

Senate Bill No. 94

Passed the Senate February 22, 2021

Secretary of the Senate

Passed the Assembly February 22, 2021

Chief Clerk of the Assembly

This bill was received by the Governor this _____ day
of _____, 2021, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to add Section 23320.3 to, and to add and repeal Section 7427 of, the Business and Professions Code, relating to business and professions, and making an appropriation therefor, to take effect immediately, bill related to the budget.

LEGISLATIVE COUNSEL'S DIGEST

SB 94, Skinner. Alcoholic beverage control: barbering and cosmetology: license renewal fees: waiver.

Existing law, the Barbering and Cosmetology Act, provides for the licensure and regulation of the practices of barbering, cosmetology, and electrolysis by the State Board of Barbering and Cosmetology. Existing law requires licenses issued by the board to expire after 2 years, except as specified. Existing law requires the board to set various fees, including renewal fees, in amounts necessary to cover the expenses of the board in performing its duties under the Barbering and Cosmetology Act. Existing law requires all fees collected to be paid into the State Treasury and to be credited to the Barbering and Cosmetology Contingent Fund to be available upon appropriation, as specified.

This bill, until January 1, 2023, would prohibit the board from seeking to collect, and exempt a licensee from paying, renewal fees for a license expiring on or after January 1, 2021, and before January 1, 2023. If a licensee pays that renewal fee, the bill would prohibit the board from returning or refunding the payment, and would exempt the licensee from paying, and prohibit the board from collecting, the renewal fee for the subsequent renewal period. The bill would repeal these provisions on January 1, 2025.

This bill would appropriate the sum of \$25,600,000 from the General Fund to the Barbering and Cosmetology Contingent Fund to be used by the State Board of Barbering and Cosmetology to backfill revenues relating to waiver of fees for licenses for individual practitioners, licenses to operate an establishment, and licenses to operate a mobile unit, as specified.

Existing law, the Alcoholic Beverage Control Act, administered by the Department of Alcoholic Beverage Control, regulates the application, issuance, and suspension of licenses for the

manufacture, distribution, and sale of alcoholic beverages. Existing law provides for the issuance of licenses for which various fees, including renewal fees, are charged depending upon the type of license issued.

This bill, for the purpose of providing economic relief to licensees most severely impacted by the COVID-19 pandemic, would authorize the department to waive license renewal fees, as defined, for licenses that expire between March 1, 2021, and February 28, 2023, inclusive. The bill would provide that the waiver of license renewal fees applies only to specified license types that were active, as defined by the department in its guidelines, between March 1, 2020, and December 31, 2020, inclusive.

Existing law, the Administrative Procedure Act, governs, among other things, the procedures for the adoption, amendment, or repeal of regulations by state agencies and for the review of those regulatory actions by the Office of Administrative Law, and sets forth adjudication procedures for administrative appeals.

This bill would require the department to establish and publish on its internet website the requirements and guidelines for submitting a fee waiver request and the manner of certification for the waiver, and would exempt those actions from the rulemaking and adjudication procedures set forth in the Administrative Procedure Act.

This bill would require a licensee who requests a fee waiver to certify under penalty of perjury that they qualify for the waiver. By expanding the crime of perjury, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

This bill would declare that it is to take effect immediately as a bill providing for appropriations related to the Budget Bill.

This bill would express the intent of the Legislature to enact statutory changes relating to the Budget Act of 2021.

Appropriation: yes.

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

SECTION 1. Section 7427 is added to the Business and Professions Code, to read:

7427. (a) (1) For licenses expiring on or after January 1, 2021, and before January 1, 2023, the board shall not seek to collect, and a licensee shall not be required to pay, the renewal fees set forth in this article.

(2) This subdivision shall become inoperative on January 1, 2023.

(b) If a licensee pays a renewal fee for a license expiring on or after January 1, 2021, and before January 1, 2023, both of the following shall apply:

(1) The board shall not return or refund the payment.

(2) The board shall not collect, and the licensee shall not be required to pay, the renewal fee for the subsequent renewal period.

(c) This section shall remain in effect only until January 1, 2025, and as of that date is repealed.

SEC. 2. Section 23320.3 is added to the Business and Professions Code, to read:

23320.3. (a) (1) For the purpose of providing economic relief to licensees most severely impacted by the COVID-19 pandemic, the department may waive license renewal fees for licenses with expiration dates between March 1, 2021, and February 28, 2023, inclusive, as provided in this section.

(2) The waiver of license renewal fees shall apply only to the following license types that were active, as defined by the department in its guidelines, between March 1, 2020, and December 31, 2020, inclusive: 40, 41, 42, 47, 48, 49, 50, 51, 52, 57, 58, 59, 60, 61, 64, 68, 69, 71, 72, 75, 76, 77, 78, 83, 86, 87, and 99.

(b) (1) A licensee may request a fee waiver in the manner provided by the department and shall certify under penalty of perjury that they qualify for the fee waiver as provided. The request shall be complete and received by the department before the expiration of the license for which the waiver is requested, including any authorized extensions thereto.

(2) For licenses that expire during the first full three months following enactment of this section, the department may extend license renewal dates, not to exceed 60 days, as necessary to

effectuate the intent of this section and to allow licensees a reasonable amount of time to request a fee waiver.

(3) If the licensee does not request the fee waiver in the manner prescribed in paragraph (1), the licensee shall not be eligible for a fee waiver and shall thereafter pay the license renewal fees, together with any penalties that may be applicable under Section 24048.

(4) The department shall not refund any license renewal fees paid before the enactment of this section or the submission of a waiver request by a licensee.

(c) (1) The department shall establish and publish on its internet website the requirements and guidelines for submitting a fee waiver request and the manner of certification.

(2) The requirements, guidelines, and the manner of certification for waivers under this section implemented by the department are exempt from the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340), Chapter 4 (commencing with Section 11370), Chapter 4.5 (commencing with Section 11400), and Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code).

(d) For purposes of this section, “license renewal fees” means fees payable pursuant to Section 23320, and applicable surcharges collected with those fees in accordance with Sections 23053.5, 23083.5, and 23320.5.

SEC. 3. (a) The sum of twenty-five million six hundred thousand dollars (\$25,600,000) is hereby appropriated from the General Fund to the Barbering and Cosmetology Contingent Fund, to be used by the State Board of Barbering and Cosmetology to backfill revenues related to waiving license renewal fees for licenses for individual practitioners, licenses to operate an establishment, and licenses to operate a mobile unit.

(b) Upon order of the Department of Finance, the amount appropriated and available pursuant to this section may be increased by an amount sufficient to backfill the revenues lost due to the waived license renewal fees described in subdivision (a).

(c) This appropriation shall be made available for encumbrance until June 30, 2023, and unencumbered funds after that date shall revert to the General Fund.

(d) The appropriation authorized pursuant to this section shall constitute a cash transfer.

SEC. 4. 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.

SEC. 5. This act is a bill providing for appropriations related to the Budget Bill within the meaning of subdivision (e) of Section 12 of Article IV of the California Constitution, has been identified as related to the budget in the Budget Bill, and shall take effect immediately.

Approved _____, 2021

Governor