indemnification.

(D) Confirming, pursuant to the procedure in subdivision (c), that, as of the most recently completed fiscal year of the partnership, it had a net worth equal to or exceeding ten million dollars (\$10,000,000).

(2) For claims based upon acts, errors, or omissions arising out of the practice of law, a registered limited liability partnership or foreign limited liability partnership providing legal services shall comply with one, or pursuant to subdivision (b) some combination, of the following:

(A) Each registered limited liability partnership or foreign limited liability partnership providing legal services shall maintain a policy or policies of insurance against liability imposed on or against it by law for damages arising out of claims; however, the total aggregate limit of liability under the policy or policies of insurance for partnerships with five or fewer licensed persons shall not be less than one million dollars (\$1,000,000), and for partnerships with more than five licensees rendering professional services on behalf of the partnership, an additional one hundred thousand dollars (\$100,000) of insurance shall be obtained for each additional licensee; however, the maximum amount of insurance is not required to exceed seven million five hundred thousand dollars (\$7,500,000) in any one designated period, less amounts paid in defending, settling, or discharging claims as set forth in this subparagraph. The policy or policies may be issued on a claims-made or occurrence basis, and shall cover (i) in the case of a claims-made policy, claims initially asserted in the designated period, and (ii) in the case of an occurrence policy, occurrences during the designated period. For purposes of this subparagraph, "designated period" means a policy year or any other period designated in the policy that is not greater than 12 months. The impairment or exhaustion of the aggregate limit of liability by amounts paid under the policy in connection with the settlement, discharge, or defense of claims applicable to a designated period shall not require the partnership to acquire additional insurance coverage for that designated period. The policy or policies of insurance may be in a form reasonably available in the commercial insurance market and may be subject to those terms, conditions, exclusions, and endorsements that are typically contained in those policies. A policy or policies of insurance maintained pursuant to this subparagraph may be subject to a deductible or self-insured retention.

Upon the dissolution and winding up of the partnership, the partnership shall, with respect to any insurance policy or policies then maintained

pursuant to this subparagraph, maintain or obtain an extended reporting period endorsement or equivalent provision in the maximum total aggregate limit of liability required to comply with this subparagraph for a minimum of three years if reasonably available from the insurer.

(B) Each registered limited liability partnership or foreign limited liability partnership providing legal services shall maintain in trust or bank escrow, cash, bank certificates of deposit, United States Treasury obligations, bank letters of credit, or bonds of insurance or surety companies as security for payment of liabilities imposed by law for damages arising out of all claims; however, the maximum amount of security for partnerships with five or fewer licensed persons shall not be less than one million dollars (\$1,000,000), and for partnerships with more than five licensees rendering professional services on behalf of the partnership, an additional one hundred thousand dollars (\$100,000) of security shall be obtained for each additional licensee; however, the maximum amount of security is not required to exceed seven million five hundred thousand dollars (\$7,500,000). The partnership remains in compliance with this section during a calendar year notwithstanding amounts paid during that calendar year from the accounts, funds, Treasury obligations, letters of credit, or bonds in defending, settling, or discharging claims of the type described in this paragraph, provided that the amount of those accounts, funds, Treasury obligations, letters of credit, or bonds was at least the amount specified in the preceding sentence as of the first business day of that calendar year. Notwithstanding the pendency of other claims against the partnership, a registered limited liability partnership or foreign limited liability partnership shall be deemed to be in compliance with this subparagraph as to a claim if within 30 days after the time that a claim is initially asserted through service of a summons, complaint, or comparable pleading in a judicial or administrative proceeding, the partnership has provided the required amount of security by designating and segregating funds in compliance with the requirement of this subparagraph.

(C) Unless the partnership has satisfied the requirements of subparagraph (D), each partner of a registered limited liability partnership or foreign limited liability partnership providing legal services, by virtue of that person's status as a partner, thereby automatically guarantees payment of the difference between the maximum amount of security required for the partnership by this paragraph and the security otherwise provided in accordance with the provisions of subparagraphs (A) and (B), provided that the aggregate amount paid by all partners under these guarantees shall not exceed the difference. Neither withdrawal by a partner nor the dissolution and winding up of the partnership shall affect the rights or obligations of a partner arising prior to withdrawal or dissolution and winding up, and the guarantee provided for in this subparagraph shall apply only to conduct that occurred prior to the withdrawal or dissolution and winding up. Nothing contained in this subparagraph shall affect or impair the rights or obligations of the partners among themselves, or the partnership, including, but not limited to, rights of contribution, subrogation, or indemnification.

(D) Confirming, pursuant to the procedure in subdivision (c), that, as of the most recently completed fiscal year of the partnership, it had a net worth equal to or exceeding fifteen million dollars (\$15,000,000).

(3) For claims based upon acts, errors, or omissions arising out of the practice of architecture, a registered limited liability partnership or foreign limited liability partnership providing architectural services shall comply with one, or pursuant to subdivision (b) some combination, of the following:

(A) Maintaining a policy or policies of insurance against liability imposed on or against it by law for damages arising out of claims; however, the total aggregate limit of liability under the policy or policies of insurance for partnerships with five or fewer licensees rendering professional services on behalf of the partnership shall not be less than one million dollars (\$1,000,000), and for partnerships with more than five licensees rendering professional services on behalf of the partnership, an additional one hundred thousand dollars (\$100,000) of liability coverage shall be obtained for each additional licensee; however, the total aggregate limit of liability under the policy or policies of insurance is not required to exceed five million dollars (\$5,000,000). The policy or policies may be issued on a claims-made or occurrence basis, and shall cover: (i) in the case of a claims-made policy, claims initially asserted in the designated period, and (ii) in the case of an occurrence policy, occurrences during the designated period. For purposes of this subparagraph, "designated period" means a policy year or any other period designated in the policy that is not greater than 12 months. The impairment or exhaustion of the aggregate limit of liability by amounts paid under the policy in connection with the settlement, discharge, or defense of claims applicable to a designated period shall not require the partnership to acquire additional insurance coverage for that designated period. The policy or policies of insurance may be in a form reasonably available in the commercial insurance market and may be subject to those terms, conditions, exclusions, and endorsements that are typically contained in those policies. A policy or policies of insurance maintained pursuant to this subparagraph may be subject to a deductible or self-insured retention.

Upon the dissolution and winding up of the partnership, the partnership shall, with respect to any insurance policy or policies then maintained pursuant to this subparagraph, maintain or obtain an extended reporting period endorsement or equivalent provision in the maximum total aggregate limit of liability required to comply with this subparagraph for a minimum of three years if reasonably available from the insurer.

(B) Maintaining in trust or bank escrow, cash, bank certificates of deposit, United States Treasury obligations, bank letters of credit, or bonds of insurance or surety companies as security for payment of liabilities imposed by law for damages arising out of all claims; however, the maximum amount of security for partnerships with five or fewer licensees rendering professional services on behalf of the partnership shall not be less than one million dollars (\$1,000,000), and for partnerships with more than five licensees rendering professional services on behalf of the partnership, an additional one hundred thousand dollars (\$100,000) of security shall be

obtained for each additional licensee; however, the maximum amount of security is not required to exceed five million dollars (\$5,000,000). The partnership remains in compliance with this section during a calendar year notwithstanding amounts paid during that calendar year from the accounts, funds, Treasury obligations, letters of credit, or bonds in defending, settling, or discharging claims of the type described in this paragraph, provided that the amount of those accounts, funds, Treasury obligations, letters of credit, or bonds was at least the amount specified in the preceding sentence as of the first business day of that calendar year. Notwithstanding the pendency of other claims against the partnership, a registered limited liability partnership or foreign limited liability partnership shall be deemed to be in compliance with this subparagraph as to a claim if within 30 days after the time that a claim is initially asserted through service of a summons, complaint, or comparable pleading in a judicial or administrative proceeding, the partnership has provided the required amount of security by designating and segregating funds in compliance with the requirements of this subparagraph.

(C) Unless the partnership has satisfied subparagraph (D), each partner of a registered limited liability partnership or foreign limited liability partnership providing architectural services, by virtue of that person's status as a partner, thereby automatically guarantees payment of the difference between the maximum amount of security required for the partnership by this paragraph and the security otherwise provided in accordance with subparagraphs (A) and (B), provided that the aggregate amount paid by all partners under these guarantees shall not exceed the difference. Neither withdrawal by a partner nor the dissolution and winding up of the partnership shall affect the rights or obligations of a partner arising prior to withdrawal or dissolution and winding up, and the guarantee provided for in this subparagraph shall apply only to conduct that occurred prior to the withdrawal or dissolution and winding up. Nothing contained in this subparagraph shall affect or impair the rights or obligations of the partners among themselves, or the partnership, including, but not limited to, rights of contribution, subrogation, or indemnification.

(D) Confirming, pursuant to the procedure in subdivision (c), that, as of the most recently completed fiscal year of the partnership, it had a net worth equal to or exceeding ten million dollars (\$10,000,000).

(4) For claims based upon acts, errors, or omissions arising out of the practice of engineering or the practice of land surveying, a registered limited liability partnership or foreign limited liability partnership providing engineering or land surveying services shall comply with one, or pursuant to subdivision (b) some combination, of the following:

(A) Maintaining a policy or policies of insurance against liability imposed on or against it by law for damages arising out of claims; however, the total aggregate limit of liability under the policy or policies of insurance for partnerships with five or fewer licensees rendering professional services on behalf of the partnership shall not be less than two million dollars (\$2,000,000), and for partnerships with more than five licensees rendering

professional services on behalf of the partnership, an additional one hundred thousand dollars (\$100,000) of liability coverage shall be obtained for each additional licensee; however, the total aggregate limit of liability under the policy or policies of insurance is not required to exceed five million dollars (\$5,000,000). The policy or policies may be issued on a claims-made or occurrence basis, and shall cover: (i) in the case of a claims-made policy, claims initially asserted in the designated period, and (ii) in the case of an occurrence policy, occurrences during the designated period. For purposes of this subparagraph, "designated period" means a policy year or any other period designated in the policy that is not greater than 12 months. The impairment or exhaustion of the aggregate limit of liability by amounts paid under the policy in connection with the settlement, discharge, or defense of claims applicable to a designated period shall not require the partnership to acquire additional insurance coverage for that designated period. The policy or policies of insurance may be in a form reasonably available in the commercial insurance market and may be subject to those terms, conditions, exclusions, and endorsements that are typically contained in those policies. A policy or policies of insurance maintained pursuant to this subparagraph may be subject to a deductible or self-insured retention.

Upon the dissolution and winding up of the partnership, the partnership shall, with respect to any insurance policy or policies then maintained pursuant to this subparagraph, maintain or obtain an extended reporting period endorsement or equivalent provision in the maximum total aggregate limit of liability required to comply with this subparagraph for a minimum of three years if reasonably available from the insurer.

(B) Maintaining in trust or bank escrow, cash, bank certificates of deposit, United States Treasury obligations, bank letters of credit, or bonds of insurance or surety companies as security for payment of liabilities imposed by law for damages arising out of all claims; however, the maximum amount of security for partnerships with five or fewer licensees rendering professional services on behalf of the partnership shall not be less than two million dollars (\$2,000,000), and for partnerships with more than five licensees rendering professional services on behalf of the partnership, an additional one hundred thousand dollars (\$100,000) of security shall be obtained for each additional licensee; however, the maximum amount of security is not required to exceed five million dollars (\$5,000,000). The partnership remains in compliance with this section during a calendar year, notwithstanding amounts paid during that calendar year from the accounts, funds, Treasury obligations, letters of credit, or bonds in defending, settling, or discharging claims of the type described in this paragraph, provided that the amount of those accounts, funds, Treasury obligations, letters of credit, or bonds was at least the amount specified in the preceding sentence as of the first business day of that calendar year. Notwithstanding the pendency of other claims against the partnership, a registered limited liability partnership or foreign limited liability partnership shall be deemed to be in compliance with this subparagraph as to a claim if, within 30 days after the time that a claim is initially asserted through service of a summons,

complaint, or comparable pleading in a judicial or administrative proceeding, the partnership has provided the required amount of security by designating and segregating funds in compliance with the requirements of this subparagraph.

(C) Unless the partnership has satisfied subparagraph (D), each partner of a registered limited liability partnership or foreign limited liability partnership providing engineering services or land surveying services, by virtue of that person's status as a partner, thereby automatically guarantees payment of the difference between the maximum amount of security required for the partnership by this paragraph and the security otherwise provided in accordance with subparagraphs (A) and (B), provided that the aggregate amount paid by all partners under these guarantees shall not exceed the difference. Neither withdrawal by a partner nor the dissolution and winding up of the partnership shall affect the rights or obligations of a partner arising prior to withdrawal or dissolution and winding up, and the guarantee provided for in this subparagraph shall apply only to conduct that occurred prior to the withdrawal or dissolution and winding up. Nothing contained in this subparagraph shall affect or impair the rights or obligations of the partners among themselves, or the partnership, including, but not limited to, rights of contribution, subrogation, or indemnification.

(D) Confirming, pursuant to the procedure in subdivision (c), that, as of the most recently completed fiscal year of the partnership, it had a net worth equal to or exceeding ten million dollars (\$10,000,000).

(b) For purposes of satisfying the security requirements of this section, a registered limited liability partnership or foreign limited liability partnership may aggregate the security provided by it pursuant to subparagraphs (A), (B), (C), and (D) of paragraph (1) of subdivision (a), subparagraphs (A), (B), (C), and (D) of paragraph (2) of subdivision (a), subparagraphs (A), (B), (C), and (D) of paragraph (3) of subdivision (a), or subparagraphs (A), (B), (C), and (D) of paragraph (4) of subdivision (a), as the case may be. Any registered limited liability partnership or foreign limited liability partnership intending to comply with the alternative security provisions set forth in subparagraph (D) of paragraph (1) of subdivision (a), subparagraph (D) of paragraph (2) of subdivision (a), subparagraph (D) of paragraph (3) of subdivision (a), or subparagraph (D) of paragraph (4) of subdivision (a), shall furnish the following information to the Secretary of State's office, in the manner prescribed in, and accompanied by all information required by, the applicable section:

TRANSMITTAL FORM FOR EVIDENCING COMPLIANCE
WITH SECTION 16956(a)(1)(D), SECTION 16956(a)(2)(D),
SECTION 16956(a)(3)(D), OR SECTION 16956(a)(4)(D) OF THE
CALIFORNIA CORPORATIONS CODE

The undersigned hereby confirms the following:

1.

Name of registered or foreign limited liability partnership

2. _____
Jurisdiction where partnership is organized
3. _____
Address of principal office
4. The registered or foreign limited liability partnership chooses to satisfy the requirements of Section 16956 by confirming, pursuant to Section 16956(a)(1)(D), 16956(a)(2)(D), 16956(a)(3)(D), or 16956(a)(4)(D) and pursuant to Section 16956(c), that, as of the most recently completed fiscal year, the partnership had a net worth equal to or exceeding ten million dollars (\$10,000,000), in the case of a partnership providing accountancy services, fifteen million dollars (\$15,000,000), in the case of a partnership providing legal services, or ten million dollars (\$10,000,000), in the case of a partnership providing architectural services, engineering services, or land surveying services.
5. _____
Title of authorized person executing this form
6. _____
Signature of authorized person executing this form

(c) Pursuant to subparagraph (D) of paragraph (1) of subdivision (a), subparagraph (D) of paragraph (2) of subdivision (a), subparagraph (D) of paragraph (3) of subdivision (a), or subparagraph (D) of paragraph (4) of subdivision (a), a registered limited liability partnership or foreign limited liability partnership may satisfy the requirements of this section by confirming that, as of the last day of its most recently completed fiscal year, it had a net worth equal to or exceeding the amount required. In order to comply with this alternative method of meeting the requirements established in this section, a registered limited liability partnership or foreign limited liability partnership shall file an annual confirmation with the Secretary of State's office, signed by an authorized member of the registered limited liability partnership or foreign limited liability partnership, accompanied by a transmittal form as prescribed by subdivision (b). In order to be current in a given year, the partnership form for confirming compliance with the optional security requirement shall be on file within four months of the completion of the fiscal year and, upon being filed, shall constitute full compliance with the financial security requirements for purposes of this section as of the beginning of the fiscal year. A confirmation filed during any particular fiscal year shall continue to be effective for the first four months of the next succeeding fiscal year.

(d) Neither the existence of the requirements of subdivision (a) nor the extent of the registered limited liability partnership's or foreign limited liability partnership's compliance with the alternative requirements in this section shall be admissible in court or in any way be made known to a jury

or other trier of fact in determining an issue of liability for, or to the extent of, the damages in question.

(e) Notwithstanding any other provision of this section, if a registered limited liability partnership or foreign limited liability partnership is otherwise in compliance with the terms of this section at the time that a bankruptcy or other insolvency proceeding is commenced with respect to the registered limited liability partnership or foreign limited liability partnership, it shall be deemed to be in compliance with this section during the pendency of the proceeding. A registered limited liability partnership that has been the subject of a proceeding and that conducts business after the proceeding ends shall thereafter comply with paragraph (1), (2), (3), or (4) of subdivision (a), in order to obtain the limitations on liability afforded by subdivision (c) of Section 16306.

(f) This section shall remain in effect only until January 1, 2034, and as of that date is repealed.

SEC. 13. Section 16956 of the Corporations Code, as amended by Section 8 of Chapter 150 of the Statutes of 2018, is amended to read:

16956. (a) At the time of registration pursuant to Section 16953, in the case of a registered limited liability partnership, and Section 16959, in the case of a foreign limited liability partnership, and at all times during which those partnerships shall transact intrastate business, every registered limited liability partnership and foreign limited liability partnership, as the case may be, shall be required to provide security for claims against it as follows:

(1) For claims based upon acts, errors, or omissions arising out of the practice of public accountancy, a registered limited liability partnership or foreign limited liability partnership providing accountancy services shall comply with one, or pursuant to subdivision (b) some combination, of the following:

(A) Maintaining a policy or policies of insurance against liability imposed on or against it by law for damages arising out of claims; however, the total aggregate limit of liability under the policy or policies of insurance for partnerships with five or fewer licensed persons shall not be less than one million dollars (\$1,000,000), and for partnerships with more than five licensees rendering professional services on behalf of the partnership, an additional one hundred thousand dollars (\$100,000) of insurance shall be obtained for each additional licensee; however, the maximum amount of insurance is not required to exceed five million dollars (\$5,000,000) in any one designated period, less amounts paid in defending, settling, or discharging claims as set forth in this subparagraph. The policy or policies may be issued on a claims-made or occurrence basis, and shall cover: (i) in the case of a claims-made policy, claims initially asserted in the designated period, and (ii) in the case of an occurrence policy, occurrences during the designated period. For purposes of this subparagraph, "designated period" means a policy year or any other period designated in the policy that is not greater than 12 months. The impairment or exhaustion of the aggregate limit of liability by amounts paid under the policy in connection with the settlement, discharge, or defense of claims applicable to a designated period

shall not require the partnership to acquire additional insurance coverage for that designated period. The policy or policies of insurance may be in a form reasonably available in the commercial insurance market and may be subject to those terms, conditions, exclusions, and endorsements that are typically contained in those policies. A policy or policies of insurance maintained pursuant to this subparagraph may be subject to a deductible or self-insured retention.

Upon the dissolution and winding up of the partnership, the partnership shall, with respect to any insurance policy or policies then maintained pursuant to this subparagraph, maintain or obtain an extended reporting period endorsement or equivalent provision in the maximum total aggregate limit of liability required to comply with this subparagraph for a minimum of three years if reasonably available from the insurer.

(B) Maintaining in trust or bank escrow, cash, bank certificates of deposit, United States Treasury obligations, bank letters of credit, or bonds of insurance or surety companies as security for payment of liabilities imposed by law for damages arising out of all claims; however, the maximum amount of security for partnerships with five or fewer licensed persons shall not be less than one million dollars (\$1,000,000), and for partnerships with more than five licensees rendering professional services on behalf of the partnership, an additional one hundred thousand dollars (\$100,000) of security shall be obtained for each additional licensee; however, the maximum amount of security is not required to exceed five million dollars (\$5,000,000). The partnership remains in compliance with this section during a calendar year notwithstanding amounts paid during that calendar year from the accounts, funds, Treasury obligations, letters of credit, or bonds in defending, settling, or discharging claims of the type described in this paragraph, provided that the amount of those accounts, funds, Treasury obligations, letters of credit, or bonds was at least the amount specified in the preceding sentence as of the first business day of that calendar year. Notwithstanding the pendency of other claims against the partnership, a registered limited liability partnership or foreign limited liability partnership shall be deemed to be in compliance with this subparagraph as to a claim if within 30 days after the time that a claim is initially asserted through service of a summons, complaint, or comparable pleading in a judicial or administrative proceeding, the partnership has provided the required amount of security by designating and segregating funds in compliance with the requirements of this subparagraph.

(C) Unless the partnership has satisfied subparagraph (D), each partner of a registered limited liability partnership or foreign limited liability partnership providing accountancy services, by virtue of that person's status as a partner, thereby automatically guarantees payment of the difference between the maximum amount of security required for the partnership by this paragraph and the security otherwise provided in accordance with subparagraphs (A) and (B), provided that the aggregate amount paid by all partners under these guarantees shall not exceed the difference. Neither withdrawal by a partner nor the dissolution and winding up of the partnership

shall affect the rights or obligations of a partner arising prior to withdrawal or dissolution and winding up, and the guarantee provided for in this subparagraph shall apply only to conduct that occurred prior to the withdrawal or dissolution and winding up. Nothing contained in this subparagraph shall affect or impair the rights or obligations of the partners among themselves, or the partnership, including, but not limited to, rights of contribution, subrogation, or indemnification.

(D) Confirming, pursuant to the procedure in subdivision (c), that, as of the most recently completed fiscal year of the partnership, it had a net worth equal to or exceeding ten million dollars (\$10,000,000).

(2) For claims based upon acts, errors, or omissions arising out of the practice of law, a registered limited liability partnership or foreign limited liability partnership providing legal services shall comply with one, or pursuant to subdivision (b) some combination, of the following:

(A) Each registered limited liability partnership or foreign limited liability partnership providing legal services shall maintain a policy or policies of insurance against liability imposed on or against it by law for damages arising out of claims; however, the total aggregate limit of liability under the policy or policies of insurance for partnerships with five or fewer licensed persons shall not be less than one million dollars (\$1,000,000), and for partnerships with more than five licensees rendering professional services on behalf of the partnership, an additional one hundred thousand dollars (\$100,000) of insurance shall be obtained for each additional licensee; however, the maximum amount of insurance is not required to exceed seven million five hundred thousand dollars (\$7,500,000) in any one designated period, less amounts paid in defending, settling, or discharging claims as set forth in this subparagraph. The policy or policies may be issued on a claims-made or occurrence basis, and shall cover (i) in the case of a claims-made policy, claims initially asserted in the designated period, and (ii) in the case of an occurrence policy, occurrences during the designated period. For purposes of this subparagraph, "designated period" means a policy year or any other period designated in the policy that is not greater than 12 months. The impairment or exhaustion of the aggregate limit of liability by amounts paid under the policy in connection with the settlement, discharge, or defense of claims applicable to a designated period shall not require the partnership to acquire additional insurance coverage for that designated period. The policy or policies of insurance may be in a form reasonably available in the commercial insurance market and may be subject to those terms, conditions, exclusions, and endorsements that are typically contained in those policies. A policy or policies of insurance maintained pursuant to this subparagraph may be subject to a deductible or self-insured retention.

Upon the dissolution and winding up of the partnership, the partnership shall, with respect to any insurance policy or policies then maintained pursuant to this subparagraph, maintain or obtain an extended reporting period endorsement or equivalent provision in the maximum total aggregate

limit of liability required to comply with this subparagraph for a minimum of three years if reasonably available from the insurer.

(B) Each registered limited liability partnership or foreign limited liability partnership providing legal services shall maintain in trust or bank escrow, cash, bank certificates of deposit, United States Treasury obligations, bank letters of credit, or bonds of insurance or surety companies as security for payment of liabilities imposed by law for damages arising out of all claims; however, the maximum amount of security for partnerships with five or fewer licensed persons shall not be less than one million dollars (\$1,000,000), and for partnerships with more than five licensees rendering professional services on behalf of the partnership, an additional one hundred thousand dollars (\$100,000) of security shall be obtained for each additional licensee; however, the maximum amount of security is not required to exceed seven million five hundred thousand dollars (\$7,500,000). The partnership remains in compliance with this section during a calendar year notwithstanding amounts paid during that calendar year from the accounts, funds, Treasury obligations, letters of credit, or bonds in defending, settling, or discharging claims of the type described in this paragraph, provided that the amount of those accounts, funds, Treasury obligations, letters of credit, or bonds was at least the amount specified in the preceding sentence as of the first business day of that calendar year. Notwithstanding the pendency of other claims against the partnership, a registered limited liability partnership or foreign limited liability partnership shall be deemed to be in compliance with this subparagraph as to a claim if within 30 days after the time that a claim is initially asserted through service of a summons, complaint, or comparable pleading in a judicial or administrative proceeding, the partnership has provided the required amount of security by designating and segregating funds in compliance with the requirement of this subparagraph.

(C) Unless the partnership has satisfied the requirements of subparagraph (D), each partner of a registered limited liability partnership or foreign limited liability partnership providing legal services, by virtue of that person's status as a partner, thereby automatically guarantees payment of the difference between the maximum amount of security required for the partnership by this paragraph and the security otherwise provided in accordance with the provisions of subparagraphs (A) and (B), provided that the aggregate amount paid by all partners under these guarantees shall not exceed the difference. Neither withdrawal by a partner nor the dissolution and winding up of the partnership shall affect the rights or obligations of a partner arising prior to withdrawal or dissolution and winding up, and the guarantee provided for in this subparagraph shall apply only to conduct that occurred prior to the withdrawal or dissolution and winding up. Nothing contained in this subparagraph shall affect or impair the rights or obligations of the partners among themselves, or the partnership, including, but not limited to, rights of contribution, subrogation, or indemnification.

(D) Confirming, pursuant to the procedure in subdivision (c), that, as of the most recently completed fiscal year of the partnership, it had a net worth equal to or exceeding fifteen million dollars (\$15,000,000).

(b) For purposes of satisfying the security requirements of this section, a registered limited liability partnership or foreign limited liability partnership may aggregate the security provided by it pursuant to subparagraphs (A), (B), (C), and (D) of paragraph (1) of subdivision (a) or subparagraphs (A), (B), (C), and (D) of paragraph (2) of subdivision (a) as the case may be. Any registered limited liability partnership or foreign limited liability partnership intending to comply with the alternative security provisions set forth in subparagraph (D) of paragraph (1) of subdivision (a) or subparagraph (D) of paragraph (2) of subdivision (a) shall furnish the following information to the Secretary of State's office, in the manner prescribed in, and accompanied by all information required by, the applicable section:

TRANSMITTAL FORM FOR EVIDENCING COMPLIANCE
WITH SECTION 16956(a)(1)(D) or SECTION 16956(a)(2)(D) OF THE
CALIFORNIA
CORPORATIONS CODE

The undersigned hereby confirms the following:

1. _____
Name of registered or foreign limited liability partnership
2. _____
Jurisdiction where partnership is organized
3. _____
Address of principal office
4. The registered or foreign limited liability partnership chooses to satisfy the requirements of Section 16956 by confirming, pursuant to Section 16956(a)(1)(D) or 16956(a)(2)(D) and pursuant to Section 16956(c), that, as of the most recently completed fiscal year, the partnership had a net worth equal to or exceeding ten million dollars (\$10,000,000), in the case of a partnership providing accountancy services or fifteen million dollars (\$15,000,000) in the case of a partnership providing legal services.
5. _____
Title of authorized person executing this form
6. _____
Signature of authorized person executing this form

(c) Pursuant to subparagraph (D) of paragraph (1) of subdivision (a) or subparagraph (D) of paragraph (2) of subdivision (a), a registered limited liability partnership or foreign limited liability partnership may satisfy the requirements of this section by confirming that, as of the last day of its most recently completed fiscal year, it had a net worth equal to or exceeding the amount required. In order to comply with this alternative method of meeting the requirements established in this section, a registered limited liability

partnership or foreign limited liability partnership shall file an annual confirmation with the Secretary of State's office, signed by an authorized member of the registered limited liability partnership or foreign limited liability partnership, accompanied by a transmittal form as prescribed by subdivision (b). In order to be current in a given year, the partnership form for confirming compliance with the optional security requirement shall be on file within four months of the completion of the fiscal year and, upon being filed, shall constitute full compliance with the financial security requirements for purposes of this section as of the beginning of the fiscal year. A confirmation filed during any particular fiscal year shall continue to be effective for the first four months of the next succeeding fiscal year.

(d) Neither the existence of the requirements of subdivision (a) nor the extent of the registered limited liability partnership's or foreign limited liability partnership's compliance with the alternative requirements in this section shall be admissible in court or in any way be made known to a jury or other trier of fact in determining an issue of liability for, or to the extent of, the damages in question.

(e) Notwithstanding any other provision of this section, if a registered limited liability partnership or foreign limited liability partnership is otherwise in compliance with the terms of this section at the time that a bankruptcy or other insolvency proceeding is commenced with respect to the registered limited liability partnership or foreign limited liability partnership, it shall be deemed to be in compliance with this section during the pendency of the proceeding. A registered limited liability partnership that has been the subject of a proceeding and that conducts business after the proceeding ends shall thereafter comply with paragraph (1) or (2) of subdivision (a), in order to obtain the limitations on liability afforded by subdivision (c) of Section 16306.

(f) This section shall become operative on January 1, 2034.

SEC. 14. Section 16959 of the Corporations Code, as amended by Section 113 of Chapter 617 of the Statutes of 2022, is amended to read:

16959. (a) (1) Before transacting intrastate business in this state, a foreign limited liability partnership shall comply with all statutory and administrative registration or filing requirements of the state board, commission, or agency that prescribes the rules and regulations governing a particular profession in which the partnership proposes to be engaged, pursuant to the applicable provisions of the Business and Professions Code relating to the profession or applicable rules adopted by the governing board. A foreign limited liability partnership that transacts intrastate business in this state shall within 30 days after the effective date of the act enacting this section or the date on which the foreign limited liability partnership first transacts intrastate business in this state, whichever is later, register with the Secretary of State by submitting to the Secretary of State an application for registration as a foreign limited liability partnership, signed by a person with authority to do so under the laws of the jurisdiction of formation of the foreign limited liability partnership, stating the name of the partnership, the street address of its principal office, the mailing address of the principal

office if different from the street address, the name and street address of its agent for service of process in this state in accordance with subdivision (a) of Section 16309, a brief statement of the business in which the partnership engages, and any other matters that the partnership determines to include.

(2) Annexed to the application for registration shall be a certificate from an authorized public official of the foreign limited liability partnership's jurisdiction of organization to the effect that the foreign limited liability partnership is in good standing in that jurisdiction, if the laws of that jurisdiction permit the issuance of those certificates, or, in the alternative, a statement by the foreign limited liability partnership that the laws of its jurisdiction of organization do not permit the issuance of those certificates.

(b) The registration shall be accompanied by a fee as set forth in subdivision (b) of Section 12189 of the Government Code.

(c) If the Secretary of State finds that an application for registration conforms to law and all requisite fees have been paid, the Secretary of State shall issue a certificate of registration to transact intrastate business in this state.

(d) The Secretary of State may cancel the filing of the registration if a check or other remittance accepted in payment of the filing fee is not paid upon presentation. Within 90 days of receiving written notification that the item presented for payment has not been honored for payment, the Secretary of State shall give a first written notice of the applicability of this section to the agent for service of process or to the person submitting the instrument. Thereafter, if the amount has not been paid by cashier's check or equivalent, the Secretary of State shall give a second written notice of cancellation and the cancellation shall thereupon be effective. The second notice shall be given 20 days or more after the first notice.

(e) A partnership becomes registered as a foreign limited liability partnership at the time of the filing of the initial registration with the Secretary of State or at any later date or time specified in the registration and the payment of the fee required by subdivision (b). A partnership continues to be registered as a foreign limited liability partnership until a notice that it is no longer so registered as a foreign limited liability partnership has been filed pursuant to Section 16960 or, if applicable, once it has been dissolved and finally wound up. The status of a partnership registered as a foreign limited liability partnership and the liability of a partner of that foreign limited liability partnership shall not be adversely affected by errors or subsequent changes in the information stated in an application for registration under subdivision (a) or an amended registration or notice under Section 16960.

(f) The fact that a registration or amended registration pursuant to Section 16960 is on file with the Secretary of State is notice that the partnership is a foreign limited liability partnership and of those other facts contained therein that are required to be set forth in the registration or amended registration.

(g) The Secretary of State shall provide a form for a registration under subdivision (a), which shall include the form for confirming compliance

with the optional security requirement pursuant to subdivision (c) of Section 16956. The Secretary of State shall include with instructional materials, provided in conjunction with the form for registration under subdivision (a), a notice that filing the registration will obligate the limited liability partnership to pay an annual tax for that taxable year to the Franchise Tax Board pursuant to Section 17948 of the Revenue and Taxation Code. That notice shall be updated annually to specify the dollar amount of this tax.

(h) A foreign limited liability partnership transacting intrastate business in this state shall not maintain any action, suit, or proceeding in any court of this state until it has registered in this state pursuant to this section.

(i) Any foreign limited liability partnership that transacts intrastate business in this state without registration is subject to a penalty of twenty dollars (\$20) for each day that unauthorized intrastate business is transacted, up to a maximum of ten thousand dollars (\$10,000).

(j) A partner of a foreign limited liability partnership is not liable for the debts or obligations of the foreign limited liability partnership solely by reason of its having transacted business in this state without registration.

(k) A foreign limited liability partnership, transacting business in this state without registration, appoints the Secretary of State as its agent for service of process with respect to causes of action arising out of the transaction of business in this state.

(l) "Transact intrastate business" as used in this section means to repeatedly and successively provide professional limited liability partnership services in this state, other than in interstate or foreign commerce.

(m) Without excluding other activities that may not be considered to be transacting intrastate business, a foreign limited liability partnership shall not be considered to be transacting intrastate business merely because its subsidiary or affiliate transacts intrastate business, or merely because of its status as any one or more of the following:

- (1) A shareholder of a domestic corporation.
- (2) A shareholder of a foreign corporation transacting intrastate business.
- (3) A limited partner of a foreign limited partnership transacting intrastate business.

- (4) A limited partner of a domestic limited partnership.
- (5) A member or manager of a foreign limited liability company transacting intrastate business.
- (6) A member or manager of a domestic limited liability company.

(n) Without excluding other activities that may not be considered to be transacting intrastate business, a foreign limited liability partnership shall not be considered to be transacting intrastate business within the meaning of this subdivision solely by reason of carrying on in this state any one or more of the following activities:

(1) Maintaining or defending any action or suit or any administrative or arbitration proceeding, or effecting the settlement thereof or the settlement of claims or disputes.

(2) Holding meetings of its partners or carrying on any other activities concerning its internal affairs.

- (3) Maintaining bank accounts.
- (4) Maintaining offices or agencies for the transfer, exchange, and registration of the foreign limited liability partnership's securities or maintaining trustees or depositories with respect to those securities.
- (5) Effecting sales through independent contractors.
- (6) Soliciting or procuring orders, whether by mail or through employees or agents or otherwise, where those orders require acceptance without this state before becoming binding contracts.
- (7) Creating or acquiring evidences of debt or mortgages, liens, or security interest in real or personal property.
- (8) Securing or collecting debts or enforcing mortgages and security interests in property securing the debts.
- (9) Conducting an isolated transaction that is completed within 180 days and not in the course of a number of repeated transactions of a like nature.
- (o) A person shall not be deemed to be transacting intrastate business in this state merely because of its status as a partner of a registered limited liability partnership or a foreign limited liability company whether or not registered to transact intrastate business in this state.
- (p) The Attorney General may bring an action to restrain a foreign limited liability partnership from transacting intrastate business in this state in violation of this chapter.
- (q) Nothing in this section is intended to, or shall, augment, diminish, or otherwise alter existing provisions of law, statutes, or court rules relating to services by a California architect, California public accountant, California engineer, California land surveyor, or California attorney in another jurisdiction, or services by an out-of-state architect, out-of-state public accountant, out-of-state engineer, out-of-state land surveyor, or out-of-state attorney in California.
- (r) An agent designated for service of process may deliver to the Secretary of State, on a form prescribed by the Secretary of State for filing, a signed and acknowledged written statement of resignation as an agent for service of process containing the name of the foreign limited liability partnership and Secretary of State's file number of the foreign limited liability partnership, the name of the resigning agent for service of process, and a statement that the agent is resigning. On filing of the statement of resignation, the authority of the agent to act in that capacity shall cease and the Secretary of State shall mail or otherwise provide written notice of the filing of the statement of resignation to the foreign limited liability partnership at its principal office.
- (s) The resignation of an agent may be effective if, on a form prescribed by the Secretary of State containing the name of the foreign limited liability partnership and Secretary of State's file number for the foreign limited liability partnership and the name of the agent for service of process, the agent disclaims having been properly appointed as the agent.
- (t) If an individual who has been designated agent for service of process dies or resigns or no longer resides in the state, or if the corporate agent for that purpose resigns, dissolves, withdraws from the state, forfeits its right

to transact intrastate business, has its corporate rights, powers, and privileges suspended, or ceases to exist, the foreign limited liability partnership shall promptly file an amended application for registration as a foreign limited liability partnership designating a new agent.

(u) The Secretary of State may destroy or otherwise dispose of any resignation filed pursuant to this section after a new application for registration as a foreign limited liability partnership is filed pursuant to this section replacing the agent for service of process that has resigned.

(v) This section shall remain in effect only until January 1, 2034, and as of that date is repealed.

SEC. 15. Section 16959 of the Corporations Code, as amended by Section 114 of Chapter 617 of the Statutes of 2022, is amended to read:

16959. (a) (1) Before transacting intrastate business in this state, a foreign limited liability partnership shall comply with all statutory and administrative registration or filing requirements of the state board, commission, or agency that prescribes the rules and regulations governing a particular profession in which the partnership proposes to be engaged, pursuant to the applicable provisions of the Business and Professions Code relating to the profession or applicable rules adopted by the governing board. A foreign limited liability partnership that transacts intrastate business in this state shall within 30 days after the effective date of the act enacting this section or the date on which the foreign limited liability partnership first transacts intrastate business in this state, whichever is later, register with the Secretary of State by submitting to the Secretary of State an application for registration as a foreign limited liability partnership, signed by a person with authority to do so under the laws of the jurisdiction of formation of the foreign limited liability partnership, stating the name of the partnership, the street address of its principal office, the mailing address of the principal office if different from the street address, the name and street address of its agent for service of process in this state in accordance with subdivision (a) of Section 16309, a brief statement of the business in which the partnership engages, and any other matters that the partnership determines to include.

(2) Annexed to the application for registration shall be a certificate from an authorized public official of the foreign limited liability partnership's jurisdiction of organization to the effect that the foreign limited liability partnership is in good standing in that jurisdiction, if the laws of that jurisdiction permit the issuance of those certificates, or, in the alternative, a statement by the foreign limited liability partnership that the laws of its jurisdiction of organization do not permit the issuance of those certificates.

(b) The registration shall be accompanied by a fee as set forth in subdivision (b) of Section 12189 of the Government Code.

(c) If the Secretary of State finds that an application for registration conforms to law and all requisite fees have been paid, the Secretary of State shall issue a certificate of registration to transact intrastate business in this state.

(d) The Secretary of State may cancel the filing of the registration if a check or other remittance accepted in payment of the filing fee is not paid

upon presentation. Within 90 days of receiving written notification that the item presented for payment has not been honored for payment, the Secretary of State shall give a first written notice of the applicability of this section to the agent for service of process or to the person submitting the instrument. Thereafter, if the amount has not been paid by cashier's check or equivalent, the Secretary of State shall give a second written notice of cancellation and the cancellation shall thereupon be effective. The second notice shall be given 20 days or more after the first notice.

(e) A partnership becomes registered as a foreign limited liability partnership at the time of the filing of the initial registration with the Secretary of State or at any later date or time specified in the registration and the payment of the fee required by subdivision (b). A partnership continues to be registered as a foreign limited liability partnership until a notice that it is no longer so registered as a foreign limited liability partnership has been filed pursuant to Section 16960 or, if applicable, once it has been dissolved and finally wound up. The status of a partnership registered as a foreign limited liability partnership and the liability of a partner of that foreign limited liability partnership shall not be adversely affected by errors or subsequent changes in the information stated in an application for registration under subdivision (a) or an amended registration or notice under Section 16960.

(f) The fact that a registration or amended registration pursuant to Section 16960 is on file with the Secretary of State is notice that the partnership is a foreign limited liability partnership and of those other facts contained therein that are required to be set forth in the registration or amended registration.

(g) The Secretary of State shall provide a form for a registration under subdivision (a), which shall include the form for confirming compliance with the optional security requirement pursuant to subdivision (c) of Section 16956. The Secretary of State shall include with instructional materials, provided in conjunction with the form for registration under subdivision (a), a notice that filing the registration will obligate the limited liability partnership to pay an annual tax for that taxable year to the Franchise Tax Board pursuant to Section 17948 of the Revenue and Taxation Code. That notice shall be updated annually to specify the dollar amount of this tax.

(h) A foreign limited liability partnership transacting intrastate business in this state shall not maintain any action, suit, or proceeding in any court of this state until it has registered in this state pursuant to this section.

(i) Any foreign limited liability partnership that transacts intrastate business in this state without registration is subject to a penalty of twenty dollars (\$20) for each day that unauthorized intrastate business is transacted, up to a maximum of ten thousand dollars (\$10,000).

(j) A partner of a foreign limited liability partnership is not liable for the debts or obligations of the foreign limited liability partnership solely by reason of its having transacted business in this state without registration.

(k) A foreign limited liability partnership, transacting business in this state without registration, appoints the Secretary of State as its agent for

service of process with respect to causes of action arising out of the transaction of business in this state.

(l) "Transact intrastate business" as used in this section means to repeatedly and successively provide professional limited liability partnership services in this state, other than in interstate or foreign commerce.

(m) Without excluding other activities that may not be considered to be transacting intrastate business, a foreign limited liability partnership shall not be considered to be transacting intrastate business merely because its subsidiary or affiliate transacts intrastate business, or merely because of its status as any one or more of the following:

(1) A shareholder of a domestic corporation.

(2) A shareholder of a foreign corporation transacting intrastate business.

(3) A limited partner of a foreign limited partnership transacting intrastate business.

(4) A limited partner of a domestic limited partnership.

(5) A member or manager of a foreign limited liability company transacting intrastate business.

(6) A member or manager of a domestic limited liability company.

(n) Without excluding other activities that may not be considered to be transacting intrastate business, a foreign limited liability partnership shall not be considered to be transacting intrastate business within the meaning of this subdivision solely by reason of carrying on in this state any one or more of the following activities:

(1) Maintaining or defending any action or suit or any administrative or arbitration proceeding, or effecting the settlement thereof or the settlement of claims or disputes.

(2) Holding meetings of its partners or carrying on any other activities concerning its internal affairs.

(3) Maintaining bank accounts.

(4) Maintaining offices or agencies for the transfer, exchange, and registration of the foreign limited liability partnership's securities or maintaining trustees or depositories with respect to those securities.

(5) Effecting sales through independent contractors.

(6) Soliciting or procuring orders, whether by mail or through employees or agents or otherwise, where those orders require acceptance without this state before becoming binding contracts.

(7) Creating or acquiring evidences of debt or mortgages, liens, or security interest in real or personal property.

(8) Securing or collecting debts or enforcing mortgages and security interests in property securing the debts.

(9) Conducting an isolated transaction that is completed within 180 days and not in the course of a number of repeated transactions of a like nature.

(o) A person shall not be deemed to be transacting intrastate business in this state merely because of its status as a partner of a registered limited liability partnership or a foreign limited liability company whether or not registered to transact intrastate business in this state.

(p) The Attorney General may bring an action to restrain a foreign limited liability partnership from transacting intrastate business in this state in violation of this chapter.

(q) Nothing in this section is intended to, or shall, augment, diminish, or otherwise alter existing provisions of law, statutes, or court rules relating to services by a California public accountant or California attorney in another jurisdiction, or services by an out-of-state public accountant or out-of-state attorney in California.

(r) An agent designated for service of process may deliver to the Secretary of State, on a form prescribed by the Secretary of State for filing, a signed and acknowledged written statement of resignation as an agent for service of process containing the name of the foreign limited liability partnership and Secretary of State's file number of the foreign limited liability partnership, the name of the resigning agent for service of process, and a statement that the agent is resigning. On filing of the statement of resignation, the authority of the agent to act in that capacity shall cease and the Secretary of State shall mail or otherwise provide written notice of the filing of the statement of resignation to the foreign limited liability partnership at its principal office.

(s) The resignation of an agent may be effective if, on a form prescribed by the Secretary of State containing the name and Secretary of State's file number for the foreign limited liability partnership and the name of the agent for service of process, the agent disclaims having been properly appointed as the agent.

(t) If an individual who has been designated agent for service of process dies or resigns or no longer resides in the state, or if the corporate agent for that purpose resigns, dissolves, withdraws from the state, forfeits its right to transact intrastate business, has its corporate rights, powers, and privileges suspended, or ceases to exist, the foreign limited liability partnership shall promptly file an amended application for registration as a foreign limited liability partnership designating a new agent.

(u) The Secretary of State may destroy or otherwise dispose of any resignation filed pursuant to this section after a new application for registration as a foreign limited liability partnership is filed pursuant to this section replacing the agent for service of process that has resigned.

(v) This section shall become operative on January 1, 2034.

SEC. 16. Sections 1.5, 2.5, 3.5, and 4.5 of this bill incorporate amendments to Sections 6738 and 8729 of the Business and Professions Code proposed by both this bill and Assembly Bill 3253. Those sections of this bill shall only become operative if (1) both bills are enacted and become effective on or before January 1, 2025, (2) each bill amends Sections 6738 and 8729 of the Business and Professions Code, and (3) this bill is enacted after Assembly Bill 3253, in which case Sections 1, 2, 3, and 4 of this bill shall not become operative.

O

AB 2862 (Gipson, D-Los Angeles County)
Department of Consumer Affairs: African American applicants.

Status/History: 7/01/2024 – Set for hearing; canceled at request of the Author

Location: 6/17/2024 –Senate Committee on Business, Professions and Economic Development and Judiciary Committees.

Introduced: 2/15/2024

Amended: 4/17/2024

Board Position: Watch (as of May 9, 2024)

Board Staff Analysis: 10/09/2024

Bill Summary: This bill would amend the Business and Professions Code by adding a section to the general Business and Professions Code to require a board to prioritize African American applicants seeking licenses, especially applicants who are descended from a person enslaved in the United States and establishes a sunset date of January 1, 2029 unless reenacted.

Affected Laws: An act to add a new section to the Business and Professions Code, relating to applicants for a license. Language was revised on April 17, 2024 to instead add the proposed language as a new section 115.7.

Staff Comment: According to the author’s office, this bill seeks to establish expedited review of applications submitted by individuals who identify as African American who are descended from a person enslaved in the United States, in similar fashion as those statutes which were previously enacted to assist members of the military or spouses of members of the military.

The Author states:

“AB 2862 would provide an imperative initiative of the prioritization of African Americans when seeking occupational licenses, especially those who are descendants of slaves. There has been historical long-standing deficiencies and internal barriers to African Americans seeking professional work, and by prioritizing their applications, we are bridging the gap of professional inequities of under representation and under compensation.”

ARGUMENTS IN OPPOSITION UNLESS AMENDED: The Respiratory Care Board (RCB) of California opposes this bill unless amended. RCB identifies “two areas of concern.” First, RCB points to the significant time and expense that will be required to identify applicants as African American, and especially to determine if they are descended from a person enslaved in the United States. Second, RCB points out that the time needed to identify a person as a descendant of enslaved persons will slow down the application processing, “which appears to conflict with the bill’s intent.” Therefore, RCB asks for an amendment that would “allow for self-identification of African American ethnicity by the applicant, as well as the inclusion of a provision that requires the applicant to provide evidence that he or she is the descendant of a person enslaved in the United States.”

Board staff generally agrees with the stated concerns for RCB's position and believes that our Board already attempts to expedite all applications since the Board's current license processes does not discriminate in any way as there is no identification of ethnicity on the Board's applications. Additionally, it is important to note that unlike applicants for some other licensing boards/bureaus under DCA, applicants for engineering, land surveying, and geology licenses are required to demonstrate a history of qualifying work experience and those applicants are not just entering the workforce.

Staff has stated an "unknown fiscal impact" position to DCA Budgets and Legislative Units since we do not know what the Board would be required to do to comply with this section and do not know how many applicants, if any, would be affected by this section.

Staff Recommendation: No action needed at this time.

AMENDED IN ASSEMBLY APRIL 17, 2024
California legislature—2023-24 regular session

ASSEMBLY BILL

No. 2862

Introduced by Assembly Member Gipson
(Coauthors: Assembly Members Juan Carrillo and Lowenthal)

February 15, 2024

An act to add ~~Division 1.1 (commencing with Section 473) to and repeal Section 115.7 of the Business and Professions Code, relating to professions and vocations.~~

legislative counsel's digest

AB 2862, as amended, Gipson. ~~Licenses—Department of Consumer Affairs:~~ African American applicants.

~~Existing law prescribes requirements for licensure and regulation of various businesses and professions, including healing arts and real estate businesses and professions, by various boards, bureaus, commissions, committees, and departments. establishes the Department of Consumer Affairs, which is composed of specified boards that license and regulate various professions.~~

This bill would require *those* boards to prioritize African American applicants seeking licenses under these provisions, especially applicants who are descended from a person enslaved in the United States. The bill would ~~define various terms for these purposes. repeal those provisions on January 1, 2029.~~

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 115.7 is added to the Business and
2 Professions Code, to read:

3 115.7. (a) Notwithstanding any other law, a board shall
4 prioritize African American applicants seeking licenses, especially
5 applicants who are descended from a person enslaved in the United
6 States.

7 (b) This section shall remain in effect only until January 1, 2029,
8 and as of that date is repealed.

9 SECTION 1. ~~Division 1.1 (commencing with Section 473) is~~
10 ~~added to the Business and Professions Code, to read:~~

11
12 DIVISION 1.1. PRIORITIZATION OF LICENSES

13
14 473. ~~(a) For purposes of this division:~~

15 (1) ~~“Board” includes “bureau,” “commission,” “committee,”~~
16 ~~“department,” “division,” “examining committee,” “program,”~~
17 ~~and “agency.”~~

18 (2) ~~“License” includes certificate, registration, or other means~~
19 ~~to engage in a business or profession regulated by this code.~~

20 (b) ~~Notwithstanding any other law, a board shall prioritize~~
21 ~~African American applicants seeking licenses, especially applicants~~
22 ~~who are descended from a person enslaved in the United States.~~

AB 3176 (Hoover, R-Sacramento)

Professional land surveyors: surveying practices: monuments and corner accessories.

Status/History: 5/09/2024 – Passed Assembly and referred to Senate.

Location: 5/22/2024 – Referred to Senate Committee on Business, Professions and Economic Development Committee.

Introduced: 2/16/2024

Amended: 4/17/2024 Amended and Passed by Asm. B&P Com.

Board Position: Support (as of May 9, 2024)

Board Staff Analysis: 10/09/2024

Bill Summary: Existing law (Business and Professions Code section 8773.3) requires a land surveyor or legally-authorized civil engineer, when filing a corner record with the county surveyor or engineer of the county where the corner is situated, to ensure a corner accessory or monument is reconstructed or rehabilitated so that it remains permanently fixed, as specified. This bill would amend this section to require a land surveyor or legally-authorized civil engineer, when using a monument or corner accessory with a physical condition that is less than permanent and durable as control in any survey, to reconstruct or rehabilitate the monument or corner accessory to a permanent condition, as specified.

Affected Laws: An act to amend section 8773.3 of the Business and Professions Code, relating to land surveying.

Staff Comment: Assembly Bill (AB) 3176 is sponsored by the California Land Surveyors Association (CLSA). According to the author's office, CLSA has indicated that Section 8773.3 relates to the obligation of licensed land surveyors and civil engineers to "reconstruct and rehabilitate" monuments found to be in poor condition when surveyors are creating "corner records" intended for filing with counties. The purpose of this law is for surveyors to preserve monuments located while creating maps, so they can be found by later surveyors while performing services. This preservation is essential in creating exact boundaries for the location of properties. CLSA believes present law limits the rehabilitation requirement to circumstances where a corner record is created for filing with counties and does not extend to the creation of other maps, including records of survey and subdivision maps. The law is too narrow as it excludes important mapping performed by surveyors which are not "corner records." AB 3176 removes the limitation to "corner records intended for filing" on the types of monuments which must be preserved; thus, covering every situation where a monument is necessary. This bill will broaden the requirement for licensed land surveyors and registered civil engineers to rehabilitate monuments found to be in ill-repair. Preserving monuments will enhance the ability of future professionals to locate and incorporate the monuments in their mapping services.

Board staff generally agrees with the stated reasons for these proposed amendments. However, there are concerns with the language as proposed. The term "permanent" can lead to issues between surveyors over whether one believes the monument is permanent and another who believes it is not, and sometimes these issues come to the Board in the form of complaints. Board staff believes a better term to use would be "durable." The would provide for permanently

preserving the location of the monument by ensuring that a durable monument exists or is caused to exist in that permanent location as is reasonably possible. As such, Board staff recommends the Board take a position of “Oppose Unless Amended” on AB 3176 and direct staff to work with the sponsor and author on the language.

At the Board’s March 7, 2024 meeting, the Board took the position of Oppose Unless Amended with direction to staff to discuss with the author and sponsor of the bill the concern discussed by the Board. Board staff sent a letter to the author’s office and met with representatives of the sponsor which resulted in the sponsor recommending revisions to language which was discussed in the Business & Professions Committee analysis. Board staff believes the committee revisions reflect the discussion between Board staff and sponsor representatives which would address the Board’s concerns.

6/17/2024 Update: Staff sent the Author and Sunset Committees a letter on 6/03/2024 indicating the Board’s support of the 4/17/2024 amendments.

8/12/2024 Update: Proposed language was included in AB 3253 by Sunset Committees in agreement with Author.

Staff Recommendation: No action needed at this time.

AMENDED IN ASSEMBLY APRIL 17, 2024
California legislature—2023-24 regular session

ASSEMBLY BILL

No. 3176

Introduced by Assembly Member Hoover

February 16, 2024

An act to amend ~~section~~ *Section* 8773.3 of the Business and Professions Code, relating to land surveying.

legislative counsel's digest

AB 3176, as amended, Hoover. Professional land surveyors: surveying practices: monuments and corner accessories.

The Professional Land Surveyors' Act provides for the licensure and regulation of land surveyors by the Board for Professional Engineers, Land Surveyors, and Geologists, which is within the Department of Consumer Affairs, and requires any person practicing, or offering to practice, land surveying in the state to submit evidence that they are qualified to practice and to be licensed under the act. Among other things, the act requires a land surveyor, when filing a corner record with the county surveyor or engineer of the county where the corner is situated, to ensure a corner accessory or monument is reconstructed or rehabilitated so that it remains permanently fixed, as specified.

This bill would instead require a land surveyor, when using a monument ~~or corner accessory~~ with a physical condition that is less than permanent and durable as control in any survey, to reconstruct or rehabilitate the monument ~~or corner accessory~~ to a permanent condition, as specified.

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

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

1 SECTION 1. Section 8773.3 of the Business and Professions
2 Code is amended to read:
3 8773.3. In every case where a monument-~~or corner accessory~~
4 is found with a physical condition that is less than permanent and
5 durable, the licensed land surveyor or registered civil engineer
6 using that monument-~~or corner accessory~~ as control in any survey
7 shall reconstruct or rehabilitate the monument-~~or corner~~, so that
8 the same shall be left by them in such physical condition that it
9 remains as permanent a monument-~~or corner accessory~~ as is
10 reasonably possible and so that the same may be reasonably
11 expected to be located with facility at all times in the future.

O

**AB 3253 (Assembly Committee on Business and Professions)
Board for Professional Engineers, Land Surveyors, and Geologists: appointments:
removal.**

Status/History: 9/25/2024 – Chaptered

Location: 9/25/2024 – Chapter 588, Statutes 2024

Introduced: 2/16/2024

Amended: 6/25/2024

Board Position: Support (as of June 27, 2024)

Board Staff Analysis: 10/09/2024

Bill Summary: Existing law establishes the Board for Professional Engineers, Land Surveyors, and Geologists within the Department of Consumer Affairs for the licensure and regulation of those professions. Under existing law, the Board consists of 15 members, including eight public members and seven professional members appointed by the Governor, one public member appointed by the Senate Committee on Rules, and one public member appointed by the Speaker of the Assembly, as prescribed. Existing law (specifically, Business and Professions Code section 6713) authorizes the Governor to remove any member of the Board for misconduct, incompetency, or neglect of duty. This bill would amend that section to instead refer to Business and Professions Code section 106, which provides that the appointing authority has power to remove from office at any time any member of any board appointed by the appointing authority for continued neglect of duties required by law, or for incompetence, or unprofessional or dishonorable conduct.

Affected Laws: An act to amend Section 6713 of the Business and Professions Code, relating to professions and vocations.

Staff Comment: Assembly Bill (AB) 3253 makes a minor change to the Professional Engineers Act regarding the removal of Board members for certain specific reasons. The proposed amendments would delete the specific reasons and instead refer to Section 106, which is a general provision of the Business and Professions Code that address removal of Board members for certain specific reasons.

Updated Staff Comment: on April 18, 2024, the Asm. B&P Com. held a hearing which Board staff testified at. B&P Committee staff analysis accepted all Board suggested revisions as provided in the Board's Response to the Background Paper. Revised language passed B&P Com. and sent to Com. on Appropriations.

6/17/2024 Staff Update: on June 13, 2024, the Senate B,P&ED Com. proposed amendments to the Board's three Acts based on discussions with the Board related to eligibility of appointed board members, and stakeholder groups who had concerns with unlicensed activity (Sunset Background Paper Issue #8)

6/26/2024 Staff Update: On June 25, 2024, the Senate BP&ED Com. made amendments to the Board's three Acts related to documentary evidence to support compliance for licensees to offer services under a business structure and additionally included amendments formerly proposed under AB 3176 (Hoover) related to land surveying monuments.

10/09/2024 Update: This bill was signed by the Governor and chaptered to become effective January 1, 2025.

Staff Recommendation: No action necessary at this time.

Assembly Bill No. 3253

CHAPTER 588

An act to amend Sections 130, 6710, 6711, 6713, 6714, 6738, 6749, 6755, 6755.1, 6763.5, 6787, 7839.2, 7872, 8710, 8729, 8748.5, 8759, 8773.3, and 8792 of, and to add and repeal Section 8771.6 of, the Business and Professions Code, relating to professions and vocations.

[Approved by Governor September 25, 2024. Filed with
Secretary of State September 25, 2024.]

legislative counsel's digest

AB 3253, Berman. Board for Professional Engineers, Land Surveyors, and Geologists: licensees: professional land surveyors: surveying practices: monuments and corner accessories.

(1) Existing law establishes the Board for Professional Engineers, Land Surveyors, and Geologists (board), which is within the Department of Consumer Affairs, to license and regulate engineers under the Professional Engineers Act, to license and regulate land surveyors under the Professional Land Surveyors' Act, and to license and regulate geologists and geophysicists under the Geologist and Geophysicist Act. Existing law requires the board to appoint an executive officer. Existing law repeals the provisions establishing the board, requiring the board to appoint an executive officer, and vesting the board with the power to administer these provisions on January 1, 2025.

This bill would extend these repeal dates to January 1, 2029.

(2) Under existing law, the board consists of 15 members. Existing law requires the term of office of any member of specified agencies, including the board, to be for a term of 4 years expiring on June 1. Existing law also requires each member to be at least 30 years of age.

This bill would remove the term and age requirements for members of the board.

(3) Existing law authorizes the Governor to remove any member of the board for misconduct, incompetency, or neglect of duty.

This bill would delete that provision, and would instead authorize each appointing authority to remove from office at any time any member of the board appointed by that appointing authority for continued neglect of duties required by law, or for incompetence, or unprofessional or dishonorable conduct.

(4) Existing law regulates the examination for applicants for licensure as a professional engineer, including by requiring the exam duration and composition to be designed to conform to a specified general principle, consisting of two divisions. Existing law authorizes the board, by rule, to provide for a waiver of the second division of the examination for certain

eminently qualified persons. Existing law requires the board to administer questions to test the applicant's knowledge of seismic principles and engineering surveying principles as a separate part of the second division of the examination for registration as a civil engineer.

This bill would authorize the board, by rule, to provide for a waiver of any part of the second division of the examination for certain eminently qualified persons. The bill would instead require the board to administer questions to test the applicant's knowledge of seismic principles and engineering surveying principles as separate parts of the second division of the examination for registration as a civil engineer.

(5) Existing law authorizes the board to refund to applicants for licensure as a professional engineer, for certification as an engineer-in-training, for authorization to use the title "structural engineer" or "soil engineer," for license as a land surveyor, or for certification as a land surveyor-in-training who the board finds lack the qualifications for such license, certification, or authorization, one-half of the amount of their application fee.

This bill would, instead, authorize the board to refund to the above-described applicants their examination fee.

(6) The Professional Engineers Act makes it a misdemeanor for a person to present or attempt to file as the person's own the certificate of licensure of a licensed professional engineer unless they are the person named on the certificate of licensure, to give false evidence of any kind to the board, or to any board member, in obtaining a certificate of licensure, to impersonate or use the seal, signature, or license number of a licensed professional engineer or use a false license number, or to use an expired, suspended, surrendered, or revoked license.

This bill would expand these misdemeanors to include persons who present or attempt to file as the person's own certificate of an engineer-in-training, give false evidence of any kind to the board, or to any board member, in obtaining a certificate as an engineer-in-training, impersonate or use the certificate number of an engineer-in-training or uses a false certificate, or use an expired, suspended, surrendered, or revoked certificate. By expanding the scope of a crime under the act, this bill would impose a state-mandated local program.

(7) The Geologist and Geophysicist Act makes certain acts a misdemeanor, punishable by a fine of not more than one thousand dollars (\$1,000) or by imprisonment not to exceed three months, or by both fine and imprisonment, including to present or attempt to file as their own the certificate of registration of another person, to give false evidence of any kind to the board, or to any board member, in obtaining a certificate of registration, to impersonate or use the seal, signature, or license number of any professional geologist, certified specialty geologist, professional geophysicist, or certified specialty geophysicist or use a false license number, or use an expired, suspended, surrendered, or revoked license.

This bill would remove the above-described provisions relating to fines and imprisonment and, instead, make it a misdemeanor to present or attempt to file as their own the certificate of a geologist-in-training or the license

of a professional geologist, certified specialty geologist, a professional geophysicist, or a certified specialty geophysicist unless they are the person named on the certificate or the license. The bill would also make it a misdemeanor to give false evidence of any kind to the board, or to any board member, in obtaining a certificate or a license, to impersonate or use the certificate number of a geologist-in-training or use a false certificate, or use an expired, suspended, surrendered or revoked certificate. By expanding the scope of a crime under the act, the bill would impose a state-mandated local program.

(8) The Professional Land Surveyors' Act makes it a misdemeanor to presents as their own the license of a professional land surveyor unless they are the person named on the license, give false evidence of any kind to the board, or to any board member, in obtaining a license, impersonate or use the seal, signature, or license number of a professional land surveyor or use a false license number, or use an expired, suspended, surrendered, or revoked license.

This bill would expand these misdemeanors to include persons who present as their own the certificate of a land surveyor-in-training unless they are the person named on the certificate, give false evidence of any kind to the board, or to any board member, in obtaining a certificate, impersonate or use the certificate number of a land surveyor-in-training or uses a false certificate, or use an expired, suspended, surrendered, or revoked certificate. By expanding the scope of a crime under the act, the bill would impose a state-mandated local program.

(9) Existing law requires professional engineers, professional geologists or professional geophysicists, and licensed land surveyors or licensed civil engineers authorized to practice land surveying to use a written contract when contracting to provide their respective services to a client. Existing law requires those contracts to include specified information, including, among other things, a description of the services to be provided to the client.

This bill would additionally require those contracts to include disclosure of any existence of a current professional liability insurance policy covering the professional engineer, professional geologist or professional geophysicist, or licensed land surveyor or licensed civil engineer in responsible charge of the services.

(10) Existing law authorizes one or more civil, electrical, or mechanical engineers to practice or offer to practice, within the scope of their license, civil, electrical, or mechanical engineering as a business, as defined, if certain requirements are met, including that the engineer currently licensed is an owner, partner, or officer in charge of the engineering practice of the business, and that all civil, electrical, or mechanical engineering services are performed by, or under the responsible charge of, a professional engineer licensed in the appropriate branch of professional engineering. Existing law also requires all businesses engaged in rendering civil, electrical, or mechanical engineering services to file a current organization record form with the board.

This bill would require those businesses to file, in addition to the above-described form, documentary evidence that demonstrates compliance with the above-described requirements.

(11) Existing law authorizes one or more licensed land surveyors or civil engineers licensed before 1982 to practice or offer to practice, within the scope of their licensure, land surveying as a business, as defined, if certain conditions are satisfied, including that the land surveyor or civil engineer currently licensed is an owner, partner, or officer in charge of the land surveying practice of the business, and that all land surveying services are performed by or under the responsible charge of a land surveyor or civil engineer. Existing law also requires all businesses engaged in rendering professional land surveying services to file a current organization record form with the board.

This bill would require those businesses to file, in addition to the above-described form, documentary evidence that demonstrates compliance with the above-described requirements.

(12) Existing law requires any person practicing, or offering to practice, land surveying in the state to submit evidence that they are qualified to practice and to be licensed under these provisions. Existing law requires a land surveyor, when filing a corner record with the county surveyor or engineer of the county where the corner is situated, to ensure a corner accessory or monument is reconstructed or rehabilitated so that it remains permanently fixed, as specified.

This bill would make a nonsubstantive change to those provisions, and would, until January 1, 2029, require a land surveyor or registered civil engineer using any monument as a control, to similarly reconstruct or rehabilitate that monument.

(13) Existing law makes any violation of the Professional Land Surveyors' Act a misdemeanor.

By expanding the scope of practices subject to the Professional Land Surveyors' Act, 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.

(14) This bill would incorporate additional changes to Sections 6738 and 8729 of the Business and Professions Code proposed by AB 1862 to be operative only if this bill and AB 1862 are enacted and this bill is enacted last.

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

SECTION 1. Section 130 of the Business and Professions Code is amended to read:

130. (a) Notwithstanding any other law, the term of office of any member of an agency designated in subdivision (b) shall be for a term of four years expiring on June 1.

(b) Subdivision (a) applies to the following boards or committees:

- (1) The Medical Board of California.
- (2) The Podiatric Medical Board of California.
- (3) The Physical Therapy Board of California.
- (4) The Board of Registered Nursing, except as provided in subdivision

(c) of Section 2703.

- (5) The Board of Vocational Nursing and Psychiatric Technicians.
- (6) The California State Board of Optometry.
- (7) The California State Board of Pharmacy.
- (8) The Veterinary Medical Board.
- (9) The California Architects Board.
- (10) The Landscape Architect Technical Committee.
- (11) The Contractors State License Board.
- (12) The Board of Behavioral Sciences.
- (13) The Court Reporters Board of California.
- (14) The State Athletic Commission.
- (15) The Osteopathic Medical Board of California.
- (16) The Respiratory Care Board of California.
- (17) The Acupuncture Board.
- (18) The Board of Psychology.
- (19) The Structural Pest Control Board.

SEC. 2. Section 6710 of the Business and Professions Code is amended to read:

6710. (a) There is in the Department of Consumer Affairs a Board for Professional Engineers, Land Surveyors, and Geologists, which consists of 15 members.

(b) Any reference in any law or regulation to the Board of Registration for Professional Engineers and Land Surveyors, or the Board for Professional Engineers and Land Surveyors, is deemed to refer to the Board for Professional Engineers, Land Surveyors, and Geologists.

(c) This section shall remain in effect only until January 1, 2029, and as of that date is repealed. Notwithstanding any other law, the repeal of this section renders the board subject to review by the appropriate policy committees of the Legislature.

SEC. 3. Section 6711 of the Business and Professions Code is amended to read:

6711. Each member of the board shall be a citizen of the United States. Five members shall be registered under this chapter. One member shall be licensed under the Professional Land Surveyors' Act, Chapter 15 (commencing with Section 8700), one member shall be licensed under the Geologist and Geophysicist Act, Chapter 12.5 (commencing with Section 7800), and eight shall be public members who are not registered under this act, licensed under the Geologist and Geophysicist Act, or licensed under the Professional Land Surveyors' Act. Each member, except the public

members, shall have at least 12 years active experience and shall be of good standing in their profession. Each member shall have been a resident of this state for at least five years immediately preceding their appointment.

SEC. 4. Section 6713 of the Business and Professions Code is amended to read:

6713. Each appointing authority shall have the power to remove from office at any time any member of the board appointed by that authority pursuant to Section 106.

SEC. 5. Section 6714 of the Business and Professions Code is amended to read:

6714. The board shall appoint an executive officer at a salary to be fixed and determined by the board with the approval of the Director of Finance.

This section shall remain in effect only until January 1, 2029, and as of that date is repealed.

SEC. 6. Section 6738 of the Business and Professions Code, as amended by Section 1 of Chapter 302 of the Statutes of 2022, is amended to read:

6738. (a) This chapter does not prohibit one or more civil, electrical, or mechanical engineers from practicing or offering to practice, within the scope of their license, civil (including geotechnical and structural), electrical, or mechanical engineering as a sole proprietorship, partnership, limited liability partnership, firm, or corporation (hereinafter called business), if all of the following requirements are met:

(1) A civil, electrical, or mechanical engineer currently licensed in this state is an owner, partner, or officer in charge of the engineering practice of the business.

(2) All civil, electrical, or mechanical engineering services are performed by, or under the responsible charge of, a professional engineer licensed in the appropriate branch of professional engineering.

(3) If the business name of a California engineering business contains the name of any person, then that person shall be licensed as a professional engineer, a licensed land surveyor, a licensed architect, or a geologist registered under the Geologist and Geophysicist Act (Chapter 12.5 (commencing with Section 7800)). Any offer, promotion, or advertisement by the business that contains the name of any individual in the business, other than by use of the name of an individual in the business name, shall clearly and specifically designate the license or registration discipline of each individual named.

(b) An out-of-state business with a branch office in this state shall meet the requirements of subdivisions (a) and (h) and shall have an owner, partner, or officer who is in charge of the engineering work in the branch in this state, who is licensed in this state, and who is physically present at the branch office in this state on a regular basis. However, the name of the business may contain the name of any person not licensed in this state if that person is appropriately registered or licensed in another state. Any offer, promotion, or advertisement that contains the name of any individual in the business, other than by use of the names of the individuals in the business name, shall

clearly and specifically designate the license or registration discipline of each individual named.

(c) The business name of a California engineering business may be a fictitious name. However, if the fictitious name includes the name of any person, the requirements of paragraph (3) of subdivision (a) shall be met.

(d) A person not licensed under this chapter may also be a partner or an officer of a civil, electrical, or mechanical engineering business if the requirements of subdivision (a) are met. This section does not permit a person who is not licensed under this chapter to be the sole owner of a civil, electrical, or mechanical engineering business, unless otherwise exempt under this chapter.

(e) This section shall not prevent the use of the name of any business engaged in rendering civil, electrical, or mechanical engineering services, including the use by any lawful successor or survivor, that lawfully was in existence on December 31, 1987. However, the business is subject to paragraphs (1) and (2) of subdivision (a).

(f) A business engaged in rendering civil, electrical, or mechanical engineering services may use in its name the name of a deceased or retired person provided all of the following conditions are satisfied:

(1) The person's name had been used in the name of the business, or a predecessor in interest of the business, before and after the death or retirement of the person.

(2) The person shall have been an owner, partner, or officer of the business, or an owner, partner, or officer of the predecessor in interest of the business.

(3) The person shall have been licensed as a professional engineer, or a land surveyor, or an architect, or a geologist, (A) by the appropriate licensing board if that person is operating a place of business or practice in this state, or (B) by the applicable state board if no place of business existed in this state.

(4) The person, if retired, has consented to the use of the name and does not permit the use of the name in the title of another professional engineering business in this state during the period of the consent. However, the retired person may use their name as the name of a new or purchased business if it is not identical in every respect to that person's name as used in the former business.

(5) The business shall be subject to the provisions of paragraphs (1) and (2) of subdivision (a).

(g) This section does not affect the provisions of Sections 6731.2 and 8726.1.

(h) (1) A current organization record form shall be filed with the board for all businesses engaged in rendering civil, electrical, or mechanical engineering services.

(2) The filing of the organization record form described in paragraph (1) shall be accompanied by documentary evidence that demonstrates compliance with the provisions described in paragraphs (1) and (2) of subdivision (a).

(i) This section shall remain in effect only until January 1, 2026, and as of that date is repealed.

SEC. 6.5. Section 6738 of the Business and Professions Code, as amended by Section 1 of Chapter 302 of the Statutes of 2022, is amended to read:

6738. (a) This chapter does not prohibit one or more civil, electrical, or mechanical engineers from practicing or offering to practice, within the scope of their license, civil (including geotechnical and structural), electrical, or mechanical engineering as a sole proprietorship, partnership, limited liability partnership, firm, or corporation (hereinafter called business), if all of the following requirements are met:

(1) A civil, electrical, or mechanical engineer currently licensed in this state is an owner, partner, or officer in charge of the engineering practice of the business.

(2) All civil, electrical, or mechanical engineering services are performed by, or under the responsible charge of, a professional engineer licensed in the appropriate branch of professional engineering.

(3) If the business name of a California engineering business contains the name of any person, then that person shall be licensed as a professional engineer, a licensed land surveyor, a licensed architect, or a geologist registered under the Geologist and Geophysicist Act (Chapter 12.5 (commencing with Section 7800)). Any offer, promotion, or advertisement by the business that contains the name of any individual in the business, other than by use of the name of an individual in the business name, shall clearly and specifically designate the license or registration discipline of each individual named.

(b) An out-of-state business with a branch office in this state shall meet the requirements of subdivisions (a) and (h) and shall have an owner, partner, or officer who is in charge of the engineering work in the branch in this state, who is licensed in this state, and who is physically present at the branch office in this state on a regular basis. However, the name of the business may contain the name of any person not licensed in this state if that person is appropriately registered or licensed in another state. Any offer, promotion, or advertisement that contains the name of any individual in the business, other than by use of the names of the individuals in the business name, shall clearly and specifically designate the license or registration discipline of each individual named.

(c) The business name of a California engineering business may be a fictitious name. However, if the fictitious name includes the name of any person, the requirements of paragraph (3) of subdivision (a) shall be met.

(d) A person not licensed under this chapter may also be a partner or an officer of a civil, electrical, or mechanical engineering business if the requirements of subdivision (a) are met. This section does not permit a person who is not licensed under this chapter to be the sole owner of a civil, electrical, or mechanical engineering business, unless otherwise exempt under this chapter.

(e) This section shall not prevent the use of the name of any business engaged in rendering civil, electrical, or mechanical engineering services, including the use by any lawful successor or survivor, that lawfully was in existence on December 31, 1987. However, the business is subject to paragraphs (1) and (2) of subdivision (a).

(f) A business engaged in rendering civil, electrical, or mechanical engineering services may use in its name the name of a deceased or retired person provided all of the following conditions are satisfied:

(1) The person's name had been used in the name of the business, or a predecessor in interest of the business, before and after the death or retirement of the person.

(2) The person shall have been an owner, partner, or officer of the business, or an owner, partner, or officer of the predecessor in interest of the business.

(3) The person shall have been licensed as a professional engineer, or a land surveyor, or an architect, or a geologist, (A) by the appropriate licensing board if that person is operating a place of business or practice in this state, or (B) by the applicable state board if no place of business existed in this state.

(4) The person, if retired, has consented to the use of the name and does not permit the use of the name in the title of another professional engineering business in this state during the period of the consent. However, the retired person may use their name as the name of a new or purchased business if it is not identical in every respect to that person's name as used in the former business.

(5) The business shall be subject to the provisions of paragraphs (1) and (2) of subdivision (a).

(g) This section does not affect the provisions of Sections 6731.2 and 8726.1.

(h) (1) A current organization record form shall be filed with the board for all businesses engaged in rendering civil, electrical, or mechanical engineering services.

(2) The filing of the organization record form described in paragraph (1) shall be accompanied by documentary evidence that demonstrates compliance with the provisions described in paragraphs (1) and (2) of subdivision (a).

(i) This section shall remain in effect only until January 1, 2034, and as of that date is repealed.

SEC. 7. Section 6738 of the Business and Professions Code, as amended by Section 2 of Chapter 302 of the Statutes of 2022, is amended to read:

6738. (a) This chapter does not prohibit one or more civil, electrical, or mechanical engineers from practicing or offering to practice within the scope of their license civil (including geotechnical and structural), electrical, or mechanical engineering as a sole proprietorship, partnership, firm, or corporation (hereinafter called business), if all of the following requirements are met:

(1) A civil, electrical, or mechanical engineer currently licensed in this state is an owner, partner, or officer in charge of the engineering practice of the business.

(2) All civil, electrical, or mechanical engineering services are performed by, or under the responsible charge of, a professional engineer licensed in the appropriate branch of professional engineering.

(3) If the business name of a California engineering business contains the name of any person, then that person shall be licensed as a professional engineer, a licensed land surveyor, a licensed architect, or a geologist registered under the Geologist and Geophysicist Act (Chapter 12.5 (commencing with Section 7800)). Any offer, promotion, or advertisement by the business that contains the name of any individual in the business, other than by use of the name of an individual in the business name, shall clearly and specifically designate the license or registration discipline of each individual named.

(b) An out-of-state business with a branch office in this state shall meet the requirements of subdivisions (a) and (h) and shall have an owner, partner, or officer who is in charge of the engineering work in the branch in this state, who is licensed in this state, and who is physically present at the branch office in this state on a regular basis. However, the name of the business may contain the name of any person not licensed in this state if that person is appropriately registered or licensed in another state. Any offer, promotion, or advertisement that contains the name of any individual in the business, other than by use of the names of the individuals in the business name, shall clearly and specifically designate the license or registration discipline of each individual named.

(c) The business name of a California engineering business may be a fictitious name. However, if the fictitious name includes the name of any person, the requirements of paragraph (3) of subdivision (a) shall be met.

(d) A person not licensed under this chapter may also be a partner or an officer of a civil, electrical, or mechanical engineering business if the requirements of subdivision (a) are met. This section does not permit a person who is not licensed under this chapter to be the sole owner of a civil, electrical, or mechanical engineering business, unless otherwise exempt under this chapter.

(e) This section shall not prevent the use of the name of any business engaged in rendering civil, electrical, or mechanical engineering services, including the use by any lawful successor or survivor, that lawfully was in existence on December 31, 1987. However, the business is subject to paragraphs (1) and (2) of subdivision (a).

(f) A business engaged in rendering civil, electrical, or mechanical engineering services may use in its name the name of a deceased or retired person provided all of the following conditions are satisfied:

(1) The person's name had been used in the name of the business, or a predecessor in interest of the business, before and after the death or retirement of the person.

(2) The person shall have been an owner, partner, or officer of the business, or an owner, partner, or officer of the predecessor in interest of the business.

(3) The person shall have been licensed as a professional engineer, or a land surveyor, or an architect, or a geologist, (A) by the appropriate licensing board if that person is operating a place of business or practice in this state, or (B) by the applicable state board if no place of business existed in this state.

(4) The person, if retired, has consented to the use of the name and does not permit the use of the name in the title of another professional engineering business in this state during the period of the consent. However, the retired person may use their name as the name of a new or purchased business if it is not identical in every respect to that person's name as used in the former business.

(5) The business shall be subject to the provisions of paragraphs (1) and (2) of subdivision (a).

(g) This section does not affect the provisions of Sections 6731.2 and 8726.1.

(h) (1) A current organization record form shall be filed with the board for all businesses engaged in rendering civil, electrical, or mechanical engineering services.

(2) The filing of the organization record form described in paragraph (1) shall be accompanied by documentary evidence that demonstrates compliance with the provisions described in paragraphs (1) and (2) of subdivision (a).

(i) This section shall become operative on January 1, 2026.

SEC. 7.5. Section 6738 of the Business and Professions Code, as amended by Section 2 of Chapter 302 of the Statutes of 2022, is amended to read:

6738. (a) This chapter does not prohibit one or more civil, electrical, or mechanical engineers from practicing or offering to practice within the scope of their license civil (including geotechnical and structural), electrical, or mechanical engineering as a sole proprietorship, partnership, firm, or corporation (hereinafter called business), if all of the following requirements are met:

(1) A civil, electrical, or mechanical engineer currently licensed in this state is an owner, partner, or officer in charge of the engineering practice of the business.

(2) All civil, electrical, or mechanical engineering services are performed by, or under the responsible charge of, a professional engineer licensed in the appropriate branch of professional engineering.

(3) If the business name of a California engineering business contains the name of any person, then that person shall be licensed as a professional engineer, a licensed land surveyor, a licensed architect, or a geologist registered under the Geologist and Geophysicist Act (Chapter 12.5 (commencing with Section 7800)). Any offer, promotion, or advertisement by the business that contains the name of any individual in the business,

other than by use of the name of an individual in the business name, shall clearly and specifically designate the license or registration discipline of each individual named.

(b) An out-of-state business with a branch office in this state shall meet the requirements of subdivisions (a) and (h) and shall have an owner, partner, or officer who is in charge of the engineering work in the branch in this state, who is licensed in this state, and who is physically present at the branch office in this state on a regular basis. However, the name of the business may contain the name of any person not licensed in this state if that person is appropriately registered or licensed in another state. Any offer, promotion, or advertisement that contains the name of any individual in the business, other than by use of the names of the individuals in the business name, shall clearly and specifically designate the license or registration discipline of each individual named.

(c) The business name of a California engineering business may be a fictitious name. However, if the fictitious name includes the name of any person, the requirements of paragraph (3) of subdivision (a) shall be met.

(d) A person not licensed under this chapter may also be a partner or an officer of a civil, electrical, or mechanical engineering business if the requirements of subdivision (a) are met. This section does not permit a person who is not licensed under this chapter to be the sole owner of a civil, electrical, or mechanical engineering business, unless otherwise exempt under this chapter.

(e) This section shall not prevent the use of the name of any business engaged in rendering civil, electrical, or mechanical engineering services, including the use by any lawful successor or survivor, that lawfully was in existence on December 31, 1987. However, the business is subject to paragraphs (1) and (2) of subdivision (a).

(f) A business engaged in rendering civil, electrical, or mechanical engineering services may use in its name the name of a deceased or retired person provided all of the following conditions are satisfied:

(1) The person's name had been used in the name of the business, or a predecessor in interest of the business, before and after the death or retirement of the person.

(2) The person shall have been an owner, partner, or officer of the business, or an owner, partner, or officer of the predecessor in interest of the business.

(3) The person shall have been licensed as a professional engineer, or a land surveyor, or an architect, or a geologist, (A) by the appropriate licensing board if that person is operating a place of business or practice in this state, or (B) by the applicable state board if no place of business existed in this state.

(4) The person, if retired, has consented to the use of the name and does not permit the use of the name in the title of another professional engineering business in this state during the period of the consent. However, the retired person may use their name as the name of a new or purchased business if

it is not identical in every respect to that person's name as used in the former business.

(5) The business shall be subject to the provisions of paragraphs (1) and (2) of subdivision (a).

(g) This section does not affect the provisions of Sections 6731.2 and 8726.1.

(h) (1) A current organization record form shall be filed with the board for all businesses engaged in rendering civil, electrical, or mechanical engineering services.

(2) The filing of the organization record form described in paragraph (1) shall be accompanied by documentary evidence that demonstrates compliance with the provisions described in paragraphs (1) and (2) of subdivision (a).

(i) This section shall become operative on January 1, 2034.

SEC. 8. Section 6749 of the Business and Professions Code is amended to read:

6749. (a) A professional engineer shall use a written contract when contracting to provide professional engineering services to a client pursuant to this chapter. The written contract shall be executed by the professional engineer and the client or the client's representative prior to the professional engineer commencing work, unless the client knowingly states in writing that work may be commenced before the contract is executed. The written contract shall include, but not be limited to, all of the following:

(1) A description of the services to be provided to the client by the professional engineer.

(2) A description of any basis of compensation applicable to the contract, and the method of payment agreed upon by the parties.

(3) The name, address, and license or certificate number of the professional engineer, and the name and address of the client.

(4) A description of the procedure that the professional engineer and the client will use to accommodate additional services.

(5) A description of the procedure to be used by both parties to terminate the contract.

(6) Disclosure of any existence of a current professional liability insurance policy covering the professional engineer in responsible charge of the services.

(b) This section shall not apply to any of the following:

(1) Professional engineering services rendered by a professional engineer for which the client will not pay compensation.

(2) A professional engineer who has a current or prior contractual relationship with the client to provide engineering services, and that client has paid the professional engineer all of the fees that are due under the contract.

(3) If the client knowingly states in writing after full disclosure of this section that a contract which complies with the requirements of this section is not required.

(4) Professional engineering services rendered by a professional engineer to any of the following:

(A) A professional engineer licensed or registered under this chapter.

(B) A land surveyor licensed under Chapter 15 (commencing with Section 8700).

(C) An architect licensed under Chapter 3 (commencing with Section 5500).

(D) A contractor licensed under Chapter 9 (commencing with Section 7000).

(E) A geologist or a geophysicist licensed under Chapter 12.5 (commencing with Section 7800).

(F) A manufacturing, mining, public utility, research and development, or other industrial corporation, if the services are provided in connection with or incidental to the products, systems, or services of that corporation or its affiliates.

(G) A public agency.

(c) "Written contract" as used in this section includes a contract that is in electronic form.

SEC. 9. Section 6755 of the Business and Professions Code is amended to read:

6755. (a) Examination duration and composition shall be designed to conform to the following general principle: The first division of the examination shall test the applicant's knowledge of appropriate fundamental engineering subjects, including mathematics and the basic sciences; the second division of the examination shall test the applicant's ability to apply their knowledge and experience and to assume responsible charge in the professional practice of the branch of engineering in which the applicant is being examined.

(b) The board may by rule provide for a waiver of the first division of the examination for applicants whose education and experience qualifications substantially exceed the requirements of subdivision (a) of Section 6751.

(c) The board may by rule provide for a waiver of any part of the second division of the examination for persons eminently qualified for licensure in this state by virtue of their standing in the engineering community, their years of experience, and those other qualifications as the board deems appropriate.

SEC. 10. Section 6755.1 of the Business and Professions Code is amended to read:

6755.1. (a) The second division of the examination for registration as a professional engineer shall include questions to test the applicant's knowledge of state laws and the board's rules and regulations regulating the practice of professional engineering. The board shall administer the test on state laws and board rules regulating the practice of engineering in this state as a separate part of the second division of the examination for registration as a professional engineer.

(b) On and after April 1, 1988, the second division of the examination for registration as a civil engineer shall also include questions to test the

applicant's knowledge of seismic principles and engineering surveying principles as defined in Section 6731.1. No registration for a civil engineer shall be issued by the board on or after January 1, 1988, to any applicant unless they have successfully completed questions to test their knowledge of seismic principles and engineering surveying principles.

The board shall administer the questions to test the applicant's knowledge of seismic principles and engineering surveying principles as separate parts of the second division of the examination for registration as a civil engineer. It is the intent of the Legislature that this section confirm the authority of the board to issue registrations prior to April 1, 1988, to applicants based on examinations not testing the applicant's knowledge of seismic principles and engineering surveying principles as defined in Section 6731.1.

SEC. 11. Section 6763.5 of the Business and Professions Code is amended to read:

6763.5. If an applicant for licensure as a professional engineer, for certification as an engineer-in-training, or for authorization to use the title "structural engineer" or "soil engineer" is found by the board to lack the qualifications required for admission to the examination for such licensure, certification, or authorization, the board may, in accordance with the provisions of Section 158 of this code, refund to them their examination fee.

SEC. 12. Section 6787 of the Business and Professions Code is amended to read:

6787. A person who does any of the following is guilty of a misdemeanor:

(a) Unless the person is exempt from licensure under this chapter, practices or offers to practice civil, electrical, or mechanical engineering in this state according to this chapter without legal authorization.

(b) Presents or attempts to file as the person's own the certificate of an engineer-in-training or the certificate of licensure of a licensed professional engineer unless they are the person named on the certificate.

(c) Gives false evidence of any kind to the board, or to any board member, in obtaining a certificate as an engineer-in-training or a certificate of licensure.

(d) Impersonates or uses the seal, signature, or license number of a licensed professional engineer or uses a false license number.

(e) Impersonates or uses the certificate number of an engineer-in-training or uses a false certificate.

(f) Uses an expired, suspended, surrendered, or revoked certificate or license.

(g) Represents themselves as, or uses the title of, a licensed or registered civil, electrical, or mechanical engineer, or any other title whereby that person could be considered as practicing or offering to practice civil, electrical, or mechanical engineering in any of its branches, unless they are correspondingly qualified by licensure as a civil, electrical, or mechanical engineer under this chapter.

(h) Unless appropriately licensed, manages, or conducts as manager, proprietor, or agent, any place of business from which civil, electrical, or mechanical engineering work is solicited, performed, or practiced, except as authorized pursuant to Section 8726.1.

(i) Uses the title, or any combination of that title, of “professional engineer,” “licensed engineer,” “registered engineer,” or the branch titles specified in Section 6732, or the authority titles specified in Sections 6736 and 6736.1, or “engineer-in-training,” or makes use of any abbreviation of that title that might lead to the belief that the person is a licensed engineer, is authorized to use the titles specified in Section 6736 or 6736.1, or holds a certificate as an engineer-in-training, without being licensed, authorized, or certified as required by this chapter.

(j) Uses the title “consulting engineer” without being licensed as required by this chapter or without being authorized to use that title pursuant to legislation enacted at the 1963, 1965, or 1968 Regular Session.

(k) Violates any provision of this chapter.

SEC. 13. Section 7839.2 of the Business and Professions Code is amended to read:

7839.2. (a) A professional geologist or professional geophysicist shall use a written contract when contracting to provide geological or geophysical services to a client pursuant to this chapter. The written contract shall be executed by the professional geologist or professional geophysicist and the client or the client’s representative prior to the professional geologist or professional geophysicist commencing work, unless the client states in writing that work may be commenced before the contract is executed. The written contract shall include, but is not limited to, all of the following:

(1) A description of the services to be provided to the client by the professional geologist or professional geophysicist.

(2) A description of any basis of compensation applicable to the contract, and the method of payment agreed upon by the parties.

(3) The name, address, and license or certificate number of the professional geologist or professional geophysicist, and the name and address of the client.

(4) A description of the procedure that the professional geologist or professional geophysicist and the client will use to accommodate additional services.

(5) A description of the procedure to be used by both parties to terminate the contract.

(6) Disclosure of any existence of a current professional liability insurance policy covering the professional geologist or professional geophysicist in responsible charge of the services.

(b) Subdivision (a) shall not apply to any of the following:

(1) Geologic or geophysical services rendered by a professional geologist or professional geophysicist for which the client will not pay compensation.

(2) A geologist or geophysicist who has a current or prior contractual relationship with the client to provide geologic or geophysical services, and

who has already been paid the fees that are due under the contract by the client.

(3) If the client executes a waiver in writing after full disclosure of this section that a contract that complies with the requirements of this section is not required.

(4) Geological or geophysical services rendered by a geologist or geophysicist to any of the following:

(A) A geologist or geophysicist licensed under this chapter.

(B) An engineer licensed under Chapter 7 (commencing with Section 6700).

(C) A land surveyor licensed under Chapter 15 (commencing with Section 8700).

(D) An architect licensed under Chapter 3 (commencing with Section 5500).

(E) A contractor licensed under Chapter 9 (commencing with Section 7000).

(F) A public agency.

(c) As used in this section, "written contract" includes a contract in electronic form.

SEC. 14. Section 7872 of the Business and Professions Code is amended to read:

7872. A person who does any of the following is guilty of a misdemeanor:

(a) Unless the person is exempt from licensure under this chapter, practices or offers to practice geology or geophysics for others in this state according to the provisions of this chapter without legal authorization.

(b) Presents or attempts to file as their own the certificate of a geologist-in-training or the license of a professional geologist, certified specialty geologist, a professional geophysicist, or a certified specialty geophysicist, unless they are the person named on the certificate or the license.

(c) Gives false evidence of any kind to the board, or to any board member, in obtaining a certificate or a license.

(d) Impersonates or uses the seal, signature, or license number of any professional geologist, certified specialty geologist, professional geophysicist, or certified specialty geophysicist or who uses a false license number.

(e) Impersonates or uses the certificate number of a geologist-in-training or who uses a false certificate.

(f) Uses an expired, suspended, surrendered, or revoked certificate or license.

(g) Represents themselves as, or uses the title of, professional geologist, or any other title whereby the person could be considered as practicing or offering to practice geology for others, unless the person is qualified by licensure as a professional geologist under this chapter, or represents themselves as, or uses the title of, professional geophysicist, or any other title whereby the person could be considered as practicing or offering to

practice geophysics for others, unless the person is qualified by licensure as a professional geophysicist under this chapter.

(h) Unless the person is licensed, manages, or conducts as manager, proprietor, or agent, any place of business from which geological or geophysical work is solicited, performed, or practiced for others, except as authorized pursuant to Section 7834.

(i) Uses the title, or any combination of that title, of “professional geologist,” “registered geophysicist,” or “professional geophysicist,” the title of any licensed certified specialty geologist or any licensed certified specialty geophysicist, or “geologist-in-training,” or who makes use of any abbreviation of a title that might lead to the belief that the person is licensed as a geologist, a geophysicist, a certified specialty geologist, or a certified specialty geophysicist, or holds a certificate as a geologist-in-training, without being licensed, licensed and certified, or certified, as required by this chapter.

(j) Violates any provision of this chapter.

SEC. 15. Section 8710 of the Business and Professions Code is amended to read:

8710. (a) The Board for Professional Engineers, Land Surveyors, and Geologists is vested with power to administer the provisions and requirements of this chapter, and may make and enforce rules and regulations that are reasonably necessary to carry out its provisions.

(b) The board may adopt rules and regulations of professional conduct that are not inconsistent with state and federal law. The rules and regulations may include definitions of incompetence and negligence. Every person who holds a license or certificate issued by the board pursuant to this chapter, or a license or certificate issued to a civil engineer pursuant to Chapter 7 (commencing with Section 6700), shall be governed by these rules and regulations.

(c) This section shall remain in effect only until January 1, 2029, and as of that date is repealed. Notwithstanding any other law, the repeal of this section renders the board subject to review by the appropriate policy committees of the Legislature.

SEC. 16. Section 8729 of the Business and Professions Code, as amended by Section 7 of Chapter 302 of the Statutes of 2022, is amended to read:

8729. (a) This chapter does not prohibit one or more licensed land surveyors or civil engineers licensed in this state before 1982 (hereinafter called civil engineers) from practicing or offering to practice, within the scope of their licensure, land surveying as a sole proprietorship, partnership, limited liability partnership, firm, or corporation (hereinafter called business), if the following conditions are satisfied:

(1) A land surveyor or civil engineer currently licensed in the state is an owner, partner, or officer in charge of the land surveying practice of the business.

(2) All land surveying services are performed by or under the responsible charge of a land surveyor or civil engineer.

(3) If the business name of a California land surveying business contains the name of a person, then that person shall be licensed by the board as a land surveyor or licensed by the board in any year as a civil engineer. Any offer, promotion, or advertisement by the business that contains the name of any individual in the business, other than by use of the name of the individual in the business name, shall clearly and specifically designate the license discipline of each individual named.

(b) An out-of-state business with a branch office in this state shall meet the requirements of subdivisions (a) and (h) and shall have an owner, partner, or officer who is in charge of the land surveying work in this state, who is licensed in this state, and who is physically present at the branch office in this state on a regular basis. However, the name of the business may contain the name of a person not licensed in this state, if that person is appropriately licensed or registered in another state. Any offer, promotion, or advertisement that contains the name of any individual in the business, other than by use of the name of the individual in the business name, shall clearly and specifically designate the license or registration discipline of each individual named.

(c) The business name of a California land surveying business may be a fictitious name. However, if the fictitious name includes the names of any person, the requirements of paragraph (3) of subdivision (a) shall be met.

(d) A person not licensed under this chapter or licensed as a civil engineer in this state before 1982 may also be a partner or an officer of a land surveying business if the conditions of subdivision (a) are satisfied. This section does not permit a person who is not licensed under this chapter or licensed as a civil engineer in this state before 1982 to be the sole owner or officer of a land surveying business, unless otherwise exempt under this chapter.

(e) This section shall not prevent the use of the name of any business engaged in rendering land surveying services, including the use by any lawful successor or survivor, that lawfully was in existence on June 1, 1941. However, the business is subject to the provisions of paragraphs (1) and (2) of subdivision (a).

(f) A business engaged in rendering land surveying services may use in its name the name of a deceased or retired person if the following conditions are satisfied:

(1) The person's name had been used in the name of the business, or a predecessor in interest of the business, before the death or retirement of the person.

(2) The person shall have been an owner, partner, or officer of the business, or an owner, partner, or officer of the predecessor in interest of the business.

(3) The person shall have been licensed as a land surveyor or a civil engineer by the board, if operating a place of business or practice in this state, or by an applicable state board in the event no place of business existed in this state.

(4) The person, if retired, has consented to the use of the name and does not permit the use of the name in the title of another land surveying business in this state during the period of that consent, except that a retired person may use their name as the name of a new or purchased business, if that business is not identical in every respect to that person's name as used in the former business.

(5) The business shall be subject to paragraphs (1) and (2) of subdivision (a).

(g) This section does not affect Sections 6731.2 and 8726.1.

(h) (1) A current organization record form shall be filed with the board for all businesses engaged in rendering professional land surveying services.

(2) The filing of the organization record form described in paragraph (1) shall be accompanied by documentary evidence that demonstrates compliance with the provisions described in paragraphs (1) and (2) of subdivision (a).

(i) This section shall remain in effect only until January 1, 2026, and as of that date is repealed.

SEC. 16.5. Section 8729 of the Business and Professions Code, as amended by Section 7 of Chapter 302 of the Statutes of 2022, is amended to read:

8729. (a) This chapter does not prohibit one or more licensed land surveyors or civil engineers licensed in this state before 1982 (hereinafter called civil engineers) from practicing or offering to practice, within the scope of their licensure, land surveying as a sole proprietorship, partnership, limited liability partnership, firm, or corporation (hereinafter called business), if the following conditions are satisfied:

(1) A land surveyor or civil engineer currently licensed in the state is an owner, partner, or officer in charge of the land surveying practice of the business.

(2) All land surveying services are performed by or under the responsible charge of a land surveyor or civil engineer.

(3) If the business name of a California land surveying business contains the name of a person, then that person shall be licensed by the board as a land surveyor or licensed by the board in any year as a civil engineer. Any offer, promotion, or advertisement by the business that contains the name of any individual in the business, other than by use of the name of the individual in the business name, shall clearly and specifically designate the license discipline of each individual named.

(b) An out-of-state business with a branch office in this state shall meet the requirements of subdivisions (a) and (h) and shall have an owner, partner, or officer who is in charge of the land surveying work in this state, who is licensed in this state, and who is physically present at the branch office in this state on a regular basis. However, the name of the business may contain the name of a person not licensed in this state, if that person is appropriately licensed or registered in another state. Any offer, promotion, or advertisement that contains the name of any individual in the business, other than by use of the name of the individual in the business name, shall clearly and

specifically designate the license or registration discipline of each individual named.

(c) The business name of a California land surveying business may be a fictitious name. However, if the fictitious name includes the names of any person, the requirements of paragraph (3) of subdivision (a) shall be met.

(d) A person not licensed under this chapter or licensed as a civil engineer in this state before 1982 may also be a partner or an officer of a land surveying business if the conditions of subdivision (a) are satisfied. This section does not permit a person who is not licensed under this chapter or licensed as a civil engineer in this state before 1982 to be the sole owner or officer of a land surveying business, unless otherwise exempt under this chapter.

(e) This section shall not prevent the use of the name of any business engaged in rendering land surveying services, including the use by any lawful successor or survivor, that lawfully was in existence on June 1, 1941. However, the business is subject to the provisions of paragraphs (1) and (2) of subdivision (a).

(f) A business engaged in rendering land surveying services may use in its name the name of a deceased or retired person if the following conditions are satisfied:

(1) The person's name had been used in the name of the business, or a predecessor in interest of the business, before the death or retirement of the person.

(2) The person shall have been an owner, partner, or officer of the business, or an owner, partner, or officer of the predecessor in interest of the business.

(3) The person shall have been licensed as a land surveyor or a civil engineer by the board, if operating a place of business or practice in this state, or by an applicable state board in the event no place of business existed in this state.

(4) The person, if retired, has consented to the use of the name and does not permit the use of the name in the title of another land surveying business in this state during the period of that consent, except that a retired person may use their name as the name of a new or purchased business, if that business is not identical in every respect to that person's name as used in the former business.

(5) The business shall be subject to paragraphs (1) and (2) of subdivision (a).

(g) This section does not affect Sections 6731.2 and 8726.1.

(h) (1) A current organization record form shall be filed with the board for all businesses engaged in rendering professional land surveying services.

(2) The filing of the organization record form described in paragraph (1) shall be accompanied by documentary evidence that demonstrates compliance with the provisions described in paragraphs (1) and (2) of subdivision (a).

(i) This section shall remain in effect only until January 1, 2034, and as of that date is repealed.

SEC. 17. Section 8729 of the Business and Professions Code, as amended by Section 8 of Chapter 302 of the Statutes of 2022, is amended to read:

8729. (a) This chapter does not prohibit one or more licensed land surveyors or civil engineers licensed in this state before 1982 (hereinafter called civil engineers) from practicing or offering to practice within the scope of their licensure, land surveying as a sole proprietorship, partnership, firm, or corporation (hereinafter called business), if the following conditions are satisfied:

(1) A land surveyor or civil engineer currently licensed in the state is an owner, partner, or officer in charge of the land surveying practice of the business.

(2) All land surveying services are performed by or under the responsible charge of a land surveyor or civil engineer.

(3) If the business name of a California land surveying business contains the name of a person, then that person shall be licensed by the board as a land surveyor or licensed by the board in any year as a civil engineer. Any offer, promotion, or advertisement by the business that contains the name of any individual in the business, other than by use of the name of the individual in the business name, shall clearly and specifically designate the license discipline of each individual named.

(b) An out-of-state business with a branch office in this state shall meet the requirements of subdivisions (a) and (h) and shall have an owner, partner, or officer who is in charge of the land surveying work in this state, who is licensed in this state, and who is physically present at the branch office in this state on a regular basis. However, the name of the business may contain the name of a person not licensed in this state, if that person is appropriately licensed or registered in another state. Any offer, promotion, or advertisement that contains the name of any individual in the business, other than by use of the name of the individual in the business name, shall clearly and specifically designate the license or registration discipline of each individual named.

(c) The business name of a California land surveying business may be a fictitious name. However, if the fictitious name includes the names of any person, the requirements of paragraph (3) of subdivision (a) shall be met.

(d) A person not licensed under this chapter or licensed as a civil engineer in this state before 1982 may also be a partner or an officer of a land surveying business if the conditions of subdivision (a) are satisfied. This section does not permit a person who is not licensed under this chapter or licensed as a civil engineer in this state before 1982 to be the sole owner or officer of a land surveying business, unless otherwise exempt under this chapter.

(e) This section shall not prevent the use of the name of any business engaged in rendering land surveying services, including the use by any lawful successor or survivor, that lawfully was in existence on June 1, 1941. However, the business is subject to the provisions of paragraphs (1) and (2) of subdivision (a).

(f) A business engaged in rendering land surveying services may use in its name the name of a deceased or retired person if the following conditions are satisfied:

(1) The person's name had been used in the name of the business, or a predecessor in interest of the business, before the death or retirement of the person.

(2) The person shall have been an owner, partner, or officer of the business, or an owner, partner, or officer of the predecessor in interest of the business.

(3) The person shall have been licensed as a land surveyor or a civil engineer by the board, if operating a place of business or practice in this state, or by an applicable state board in the event no place of business existed in this state.

(4) The person, if retired, has consented to the use of the name and does not permit the use of the name in the title of another land surveying business in this state during the period of that consent, except that a retired person may use their name as the name of a new or purchased business, if that business is not identical in every respect to that person's name as used in the former business.

(5) The business shall be subject to paragraphs (1) and (2) of subdivision (a).

(g) This section does not affect Sections 6731.2 and 8726.1.

(h) (1) A current organization record form shall be filed with the board for all businesses engaged in rendering professional land surveying services.

(2) The filing of the organization record form described in paragraph (1) shall be accompanied by documentary evidence that demonstrates compliance with the provisions described in paragraphs (1) and (2) of subdivision (a).

(i) This section shall become operative on January 1, 2026.

SEC. 17.5. Section 8729 of the Business and Professions Code, as amended by Section 8 of Chapter 302 of the Statutes of 2022, is amended to read:

8729. (a) This chapter does not prohibit one or more licensed land surveyors or civil engineers licensed in this state before 1982 (hereinafter called civil engineers) from practicing or offering to practice within the scope of their licensure, land surveying as a sole proprietorship, partnership, firm, or corporation (hereinafter called business), if the following conditions are satisfied:

(1) A land surveyor or civil engineer currently licensed in the state is an owner, partner, or officer in charge of the land surveying practice of the business.

(2) All land surveying services are performed by or under the responsible charge of a land surveyor or civil engineer.

(3) If the business name of a California land surveying business contains the name of a person, then that person shall be licensed by the board as a land surveyor or licensed by the board in any year as a civil engineer. Any offer, promotion, or advertisement by the business that contains the name

of any individual in the business, other than by use of the name of the individual in the business name, shall clearly and specifically designate the license discipline of each individual named.

(b) An out-of-state business with a branch office in this state shall meet the requirements of subdivisions (a) and (h) and shall have an owner, partner, or officer who is in charge of the land surveying work in this state, who is licensed in this state, and who is physically present at the branch office in this state on a regular basis. However, the name of the business may contain the name of a person not licensed in this state, if that person is appropriately licensed or registered in another state. Any offer, promotion, or advertisement that contains the name of any individual in the business, other than by use of the name of the individual in the business name, shall clearly and specifically designate the license or registration discipline of each individual named.

(c) The business name of a California land surveying business may be a fictitious name. However, if the fictitious name includes the names of any person, the requirements of paragraph (3) of subdivision (a) shall be met.

(d) A person not licensed under this chapter or licensed as a civil engineer in this state before 1982 may also be a partner or an officer of a land surveying business if the conditions of subdivision (a) are satisfied. This section does not permit a person who is not licensed under this chapter or licensed as a civil engineer in this state before 1982 to be the sole owner or officer of a land surveying business, unless otherwise exempt under this chapter.

(e) This section shall not prevent the use of the name of any business engaged in rendering land surveying services, including the use by any lawful successor or survivor, that lawfully was in existence on June 1, 1941. However, the business is subject to the provisions of paragraphs (1) and (2) of subdivision (a).

(f) A business engaged in rendering land surveying services may use in its name the name of a deceased or retired person if the following conditions are satisfied:

(1) The person's name had been used in the name of the business, or a predecessor in interest of the business, before the death or retirement of the person.

(2) The person shall have been an owner, partner, or officer of the business, or an owner, partner, or officer of the predecessor in interest of the business.

(3) The person shall have been licensed as a land surveyor or a civil engineer by the board, if operating a place of business or practice in this state, or by an applicable state board in the event no place of business existed in this state.

(4) The person, if retired, has consented to the use of the name and does not permit the use of the name in the title of another land surveying business in this state during the period of that consent, except that a retired person may use their name as the name of a new or purchased business, if that

business is not identical in every respect to that person's name as used in the former business.

(5) The business shall be subject to paragraphs (1) and (2) of subdivision (a).

(g) This section does not affect Sections 6731.2 and 8726.1.

(h) (1) A current organization record form shall be filed with the board for all businesses engaged in rendering professional land surveying services.

(2) The filing of the organization record form described in paragraph (1) shall be accompanied by documentary evidence that demonstrates compliance with the provisions described in paragraphs (1) and (2) of subdivision (a).

(i) This section shall become operative on January 1, 2034.

SEC. 18. Section 8748.5 of the Business and Professions Code is amended to read:

8748.5. If an applicant for license as a land surveyor or certification as a land surveyor-in-training is found by the board to lack the qualifications required for such license or certification, the board may, in accordance with the provisions of Section 158 of this code, refund to them their examination fee.

SEC. 19. Section 8759 of the Business and Professions Code is amended to read:

8759. (a) A licensed land surveyor or licensed civil engineer authorized to practice land surveying shall use a written contract when contracting to provide professional services to a client pursuant to this chapter. The written contract shall be executed by the licensed land surveyor or licensed civil engineer and the client or the client's representative prior to the licensed land surveyor or licensed civil engineer commencing work, unless the client knowingly states in writing that work may be commenced before the contract is executed. The written contract shall include, but not be limited to, all of the following:

(1) A description of the services to be provided to the client by the licensed land surveyor or licensed civil engineer.

(2) A description of any basis of compensation applicable to the contract, and the method of payment agreed upon by the parties.

(3) The name, address, and license or certificate number of the licensed land surveyor or licensed civil engineer, and the name and address of the client.

(4) A description of the procedure that the licensed land surveyor or licensed civil engineer and the client will use to accommodate additional services.

(5) A description of the procedure to be used by both parties to terminate the contract.

(6) Disclosure of any existence of a current professional liability insurance policy covering the licensed land surveyor or licensed civil engineer in responsible charge of the services.

(b) This section shall not apply to any of the following:

(1) Professional land surveying services rendered by a licensed land surveyor or licensed civil engineer for which the client will not pay compensation.

(2) A licensed land surveyor or licensed civil engineer who has a current or prior contractual relationship with the client to provide professional services pursuant to this chapter, and that client has paid the licensed land surveyor or licensed civil engineer all of the fees that are due under the contract.

(3) If the client knowingly states in writing after full disclosure of this section that a contract which complies with the requirements of this section is not required.

(4) Professional services rendered by a licensed land surveyor or a licensed civil engineer to any of the following:

(A) A professional engineer licensed under Chapter 7 (commencing with Section 6700).

(B) A land surveyor licensed under this chapter.

(C) An architect licensed under Chapter 3 (commencing with Section 5500).

(D) A contractor licensed under Chapter 9 (commencing with Section 7000).

(E) A geologist or a geophysicist licensed under Chapter 12.5 (commencing with Section 7800).

(F) A manufacturing, mining, public utility, research and development, or other industrial corporation, if the services are provided in connection with or incidental to the products, systems, or services of that corporation or its affiliates.

(G) A public agency.

(c) "Written contract" as used in this section includes a contract that is in electronic form.

SEC. 20. Section 8771.6 is added to the Business and Professions Code, to read:

8771.6. (a) In every case where any monument is found with a physical condition that is less than permanent and durable, the licensed land surveyor or registered civil engineer using that monument as control in any survey shall reconstruct or rehabilitate the monument so that the same shall be left by them in such physical condition that it remains as permanent a monument as is reasonably possible and so that the same may be reasonably expected to be located with facility at all times in the future.

(b) This section shall remain in effect only until January 1, 2029, and as of that date is repealed.

SEC. 21. Section 8773.3 of the Business and Professions Code is amended to read:

8773.3. In every case where a corner record is filed pursuant to Section 8773, the licensed land surveyor or registered civil engineer shall reconstruct or rehabilitate the monument of such corner, and accessories to such corner, so that the same shall be left by them in such physical condition that it remains as permanent a monument as is reasonably possible and so that the

same may be reasonably expected to be located with facility at all times in the future.

SEC. 22. Section 8792 of the Business and Professions Code is amended to read:

8792. A person who does any of the following is guilty of a misdemeanor:

(a) Unless the person is exempt from licensure under this chapter, practices, or offers to practice, land surveying in this state without legal authorization.

(b) Presents as their own the certificate of a land surveyor-in-training or the license of a professional land surveyor unless they are the person named on the certificate or the license.

(c) Attempts to file as their own any record of survey under the license of a professional land surveyor.

(d) Gives false evidence of any kind to the board, or to any board member, in obtaining a certificate or a license.

(e) Impersonates or uses the seal, signature, or license number of a professional land surveyor or who uses a false license number.

(f) Impersonates or uses the certificate number of a land surveyor-in-training or who uses a false certificate.

(g) Uses an expired, suspended, surrendered, or revoked certificate or license.

(h) Represents themselves as, or uses the title of, professional land surveyor, or any other title whereby that person could be considered as practicing or offering to practice land surveying, unless the person is correspondingly qualified by licensure as a land surveyor under this chapter.

(i) Uses the title, or any combination of that title, of "professional land surveyor," "licensed land surveyor," "land surveyor," or the titles specified in Sections 8751 and 8775, or "land surveyor-in-training," or who makes use of any abbreviation of that title that might lead to the belief that the person is a licensed land surveyor or holds a certificate as a land surveyor-in-training, without being licensed or certified as required by this chapter.

(j) Unless appropriately licensed, manages, or conducts as manager, proprietor, or agent, any place of business from which land surveying work is solicited, performed, or practiced, except as authorized pursuant to Section 6731.2.

(k) Violates any provision of this chapter.

SEC. 23. Sections 6.5, 7.5, 16.5, and 17.5 of this bill incorporate amendments to Sections 6738 and 8729 of the Business and Professions Code proposed by both this bill and Assembly Bill 1862. Those sections of this bill shall only become operative if (1) both bills are enacted and become effective on or before January 1, 2025, (2) each bill amends Sections 6738 and 8729 of the Business and Professions Code, and (3) this bill is enacted after Assembly Bill 1862, in which case Sections 6, 7, 16, and 17 of this bill shall not become operative.

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

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IX. Executive Officer's Report

- A. Rulemaking Status Report
- B. Update on Board's Business Modernization Project
- C. 2025 Board Meeting Schedule (**Possible Action**)
- D. Personnel
- E. ABET
- F. Association of State Boards of Geology (ASBOG)
- G. National Council of Examiners for Engineering and Surveying (NCEES)

Rulemaking Status Report

1. Applications, References, Computation of Qualifying Experience, and Schedule of Examinations (16 CCR sections 420, 427.10, 427.30, 3021, 3022.2, 3023, and 3032)

- Staff working with Legal to prepare language for Board review.
 - Staff working on final text for submittal to DCA Legal in September 2022.
 - Staff working with DCA Legal to finalize proposal for notice (April 2022).
 - Submitted for initial (pre-notice) review by DCA Legal on December 6, 2021.
 - Board directed staff to pursue rulemaking proposal on November 8, 2021.

2. Definitions of Negligence and Incompetence and Responsible Charge Criteria for Professional Geologists and Professional Geophysicists (16 CCR sections 3003 and 3003.1)

- Board staff will work on the pre-notice documents.
 - Board directed staff to pursue rulemaking proposal on September 6, 2018.

Note: Documents related to any rulemaking file listed as noticed for public comment can be obtained from the Board's website at: http://www.bpelsg.ca.gov/about_us/rulemaking.shtml.

PROJECT STATUS REPORT

Reporting period:	1/21/2020 – 10/04/2024	Project title:	Business Modernization Cohort 1
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EXECUTIVE SUMMARY

Narrative Summary of Status	Schedule:	GREEN	Budget:	GREEN	Issues:	GREEN
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The Maintenance & Operations (M&O) phase of project began July 2022 and expected to continue through 2024. Current development is underway to support originally planned enforcement investigation and monitoring.

PROJECT MILESTONE STATUS REVIEW

Project Milestones	Status	Completion Date	Issues Exist (Yes/No)
Project Planning Complete – Project Start	Complete	1/13/2020	No
Go Live – Most Viable Product (MVP1)	Complete	9/16/2020	No
Go Live - Product Increment 2 (PI2)	Complete	1/20/2021	No
Go Live - Product Increment 3 (PI3)	Complete	6/16/2021	No
Go Live - Product Increment 3.5 (PI3.5)	Complete	11/10/2021	No
Go Live - Product Increment 4 (PI4)	Complete	4/29/2022	No
Go Live – M&O Increment 1 (PI5/M&O1)	Complete	10/12/2022	No
Go Live – M&O Increment 2 (PI6/M&O2)	Complete	2/28/2023	No

Go Live – M&O Increment 3 (PI7/M&O3)	Complete	4/18/2023	No
Go Live – M&O Fall Release	Complete	9/14/2023	No
Go Live – M&O February Release (SE App)	Complete	2/29/2024	No
Go Live – M&O April Release (GE/TE Apps)	Complete	4/11/2024	No

2025 BOARD MEETING DATES

JANUARY

S	M	T	W	TH	F	S
			1	2	3	4
5	6	7	8	9	10	11
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FEBRUARY

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MARCH

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APRIL

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MAY

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JULY

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AUGUST

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SEPTEMBER

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OCTOBER

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NOVEMBER

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DECEMBER

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KEY	HOLIDAYS	NCEES AND ASBOG EVENTS
<div style="display: flex; gap: 5px;"> <div style="width: 15px; height: 15px; background-color: yellow; border: 1px solid black;"></div> Board Meeting Dates <div style="width: 15px; height: 15px; background-color: gray; border: 1px solid black;"></div> State Holidays </div>	<ul style="list-style-type: none"> • 1/1 New Year's Day • 1/20 MLK Day • 2/117 President's Day • 3/31 Cesar Chavez Day • 5/26 Memorial Day • 7/4 Independence Day • 9/1 Labor Day • 11/11 Veteran's Day • 11/27 - 11/28 Thanksgiving Holiday • 12/25 Christmas 	<ul style="list-style-type: none"> 5/15-5/17 NCEES Central and Western Zone Meeting, Albuquerque, NM 8/19-8/22 NCEES Annual Meeting, New Orleans, LA 10/15 ASBOG Annual Meeting, Salt Lake City, UT

X. President's Report/Board Member Activities

XI. Approval of Meeting Minutes (Possible Action)

A. Approval of August 22, 2024, Board Meeting Minutes

DRAFT

MINUTES OF THE BOARD FOR PROFESSIONAL ENGINEERS, LAND SURVEYORS, AND GEOLOGISTS

Thursday, August 22, 2024

Board Members Present:	President Christina Wong; Vice-President Guillermo Martinez; Fel Amistad; Alireza Asgari; Khaesha Brooks; Rossana D’Antonio; Michael Hartley; Frank Ruffino; Fermin Villegas; and Cliff Waldeck
Board Members Absent:	Coby King; Betsy Mathieson; Wilfredo Sanchez
Board Staff Present:	Ric Moore (Executive Officer); Tiffany Criswell (Assistant Executive Officer); Dawn Hall (Administrative Manager); Celina Calderone (Board Liaison); Joshua Goodwin (Senior Registrar Geologist); Natalie King (Senior Registrar Civil Engineer); Dallas Sweeney (Senior Registrar Land Surveyor); and Christopher Pirrone (Legal Counsel)

I. Roll Call to Establish a Quorum

President Wong called the meeting to order at 9:00 a.m. and a quorum was established. The Board took an opportunity to introduce themselves to the two newly appointed Board members, Khaesha Brooks and Cliff Waldeck.

II. Pledge of Allegiance

Mr. Ruffino led everyone in the recitation of the Pledge of Allegiance.

III. Public Comment for Items Not on the Agenda

There was no public comment.

IV. Administration

A. Fiscal Year 2023/24 Budget Report

Ms. Hall, Administrative Services Manager, introduced the budget report. She noted that the materials include actual results through Fiscal Month 11 as full year actual results were released for Fiscal Month 12 just prior to the meeting. Fiscal Month 13 results were not available at the time of reporting.

As of Fiscal Month 11, the Board revenue was at almost \$12.5 million, which was ahead of Fiscal Year 2021/22 which was a comparable volume year for renewals. Fiscal Year 2021/22 and Fiscal Year 2023/24 were both high volume years for renewal revenue, which is why we compare those years as opposed to annually. Fiscal Month 12 revenue will be reported at the next Board meeting at \$12,657, which is slightly higher than our projections mostly due to higher

investment income. The Board's actual expenses through Fiscal Month 11 were \$11,137 and the full year projected expenditures were \$12,300.

Based on increases to the projected revenues and decreases in projected expenses, the months in reserve calculation is improved slightly, from 1.5 to 1.8 months in reserve. Ms. Hall explained that months in reserve is a calculation to assess how many months the Board could operate on the fund reserves with no additional revenue. Even with the slight increase to the months in reserve, the Board is still anticipating the need for a fee increase, which is outlined in the included fee analysis.

During Public Comment, Alan Escarda, representing Professional Engineers in California Government (PECG), believes in the Board's mission and fully supports the efforts to resist any reductions from the special funds borrowed by the general fund, which may result in increased fees for members. PECG believes staffing and outreach efforts should remain a priority along with having applications processed in a timely manner along with examination scheduling. Compliance and enforcement efforts would suffer, which would impact public safety. He offered PECG's support in the distribution of information.

Rob McMillan, representing California Land Surveyors Association (CLSA), supports the Board and, as a licensee, he would prefer to have fees remain low. However, the renewal fees are very reasonable for a license. Personally, he would like to see more enforcement against unlicensed practice with higher fees.

Mr. Moore reported that the Board will determine what reductions will have minimal impact on the Board's services while remaining attentive to enforcement, licensing, application, and exams. Travel will be impacted for Board meetings and outreach. President Wong suggested a possibility for more virtual meetings in the future.

B. 2024 Fee Study (Possible Action)

Ms. Hall recalled that the DCA Budget Office and Regulations unit prepared a presentation at the May 2024 meeting that outlined the process for increasing fees. Board fees are established in the Business and Professions Code which are set in statute. Fees may not exceed the statutory limits set in the Business and Professions Code, but increases can be implemented up to the limit by submitting a regulations package. Approval to change the regulations can take up to 18 months, which is why the Board is currently seeking review of the fee analysis and recommendations.

Ms. Hall predicts that the Board's expenses are projected to outpace revenues by over \$11 million dollars over the next five Fiscal Years. The scenario that is recommended is Scenario D. This scenario increases Initial Application fees to \$250.00 (\$100.00 for In-Training certificates) an increase of \$25.00 for In-

Training certificates and \$75.00 for professional licenses. Examination Fees are increased to \$250.00, an increase of \$75.00. Biennial Renewal Fees are increased to \$250.00, an increase of \$70.00. Retired License fees are increased to \$100.00. Savings and reversions are expected to offset negative fund reserves through Fiscal Year 2025/26 and could extend into Fiscal Year 2026/27. Adopting the recommended fee increase and structure is intended to improve the fund reserves and continue to fund the Board's operation.

During Public Comment, Alan Escarda believes that the fees are reasonable and confident that the Board is conducting a good analysis. Also, it may be unreasonable given the current budget climate, but he would like to see the board strengthen its fight against unlicensed activity, especially among land surveyors. He reiterated that this is from a personal standpoint and not a concern with the organization as they self-regulate.

Ms. Hall reported that at the time that the fee analysis was being prepared, there was no definitive guidance to assess those changes in the budget act; and because the Board is not funded by the general fund, she did not think it was a good idea to include it in the fee analysis when we did not know what the impact would be for the Board. Even with an 8% reduction in expenses, she does not believe it will dramatically change the revenues and expenses over a five-year period. Mr. Moore reported that there will not be any added positions over the next few years.

MOTION:	Mr. Ruffino and Vice-President Martinez moved to adopt Scenario D.
VOTE:	10-0, Motion Carried

Member Name	Yes	No	Abstain	Absent	Recusal
President Wong	X				
Vice-President Martinez	X				
Fel Amistad	X				
Alireza Asgari	X				
Khaesha Brooks	X				
Rossana D'Antonio	X				
Michael Hartley	X				
Coby King				X	
Betsy Mathieson				X	

Frank Ruffino	X				
Wilfredo Sanchez				X	
Fermin Villegas	X				
Cliff Waldeck	X				

V. Consideration of Rulemaking Proposal (Possible Action)

Approval of Rulemaking Proposal to Amend Title 16, California Code of Regulations sections 407 and 3005 (Fees)

Mr. Moore reported that staff is asking the Board to approve the language that covers both the Engineers Act, the Professional Land Surveyors' Act, and the Geologists and Geophysicists Act. The only change are the actual fees and recommended that the Board direct staff to begin the rulemaking process.

Andrew Johnson, PE electrical engineer representing the National Society of Professional Engineers (NSPE), commented that there is an exemption in the PE Act, where individuals are practicing engineering while employed at exempt industries which could be revenue producing.

MOTION:	Mr. Ruffino and Ms. D'Antonio moved to approve the language and fees in accordance with Scenario D from the previously described Fee Study and direct staff to begin the rulemaking process to amend Title 16, California Code of Regulations sections 407 and 3005.
VOTE:	10-0, Motion Carried

Member Name	Yes	No	Abstain	Absent	Recusal
President Wong	X				
Vice-President Martinez	X				
Fel Amistad	X				
Alireza Asgari	X				
Khaesha Brooks	X				
Rossana D'Antonio	X				
Michael Hartley	X				
Coby King				X	
Betsy Mathieson				X	

Frank Ruffino	X				
Wilfredo Sanchez				X	
Fermin Villegas	X				
Cliff Waldeck	X				

VI. Enforcement

A. Enforcement Statistical Reports

1. Fiscal Year 2023/24 Update

Ms. Criswell reviewed the Enforcement statistics. Mr. Moore added historical information for the various statistics provided for the benefit of the newly appointed Board members. Ms. Criswell also introduced the new Enforcement Analyst, Anjannae Laird.

During Public Comment, Carl Josephson, representing the Structural Engineering Association of California (SEAOC), reported that the Arizona board has a panel of three structural engineers who review claims against engineers for negligence or incompetence instead of a single subject matter expert to review cases. Through this process, it could not simply have an opinion that was skewed by a single subject matter expert, rather a panel of three people who could balance each other and discuss the issues. He thought the process was very fair for the person who is being investigated. He is aware that it is not in the budget to review claims in this manner in California and the California Board has a lot more cases, but he was impressed with the process and wanted to share it with the Board.

VII. Exams/Licensing

A. Examination/Licensing Updates

Mr. Moore presented the Examination/Licensing statistics and explained that there are state specific exams that are developed in-house and national exams. The Board relies on two entities for the national exams, National Council of Examiners for Engineering and Surveying (NCEES) and Association of State Boards of Geology (ASBOG).

An addendum was provided with the latest structural exam updates. Mr. Moore reported that this spring was the first time that the National Structural Engineer Exam was administered via Computer Based Testing (CBT) and explained that any time there is a change in format, there will be fluctuation in results. The structural engineering community has expressed concern with the current pass rates especially in the depth portion of the exam. Structural exams are much more complex in the manner in which they are presented, administered, and scored. This is a new exam, and the reality was that there was a higher incidence of repeat test takers which will ultimately affect the pass rate. In addition, there were new multiple-choice features. There have been continued discussions with NCEES and applicants themselves. Overall, Mr. Moore

believes California candidates did as well or even better than the average population. However, when you see pass rates below 20%, there is a cause for concern.

During Public Comment Krista Looza, licensed structural engineer, representing Buehler Engineering, expressed concerns about the continual evolution of the Structural exam, especially with the recent shift to Computer Based Testing (CBT). The concerns are shared primarily with their colleagues, SEAOC, and National Council of Structural Engineers Association (NCSEA) as they believe they have long been the voices of the profession. She understands that over the years, the Structural Engineer (SE) exam and the Professional Engineer (PE) exam for that matter, have needed to evolve to address industry changes, financial pressures, and reciprocity concerns. She noted that the cost to the individual to sit for the SE exam has increased by approximately 800% in the last 12 years. Candidates have slowly become accustomed to the changes made to the exam and have relinquished control to NCEES, and they are wondering what has happened to the exam and what licensure will mean to the profession going forward. It is their opinion that pass rates similar to exams in the past may mask what is really happening with the exam. While they understand that the test is intended to assess minimal competency, they believe that standards have decreased over the years since California administered its own exam. The ability to express intent, understanding, and engineering judgment has all but been removed from the exam and currently, the complexity primarily lies in navigating for test conditions. This not only compromises the profession by not testing actual engineering competency but compromises public safety. California currently has no continuing education requirements and no significant structures act. Once licensed, there is little that can be done to ensure our structures are designed by competent engineers. The concern is the ongoing dilution of the education and certification associated with the profession. When universities and the licensure process do not adequately prepare students to be engineers, our industry must do it itself. This forces employers to provide even more training and oversight to develop the qualifications necessary to adequately perform the enormously complex work of engineering. If this trend continues, the ongoing degradation of the qualifications to be a licensed California structural engineer would result in a decrease in the quality of work. Ultimately, this degradation puts the public at risk. She does not believe NCEES has the capacity to correct the issues with the structural exam and CBT. She asks that the board take action on this matter to prevent years of poor testing to compromise the profession and public safety.

Carl Josephson reported that SEAOC has not taken a formal position. There are a lot of members who feel the way Ms. Looza feels. He reported that there was about a 50% pass rate for multiple choice nationally and the pass rate for the Alternate Item Type (AIT) which replaced the pencil and paper exam was around the 15% range. Nationally, structural engineers are dissatisfied with the results. California did slightly better than the national average, as expected,

since you must hold a professional engineering license and more experience. While it is good that California is doing slightly better, 20% is still low. An ideal position for a pass rate is between 30% and 50%. Mr. Josephson reported that California makes up about 30% of the exams purchased from NCEES. It is a 21-hour exam over four days in which the candidate is financially responsible and can burden the examinees and employers who are paying for their employee to take the exam. One of the complaints is that NCEES is using the examinees to test exam questions that are not graded but may be used for future exams. One third of the questions on the exam are not graded. NCEES used Subject Matter Experts (SMEs) who would take the exam and then it would be evaluated. Currently, NCEES is having the examinees take the exam instead. Some of the issues presented were claims of typographical errors, issues with reference materials, complaints that examinees cannot go back to a question, insufficient time, and only one monitor. Various professional organizations are monitoring the situation and are in close contact with the NCEES exam committee. The next exam for October is ready and can no longer be modified. He is hopefully there will be a slight adjustment for next year's exam.

B. 2024 Exams – First and Second Quarter Examination Results

During public comment, Andrew Johnson explained that the electrical exam is a three-part exam and the ABET accredited education is not a necessary requirement to take the exam. Electrical engineering can be endorsed in industry without licensure of engineers in high tech, as he does. He would like to see the same prerequisites that are offered to structural engineering be offered to electrical engineering in terms of application and qualifications.

Another member of the public David Leggett, civil engineer, inquired what was the intention of AB 2862. President Wong explained that the Board is currently discussing Exams.

VIII. Legislation

A. 2024 Legislative Calendar

Mr. Moore reviewed the legislative calendar.

B. Discussion of Legislation for 2024 (**Possible Action**)

1. AB 1862 - Engineering, land surveying, and architecture: limited liability partnerships.

During Public Comment Robert DeWitt representing ACEC, sponsor of the bill, respectfully requests for the Board to continue their support.

MOTION:	Mr. Hartley and Dr. Amistad moved to take a position of "Support" on AB 1862, as amended June 28, 2024.
VOTE:	10-0, Motion Carried

Member Name	Yes	No	Abstain	Absent	Recusal
President Wong	X				
Vice-President Martinez	X				
Fel Amistad	X				
Alireza Asgari	X				
Khaesha Brooks	X				
Rossana D'Antonio	X				
Michael Hartley	X				
Coby King				X	
Betsy Mathieson				X	
Frank Ruffino	X				
Wilfredo Sanchez				X	
Fermin Villegas	X				
Cliff Waldeck	X				

2. AB 2862 - Licenses: African American applicants.
No action taken.

Mr. Moore took an opportunity to respond to Mr. David Leggett's previous question in reference to the intention of AB 2862. Mr. Moore recommended that he raise his question to the author of the bill and Mr. Hartley recommended that he review the staff analysis in the board meeting materials.

3. AB 3176 - Professional land surveyors: surveying practices: monuments and corner accessories.
No action taken.
4. AB 3253 - Board for Professional Engineers, Land Surveyors, and Geologists: licensees
No action taken.
5. SB 1048 - Planning and zoning; local planning; and site plans
No action taken.

IX. Executive Officer's Report
A. Rulemaking Status Report

Despite the Board withdrawing the rulemaking for the definition of traffic engineering at its previous meeting, it was decided to maintain it in the report for the time being, as the board requested that staff conduct more research and report any additional thoughts.

B. Update on Board's Business Modernization Project

Mr. Moore reported the Board continues to finalize the project by applying revisions to existing functionality and necessary updates.

C. Personnel

Mr. Moore announced that Tiffany Criswell has been appointed as the new Assistant Executive Officer, which will leave her current position as Enforcement Manager vacant. The Board continues to interview for the vacant Senior Registrar position and an Office Technician vacancy in the Licensing Unit.

In addition, Ms. Anjannae Laird has filled the vacant position in the Enforcement Unit.

D. ABET

Mr. Moore provided the new board members some background information on ABET and the Board's role as invited observers in accrediting colleges and universities.

E. Association of State Boards of Geology (ASBOG)

Mr. Moore mentioned that ASBOG started a new Strategic Planning process and has requested his participation as a member board administrator.

Mr. Joshua Goodwin, Senior Registrar Geologist, was previously nominated by the Board as ASBOG Secretary however, he was not selected but was encouraged to try again.

F. National Council of Examiners for Engineering and Surveying (NCEES)

1. August 14-17, 2024, Annual Meeting Report

Mr. Moore was joined in Chicago for the NCEES Annual Meeting by President Christina Wong, Vice-President Guillermo Martinez, Rossana D'Antonio, and Frank Ruffino. One of the events that took place was the ceremonial signing of the UK Mutual Recognition Agreement (MRA). This agreement started in 2023 between President Biden and the UK Prime Minister to improve trade and professional services, and part of that was engineering resources. NCEES and the UK counterpart, which is Engineering Council of UK, collaborated and assembled a Mutual Recognition Agreement for engineers to be licensed in the other country if they meet certain criteria. There were several boards that sent representatives to London to visit the UK Engineering Council. The California Board was the first board to agree to participate in the agreement

as an alternate pathway for PE licensure. Approximately 26 of 69 boards have since joined.

2. Consider Nomination of Coby King for NCEES Emeritus Member (**Possible Action**)

MOTION:	Mr. Hartley and Mr. Villegas moved to nominate Coby King as NCEES Emeritus member.
VOTE:	10-0, Motion Carried

Member Name	Yes	No	Abstain	Absent	Recusal
President Wong	X				
Vice-President Martinez	X				
Fel Amistad	X				
Alireza Asgari	X				
Khaesha Brooks	X				
Rossana D'Antonio	X				
Michael Hartley	X				
Coby King				X	
Betsy Mathieson				X	
Frank Ruffino	X				
Wilfredo Sanchez				X	
Fermin Villegas	X				
Cliff Waldeck	X				

G. Update on Outreach Efforts

Mr. Moore reviewed the Outreach report.

X. President's Report/Board Member Activities

Several Board members and staff are on various NCEES committees, including President Wong on the Finance Committee; Ms. D'Antonio on the Licensure Committee; Mr. Ruffino on the Awards and Leadership Committee for the Western Zone, and Ms. Criswell on the Law Enforcement Committee.

Mr. Hartley announced that Fresno State Geomatics Program has a conference every year and they invited him and Dallas Sweeney, Senior Registrar, as speakers.

XI. Approval of Meeting Minutes (Possible Action)

A. Approval of June 27, 2024, Board Meeting Minutes

MOTION:	Mr. Hartley and Ms. D’Antonio moved to approve the June 27, 2024, Board meeting minutes.
VOTE:	10-0, Motion Carried

Member Name	Yes	No	Abstain	Absent	Recusal
President Wong	X				
Vice-President Martinez	X				
Fel Amistad	X				
Alireza Asgari	X				
Khaesha Brooks	X				
Rossana D’Antonio	X				
Michael Hartley	X				
Coby King				X	
Betsy Mathieson				X	
Frank Ruffino	X				
Wilfredo Sanchez				X	
Fermin Villegas	X				
Cliff Waldeck	X				

XII. Closed Session – The Board met in Closed Session to discuss, as needed:

- A. Deliberate on a Decision(s) to be Reached in a Proceeding(s) Required to be Conducted Pursuant to Chapter 5 (commencing with Section 11500), as Authorized by Government Code Section 11126(c)(3).
- B. Confer with, or Receive Advice from, Its Legal Counsel Regarding Pending Litigation Pursuant to Government Code Section 11126(e)(1) and (2)(A), on the following matters:

1. Ryan Crownholm, et al. vs. Richard B. Moore, et al., United States District Court, Eastern District of California, Case No. 2:22-cv-01720-DAD-CKD
2. Victor Rodriguez-Fernandez vs. California Board for Professional Engineers, Land Surveyors, and Geologists, San Diego County Superior Court, Case No. 37-2023-00053465-CU-WM-CTL

XIII. Adjourn

The meeting adjourned at 3:31 p.m.

PUBLIC PRESENT

Carl Josephson, SEAOC
Krista Looza, Buehler Engineering
Andrew Johnson, NSPE-CA
Alan Escarda, PECG

XII. Closed Session – The Board will meet in Closed Session to discuss, as needed:

- A. Deliberate on a Decision(s) to be Reached in a Proceeding(s) Required to be Conducted Pursuant to Chapter 5 (commencing with Section 11500), as Authorized by Government Code Section 11126(c)(3).
- B. Confer with, or Receive Advice from, Its Legal Counsel Regarding Pending Litigation Pursuant to Government Code Section 11126(e)(1) and (2)(A), on the following matters:
 - 1. Ryan Crownholm, et al. vs. Richard B. Moore, et al., United States District Court, Eastern District of California, Case No. 2:22-cv-01720-DAD-CKD
 - 2. Victor Rodriguez-Fernandez vs. California Board for Professional Engineers, Land Surveyors, and Geologists, San Diego County Superior Court, Case No. 37-2023-00053465-CU-WM-CTL

XIII. Adjourn
