An act to amend Sections 10167.3, 10208.5, 10209, 10210, 10213.5, 10213.6, 10215, 10232.1, 10249.3, 11011, 11018.7, 11022, and 11232 of the Business and Professions Code, relating to real estate, and making an appropriation therefor.



THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 10167.3 of the Business and Professions Code is amended to read:

10167.3. (a) A separate application for a license as a prepaid rental listing service shall be made in writing for each location to be operated by a licensee other than a real estate broker. Each application shall be on forms provided by the department, shall be signed by the applicant, and shall be accompanied by—a one-hundred-twenty-five-dollar (\$125) application fee for the first location, and a fifty-dollar (\$50) application fee for each additional location of the applicant. an application fee of one hundred seventy-five dollars (\$175), not to exceed two hundred sixty-three dollars (\$263), for the first location, and ninety dollars (\$90), not to exceed one hundred thirty-five dollars (\$135), for each additional location of the applicant.

Applications to add or eliminate locations during the term of a license shall be on forms prescribed by the department. A fifty-dollar (\$50) application fee A fee of ninety dollars (\$90), not to exceed one hundred thirty-five dollars (\$135), for the remainder of a license term for each location to be added shall accompany the application. Twenty-five dollars (\$25) Forty dollars (\$40), not to exceed sixty dollars (\$60), of each application fee shall be credited to the Consumer Recovery Account.

- (b) A real estate broker may provide a prepaid rental listing service at a licensed office for the conduct of the broker's real estate brokerage business if the business at the office is conducted under the immediate supervision of the broker or of a real estate salesperson licensed to, and acting on behalf of, the broker.
- SEC. 2. Section 10208.5 of the Business and Professions Code is amended to read:
- 10208.5. The real estate broker license examination fee is-ninety-five dollars (\$95), one hundred fifty dollars (\$150), not to exceed two hundred twenty-five dollars (\$225). The real estate broker license reexamination fee is-ninety-five dollars (\$95), one hundred fifty dollars (\$150), not to exceed two hundred twenty-five dollars (\$225).

If an applicant fails to appear for the examination within two years from the date of filing his or her their application and fee for the examination, his or her their application shall thereupon lapse and no further proceedings thereon shall be taken.

This section shall remain in effect unless it is superseded pursuant to subdivision (a) of Section 10226.5.

- SEC. 3. Section 10209 of the Business and Professions Code is amended to read:
- 10209. (a) The commissioner shall, by regulation, establish fees for applications for approval of equivalent courses of study as defined in Section 10153.5 in an amount sufficient to cover the cost of administration. The fee for an application for approval of each course given by a private vocational school, including any branch school which that gives the same course, shall not exceed one hundred fifty dollars (\$150). be five hundred dollars (\$500), not to exceed seven hundred fifty dollars (\$750).
- (b) The commissioner shall notify every applicant of his their decision on the application no later than 60 days after receipt by the commissioner of a completed application. The application shall be on a form to be supplied by the commissioner.



- SEC. 4. Section 10210 of the Business and Professions Code is amended to read:
- 10210. (a) The fee for a real estate broker license shall-not exceed three hundred dollars (\$300). be four hundred fifty dollars (\$450), not to exceed six hundred seventy-five dollars (\$675).

In the case of an original applicant, the fee is payable upon filing the real estate broker license application.

- (b) If an applicant fails to pass the real estate broker license examination within two years from the date of filing his or her their broker license application, his or her their broker license application shall lapse and no further proceedings thereon shall be taken.
- (c) This section shall remain in effect unless it is superseded pursuant to Section 10226 or subdivision (a) of Section 10226.5, whichever is applicable.
- SEC. 5. Section 10213.5 of the Business and Professions Code is amended to read:
- 10213.5. The real estate salesperson license examination fee is sixty dollars (\$60): shall be one hundred dollars (\$100), not to exceed one hundred fifty dollars (\$150). The real estate salesperson license reexamination fee is sixty dollars (\$60): shall be one hundred dollars (\$100), not to exceed one hundred fifty dollars (\$150).

If an applicant fails to appear for the examination within two years from the date of filing his or her their application and fee for the examination, his or her their application shall thereupon lapse and no further proceedings thereon shall be taken.

This section shall remain in effect unless it is superseded pursuant to subdivision (a) of Section 10226.5.

- SEC. 6. Section 10213.6 of the Business and Professions Code is amended to read:
- 10213.6. If an applicant for any examination fails to take the examination on the date scheduled, he or she they may make application in writing to the principal office of the department in Sacramento for a new date. A fee of twenty dollars (\$20) forty-five dollars (\$45), not to exceed sixty-eight dollars (\$68), shall accompany the written request for applying for the first new examination date in the case of a broker applicant, and a fee of fifteen dollars (\$15) forty dollars (\$40), not to exceed sixty dollars (\$60), shall accompany the written request for the first new examination date in the case of a salesperson applicant. A fee of thirty dollars (\$30) forty-five dollars (\$45), not to exceed sixty-eight dollars (\$68), shall accompany the written request for all subsequent new examination dates in the case of broker applicants. A fee of forty dollars (\$40), not to exceed sixty dollars (\$60), shall accompany the written request for all subsequent new examination dates for both broker and salesperson applicants.

This section shall remain in effect unless it is superseded pursuant to subdivision (a) of Section 10226.5.

- SEC. 7. Section 10215 of the Business and Professions Code is amended to read:
- 10215. (a) The fee for a real estate salesperson license shall-not exceed two hundred forty-five dollars (\$245), except that for an applicant qualifying pursuant to Section 10153.4 who has not satisfied all of the educational requirements prior to issuance of the license, the fee shall not exceed two hundred seventy-five dollars (\$275).



In the case of an original applicant, the fee is payable upon filing the real estate salesperson license application.

- (b) If an applicant fails to pass the real estate salesperson license examination within two years from the date of filing his or her their salesperson license application, his or her their salesperson license application shall lapse and no further proceedings thereon shall be taken.
- (c) This section shall remain in effect unless it is superseded pursuant to Section 10226 or subdivision (a) of Section 10226.5, whichever is applicable.
- SEC. 8. Section 10232.1 of the Business and Professions Code is amended to read:
- 10232.1. (a) A real estate broker, prior to the use of any proposed advertisement in connection with the conduct of activities described in subdivisions (d) and (e) of Section 10131 and Section 10131.1, may submit a true copy thereof to the Department of Real Estate for approval. The submission shall be accompanied by a fee of not more than forty dollars (\$40). one hundred dollars (\$100), not to exceed one hundred fifty dollars (\$150). The commissioner shall may by regulation prescribe the amount of the fee. If disapproval of the proposed advertisement is not communicated by the department to the broker within 15 calendar days after receipt of the copy of the proposed advertisement by the department, the proposed advertisement shall be deemed approved, but the department shall not be precluded from disapproving a later publication or other use of the same or similar advertising.

The commissioner shall adopt regulations pertaining to the submittal and clearance of that advertising and establishing criteria for approval to ensure that the public will be protected against false or misleading representations.

Except as provided in subdivision (b), "advertisement" includes dissemination in any newspaper, circular, form letter, brochure or similar publication, display, sign, radio broadcast or telecast, which concerns (1) the use, terms, rates, conditions, or the amount of any loan or sale referred to in subdivisions (d) and (e) of Section 10131 or Section 10131.1 or (2) the security, solvency, or stability of any person carrying on the activities described in those sections.

- (b) "Advertisement" does not include a letter or brochure that meets both of the following criteria:
- (1) It is restricted in distribution to other real estate brokers and to persons for whom the broker has previously acted as an agent in arranging a loan secured by real property or in the purchase, sale, or exchange of a deed of trust or real property sales contract.
- (2) It is restricted in content to the identification and a description of the terms of loans, mortgages, deeds of trust, real property sales contracts, or any combination thereof offered for funding or purchase through the broker as agent.
- (c) Subdivision (a) is not applicable to advertising that is used exclusively in connection with an offering authorized by permit issued pursuant to the applicable provisions of the Corporate Securities Law of 1968 (Division 1 (commencing with Section 25000) of Title 4 of the Corporations Code).



- (d) All advertising approvals shall be for a period of five years after the date of approval. The approval period applies to all advertising, including that which was previously submitted on a mandatory basis.
- SEC. 9. Section 10249.3 of the Business and Professions Code is amended to read:
- 10249.3. (a) The commissioner may by regulation prescribe filing fees in connection with registrations with the department pursuant to the provisions of this article that are lower than the maximum fees specified in subdivision (b) if the commissioner determines that the lower fees are sufficient to offset the costs and expenses incurred in the administration of this article. The commissioner shall hold at least one hearing each calendar year to determine if lower fees than those specified in subdivision (b) should be prescribed.
- (b) The filing fee for an application for a registration with the department pursuant to the provisions of this article shall be set at the amount prescribed below and shall not exceed the following maximum specified for each subdivision or phase of the subdivision in which interests are to be offered for sale or lease:
- (1) An application for an original registration: One hundred dollars (\$100). (\$100), not to exceed one hundred fifty dollars (\$150).
- (2) An application for a renewal registration: One hundred dollars (\$100). (\$100), not to exceed one hundred fifty dollars (\$150).
- (3) An application for an amended registration: One hundred dollars (\$100). (\$100), not to exceed one hundred fifty dollars (\$150).
- (c) All fees collected by the Department of Real Estate under authority of this article shall be deposited into the Real Estate Fund under Chapter 6 (commencing with Section 10450) of Part 1. All fees received by the department pursuant to the provisions of this article shall be deemed earned upon receipt. No part of any fee is refundable unless the commissioner determines that it was paid as a result of mistake or inadvertence.
- SEC. 10. Section 11011 of the Business and Professions Code is amended to read:
- 11011. (a) The commissioner may by regulation prescribe filing fees in connection with applications to the Department of Real Estate pursuant to this chapter that are lower than the maximum fees specified in subdivision (b) and if the commissioner determines that the lower fees are sufficient to offset the costs and expenses incurred in the administration of this chapter. chapter, may prescribe filing fees by regulation that are lower than the fees specified in subdivision (b). The commissioner shall hold at least one hearing each calendar year to determine if lower fees than those specified in subdivision (b) should be prescribed.
- (b) The filing fee for an application for a public report to be issued under authority of this chapter shall not exceed the following be set at the amount prescribed below and shall not exceed the maximum specified for each subdivision or phase of a subdivision in which interests are to be offered for sale or lease:
- (1) A notice of intention without a completed questionnaire: One hundred fifty dollars (\$150). Three hundred dollars (\$300), not to exceed four hundred fifty dollars (\$450).
- (2) An original public report for subdivision interests described in Section 11004.5: One thousand seven hundred dollars (\$1,700) plus ten dollars (\$10) Three



- (3) An original public report for subdivision interests other than those described in Section 11004.5: Six hundred dollars (\$600) plus ten dollars (\$10) One thousand five hundred dollars (\$1,500), not to exceed two thousand two hundred fifty dollars (\$2,250), plus fifteen dollars (\$15), not to exceed twenty-three dollars (\$23), for each subdivision interest to be offered.
- (4) A conditional public report for subdivision interests described in Section 11004.5: Five hundred dollars (\$500). One thousand dollars (\$1,000), not to exceed one thousand five hundred dollars (\$1,500).
- (5) A conditional public report for subdivision interests other than those described in Section 11004.5: Five hundred dollars (\$500). One thousand dollars (\$1,000), not to exceed one thousand five hundred dollars (\$1,500).
- (6) A preliminary public report for subdivision interests described in Section 11004.5: Five hundred dollars (\$500). (\$500), not to exceed seven hundred fifty dollars (\$750).
- (7) A preliminary public report for subdivision interests other than those described in Section 11004.5: Five hundred dollars (\$500), not to exceed seven hundred fifty dollars (\$750).
- (8) A renewal of an original public report for subdivision interests described in Section 11004.5: Six hundred dollars (\$600). One thousand five hundred dollars (\$1,500), not to exceed two thousand two hundred fifty dollars (\$2,250). A renewal of a preliminary public report for subdivision interests described in Section 11004.5: Six hundred dollars (\$600), not to exceed nine hundred dollars (\$900). A renewal of a conditional public report for subdivision interests described in Section 11004.5: One thousand dollars (\$1,000), not to exceed one thousand five hundred dollars (\$1,500).
- (9) A renewal of an original or conditional public report for subdivision interests other than those described in Section 11004.5: Six hundred dollars (\$600). One thousand dollars (\$1,000), not to exceed one thousand five hundred dollars (\$1,500). A renewal of a preliminary public report for subdivision interests other than those described in Section 11004.5: Six hundred dollars (\$600), not to exceed nine hundred dollars (\$900).
- (10) An amended <u>original</u> public report for subdivision interests described in Section 11004.5: Five hundred dollars (\$500) plus ten dollars (\$10) One thousand five hundred dollars (\$1,500), not to exceed two thousand two hundred fifty dollars (\$2,250), plus fifteen dollars (\$15), not to exceed twenty-three dollars (\$23), for each subdivision interest to be offered under the amended <u>original</u> public report for which a fee has not previously been paid.
- (11) An amended <u>original</u> public report to offer subdivision interests other than those described in Section 11004.5: Five hundred dollars (\$500) plus ten dollars (\$10) One thousand dollars (\$1,000), not to exceed one thousand five hundred dollars (\$1,500), plus fifteen dollars (\$15), not to exceed twenty-three dollars (\$23), for each subdivision interest to be offered under the amended <u>original</u> public report for which a fee has not previously been paid.
- (12) An amended preliminary public report for subdivision interests described in Section 11004.5 and for subdivision interests other than those described in Section 11004.5: Five hundred dollars (\$500), not to exceed seven hundred fifty dollars (\$750),



plus fifteen dollars (\$15), not to exceed twenty-three dollars (\$23), for each subdivision interest to be offered under the amended preliminary public report for which a fee has not previously been paid.

- (13) An amended conditional public report for subdivision interests described in Section 11004.5 and for subdivision interests other than those described in Section 11004.5: One thousand dollars (\$1,000), not to exceed one thousand five hundred dollars (\$1,500), plus fifteen dollars (\$15), not to exceed twenty-three dollars (\$23), for each subdivision interest to be offered under the amended conditional public report for which a fee has not previously been paid.
- (c) The filing fee to review a declaration as described in Section 11010.10 shall not exceed two hundred dollars (\$200). be five hundred dollars (\$500), not to exceed seven hundred fifty dollars (\$750).
- (d) The actual subdivision fees established by regulation under authority of this section and Section 10249.3 shall not exceed the amount reasonably required by the department to administer this part and Article 8 (commencing with Section 10249) of Chapter 3 of Part 1.
- (e) All fees collected by the department under authority of this chapter shall be deposited into the Real Estate Fund under Chapter 6 (commencing with Section 10450) of Part 1. All fees received by the department pursuant to this chapter shall be deemed earned upon receipt. No part of any fee is refundable unless the commissioner determines that it was paid as the result of a mistake or inadvertence.

This section shall remain in effect unless it is superseded pursuant to Section 10226 or subdivision (a) of Section 10226.5, whichever is applicable.

- SEC. 11. Section 11018.7 of the Business and Professions Code is amended to read:
- 11018.7. (a) No amendment or modification of provisions in the declaration of restrictions, bylaws, articles of incorporation or other instruments controlling or otherwise affecting rights to ownership, possession, or use of interests in subdivisions as defined in Sections 11000.1 and 11004.5—which that would materially change those rights of an owner, either directly or as a member of an association of owners, is valid without the prior written consent of the Real Estate Commissioner during the period of time when the subdivider or his or her their successor in interest holds or directly controls as many as one-fourth of the votes that may be cast to effect that change.
- (b) The commissioner shall not grant his or her their consent to the submission of the proposed change to a vote of owners or members if he or she finds they find that the change if effected would create a new condition or circumstance that would form the basis for denial of a public report under Sections 11018 or 11018.5.

An application for consent may be filed by any interested person on a form prescribed by the commissioner. A filing fee to be fixed by regulation, but not to exceed twenty-five dollars (\$25), of fifty dollars (\$50), that may be modified by regulation, but not to exceed seventy-five dollars (\$75), shall accompany each application.

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



- SEC. 12. Section 11022 of the Business and Professions Code is amended to read:
- 11022. (a) It is unlawful for an owner, subdivider, agent or employee of a subdivision or other person, with intent directly or indirectly to sell or lease subdivided lands or lots or parcels therein, to authorize, use, direct, or aid in the publication, distribution, or circularization of an advertisement, radio broadcast, or telecast concerning subdivided lands, that contains a statement, pictorial representation, or sketch that is false or misleading.
- (b) An owner, subdivider, agent, or employee of an owner or subdivider may, prior to the use, publication, distribution, or circulation of any advertisement concerning subdivided lands, submit the same to the department for approval. The submission shall be accompanied by a fee of not more than seventy-five dollars (\$75). two hundred dollars (\$200). The commissioner shall may prescribe by regulation the amount of the fee. fee, not to exceed three hundred dollars (\$300).

If disapproval of the proposed advertisement is not communicated by the department to the owner, subdivider, agent, or employee within 15 calendar days after receipt of the copy of the proposed advertisement, the advertisement shall be deemed approved, but the department shall not be estopped from disapproving a later distribution, circulation, or use of the same or similar advertising.

- (c) Nothing in this section shall be construed to hold the publisher or employee of any newspaper, or any job printer, or any broadcaster, or telecaster, or any magazine publisher, or any of the employees thereof, liable for any publication herein referred to unless the publisher, employee, or printer has actual knowledge of the falsity thereof or has an interest either as an owner or agent in the subdivided lands so advertised.
- SEC. 13. Section 11232 of the Business and Professions Code is amended to read:
- 11232. (a) The commissioner may by regulation prescribe filing fees in connection with applications to the Department of Real Estate for a public report pursuant to the provisions of this chapter that are lower than the maximum fees specified in subdivision (b) if the commissioner determines that the lower fees are sufficient to offset the costs and expenses incurred in the administration of this chapter. The commissioner shall hold at least one hearing each calendar year to determine if lower fees than those specified in subdivision (b) should be prescribed.
- (b) The filing fees for an application for a public report to be issued under authority of this chapter shall not exceed the following be set at the amount prescribed below and shall not exceed the maximum specified for each time-share plan, location, or phase of the time-share plan in which interests are to be offered for sale or lease:
- (1) One thousand seven hundred dollars (\$1,700) plus ten dollars (\$10) Two thousand five hundred dollars (\$2,500), not to exceed three thousand seven hundred fifty dollars (\$3,750), plus fifteen dollars (\$15), not to exceed twenty-three dollars (\$23), for each time-share interest to be offered for an original public report application.
- (2) Six hundred dollars (\$600) plus ten dollars (\$10) One thousand five hundred dollars (\$1,500), not to exceed two thousand two hundred fifty dollars (\$2,250), plus fifteen dollars (\$15), not to exceed twenty-three dollars (\$23), for each time-share plan interest to be offered that was not permitted to be offered under the public report to be renewed for a renewal public report or permit application.



- (3) Five hundred dollars (\$500) plus ten dollars (\$10) One thousand five hundred dollars (\$1,500), not to exceed two thousand two hundred fifty dollars (\$2,250), plus fifteen dollars (\$15), not to exceed twenty-three dollars (\$23), for each time-share interest to be offered under the amended public report for which a fee has not previously been paid for an amended public report application.
- (4) Five hundred dollars (\$500) One thousand dollars (\$1,000), not to exceed one thousand five hundred dollars (\$1,500), for a conditional public report application.
- (5) Five hundred dollars (\$500), not to exceed seven hundred fifty dollars (\$750), for a preliminary public report application.
- (c) Fees collected by the commissioner under authority of this chapter shall be deposited into the Real Estate Fund pursuant to Chapter 6 (commencing with Section 10450) of Part 1. Fees received by the commissioner pursuant to this article shall be deemed earned upon receipt. A fee is not refundable unless the commissioner determines that it was paid as a result of mistake or inadvertency. This section shall remain in effect unless it is superseded pursuant to Section 10266 10226 or subdivision (a) of Section 10266.5, 10226.5, whichever is applicable.



LEGISLATIVE COUNSEL'S DIGEST

Bill No.	
as introduced,	
General Subject: R	eal estate: fees.

The Real Estate Law defines real estate brokers and salespersons and provides for their licensure and regulation, the administration of which is committed to the Real Estate Commissioner, the chief officer of the Department of Real Estate within the Business, Consumer Services, and Housing Agency.

Exiting law requires that a separate application for a license as a prepaid rental listing service be submitted to the department for each location to be operated by a licensee, other than a real estate broker, and that it be accompanied by a specified fee. Existing law requires an application and fee to be submitted to add or eliminate locations during the term of the license and requires that a particular amount of each application fee be credited to the Consumer Recovery Account.

This bill would increase the amount of the fees that may be collected by the department in connection with prepaid rental listing services licenses.

Existing law specifies the amount of the fees for a real estate broker license, including for an original license, an examination, and reexamination.

This bill would increase the amount of these fees and make other nonsubstantive changes.

Existing law authorizes the commissioner to establish the fees for applications for approval of equivalent courses of study given by a private vocational school, as specified.

This bill would increase the amount of the fee for approval of equivalent courses of study that may be established by the commissioner.

Existing law specifies the amount of the fees for a real estate salesperson license, including for the real estate salesperson license examination and reexamination.

This bill would increase the amount of these fees and make other nonsubstantive changes.

Existing law authorizes broker and salesperson applicants for examination to make written application for a new examination date, accompanied by specified fees.

This bill would increase the amounts of the fees that are required to accompany applications for a new examination date for real estate brokers and salespersons.

Existing law authorizes a real estate broker, before using any proposed advertisement, to submit a copy thereof to the department, accompanied by a fee, as specified.

This bill would increase the amount of the fee that is required to accompany the submission of the proposed advertisement and make other conforming changes.

Existing law requires a person acting as a principal or agent who intends, in this state, to sell or lease or offer for sale lots, parcels, in interests in a subdivision situation outside of this state to register the subdivision with the commissioner. Existing law require the application for registration be accompanied by a specified filing fee.



This bill would increase the amount of the fees that may be charged for an application for registration, renewal of a registration, and amendment of a registration pursuant to the provisions described above.

Existing law requires any person who intends to offer subdivided lands within this state for sale or lease to file with the department an application for a public report consisting of a notice of intention and a completed questionnaire, as specified. Existing law specifies the filing fees for particular public reports issued pursuant to these provisions.

This bill would increase the amount of the filing fees for applications for original public reports, conditional public reports, and renewal and amendment of original and conditional public reports pursuant to these provisions, as specified.

Existing law provides that no amendment or modification of provisions in the declaration of restrictions, bylaws, articles of incorporation or other instruments controlling or otherwise affecting rights to ownership, possession, or use of interests in subdivisions that would materially change those rights of an owner, either directly or as a member of an association of owners, is valid without the prior written consent of the commissioner. Existing law requires an application for consent to be accompanied by a filing fee.

This bill would increase the amount of the filing fee that may be charged for an application for consent and make other nonsubstantive changes.

Existing law authorizes an owner, subdivider, or agent, before using, publishing, distributing, or circulating an advertisement concerning subdivided lands to submit the advertisement to the department for approval. Existing law require the submission to be accompanied by a specified fee.

This bill would increase the amount of the fee that is required to accompany the submission of the proposed advertisement.

Existing law requires any person who, to any individual located in the state, sells, offers to sell, or attempts to solicit prospective purchasers to purchase a time-share interest, or any person who creates a time-share plan with an accommodation in the state, to register the time-share plan with the commissioner, unless the time-share plan is otherwise exempt. Existing law, authorizes the commissioner, in connection with its review of the registration application of a time-share plan, to make an examination of any time-share property submitted for regulation and, unless there are grounds for denial, issue to the developed a public report authorizing the sale or lease of time-share interest within the submitted time-share plan. Existing law specifies the filing fees for an application for a public report issued pursuant to these provisions.

This bill would increase the amount of the filing fees for applications for original, renewal, amended, conditional, and preliminary public reports pursuant to these provisions, as specified, and make other conforming changes.

Because this bill would increase the fees deposited into the Real Estate Fund and the Consumer Recovery Account, which are continuously appropriated, the bill would make an appropriation.

Vote: ½3. Appropriation: yes. Fiscal committee: yes. State-mandated local program: no.

