March 14, 2019 Advisory Council
Meeting Materials Packet

Table of Contents

Meeting Agenda ........................................................................................................................................... 2
Agenda Item 2a: Budget Update .................................................................................................................. 5
Agenda Item 3a: Licensing Statistical Overview ......................................................................................... 9
Agenda Item 3b: Consumer Complaint Statistical Overview ................................................................. 11
Agenda Item 3c: Enforcement and Investigations Statistical Overview ................................................. 14
Agenda Item 3d: Laboratory Testing Statistical Overview ....................................................................... 17
Agenda Item 4: Legislative Update ........................................................................................................... 19
ADVISORY COUNCIL
MEETING NOTICE &
AGENDA
March 14, 2019 | Thursday |
9:00 am Until the
Completion of Business

Meeting Location:
Department of Consumer Affairs – DCA HQ2
1747 North Market Blvd, Room 186, Sacramento, CA 95834

Teleconference
Participation Option: Phone
Number: (866) 842-2981
Participant Passcode #:
4598662

Webcast Option:
The Bureau plans to webcast this meeting at https://thedcapage.blog/webcasts/.
Webcast availability cannot, however, be guaranteed due to limited resources or technical difficulties. The meeting will not be cancelled if webcast is not available. If you wish to participate or to have a guaranteed opportunity to observe, please plan to attend at a physical location.

Advisory Council Members:
Pascal Benyamini, Industry Sharron Bradley, Industry
Burt Grimes, Industry Chris Higdon, Industry
Judy Levin, Public Michael Lipsett, Public
Donald Lucas, Public Steven McDaniel, Industry
Toni Stein, Public Steve Weitekamp, Industry
Brandon Wilson, Industry David Yarbrough, Industry

The time and order of agenda items are subject to change at the discretion of the Advisory Council and may be taken out of order. The Bureau welcomes and encourages public participation in its meetings. The public may take appropriate opportunities to comment on any issue before the Bureau at the time the item is heard. If public comment is not specifically requested, members of the public should feel free to request an opportunity to comment, either in person, written or via the conference calling system provided.

This designated meeting facility is accessible to the physically disabled. A person who needs a disability-related accommodation to participate in the meeting may make a request by contacting Rita Wong via email Rita.Wong@dca.ca.gov or for the hearing impaired: TDD (800) 326-2297; or by sending a written request to the address indicated above. Please provide at least five working days’ notice before the meeting to help ensure accommodations.
AGENDA

1. Welcome and Introductions
   a. Facility Safety and Courtesy Items
   b. Roll Call of the Council/Audience/Teleconference Participants Noticed
   c. Review and Discuss Future Meeting Dates
   d. November Council Meeting Recap

2. Operations Update
   a. Budget
   b. Personnel
   c. Outreach, Consumer Education
   d. Updated Directory of Certified Insulation Materials
   e. NVLAP On-Site Assessment

3. Statistical Overview
   a. Licensing Categories
   b. Consumer Complaints
   c. Enforcement and Investigations
   d. Laboratory Testing

4. Legislative Update
   a. AB 193 (Patterson) – Professions and Vocations
   b. AB 613 (Low) – Professions and Vocations: Regulatory Fees
   c. AB 1296 (Gonzalez) – Tax Recovery in the Underground Economy Criminal Enforcement Program
   d. AB 1469 (Low) – Electronic and Appliance Repairers: Trade Standards: Review
   e. SB 358 (Committee on Transportation) – Vehicles: Safety Regulations
   f. SB 391 (Monning) – Household Movers Act: Enforcement; Special Investigators and Supervising Special Investigators
   g. S. 3551 (Wicker) – Safer Occupancy Furniture Flammability Act

5. Regulations Update
   a. Statutorily Required Amendments to Title 4, California Code of Regulations (CCR) §§1380 and 1381; Title 16, CCR §§2767 and 2768; and new CCR sections, Title 16 – Substantial Relationship Criteria and Rehabilitation Criteria
   b. Title 4, CCR §§1374 and 1374.3 – TB 133 Repeal
   c. Section 100 Rulemaking Proposal – Bureau Name Change
6. Rules and Regulations Books Update

7. Recap of Regulations Workshops
   a. Home Furnishings Labeling Regulations – February 5, 2019
   b. Household Movers Initial Rulemaking Workshop – February 7, 2019

8. Discussion of Updated Max Rate Tariff 4 Effective February 15, 2019

9. California Building Standards Commission Regulatory Amendment to Title 24 – Flammability Standards for Building Insulation Materials
   a. Background and Summary of Amendments
   b. Impact to Bureau

10. Public Comment on Items Not on The Agenda

11. Future Agenda Items/Meeting Dates

12. Adjournment
Agenda Item 2a: Budget Update
0325 - Electronic and Appliance Repair
Analysis of Fund Condition
(Dollars in Thousands)

**Governor's Budget**

<table>
<thead>
<tr>
<th></th>
<th>PY 2017-18</th>
<th>CY 2018-19</th>
<th>BY 2019-20</th>
</tr>
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<tbody>
<tr>
<td><strong>BEGINNING BALANCE</strong></td>
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<tr>
<td>Prior Year Adjustment</td>
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<td>$3,300</td>
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**REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS**

<table>
<thead>
<tr>
<th></th>
<th>PY 2017-18</th>
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<th>BY 2019-20</th>
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<tbody>
<tr>
<td>Revenues:</td>
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<tr>
<td>4121200 Delinquent fees</td>
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<td>$96</td>
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<tr>
<td>4129400 Other regulatory licenses and permits</td>
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<tr>
<td>4163000 Income from surplus money investments</td>
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<td>$49</td>
<td>$52</td>
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<td>4171400 Escheat of unclaimed checks and warrants</td>
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<td>$3,326</td>
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**EXPENDITURE AND EXPENDITURE ADJUSTMENTS**

<table>
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<tr>
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<th>PY 2017-18</th>
<th>CY 2018-19</th>
<th>BY 2019-20</th>
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</thead>
<tbody>
<tr>
<td>Expenditures:</td>
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**FUND BALANCE**

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**Months in Reserve**

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<tr>
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<td>14.2</td>
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Prepared 12.10.2018
# 0752 - Home Furnishings and Thermal Insulation

## Analysis of Fund Condition

(Dollars in Thousands)

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<tr>
<th>Governor's Budget</th>
<th>Governor’s Budget</th>
</tr>
</thead>
<tbody>
<tr>
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<td>PY 2017-18</td>
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<td><strong>BEGINNING BALANCE</strong></td>
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<tr>
<td>Prior Year Adjustment</td>
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<td>Adjusted Beginning Balance</td>
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<td><strong>REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS</strong></td>
<td></td>
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<tr>
<td>Revenues:</td>
<td></td>
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<tr>
<td>4121200 Delinquent fees</td>
<td>$116</td>
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<tr>
<td>4127400 Renewal fees</td>
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<td>4129200 Other regulatory fees</td>
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<td>4129400 Other regulatory licenses and permits</td>
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<tr>
<td>4163000 Investment Income - Surplus Money Investments</td>
<td>$9</td>
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<tr>
<td>4171400 Escheat - Unclaimed Checks, Warrants, Bonds, and Coupons</td>
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<td>4171500 Escheat - Unclaimed Property</td>
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<td>4172500 Miscellaneous revenues</td>
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<td><strong>Total Revenues, Transfers, and Other Adjustments</strong></td>
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<tr>
<td><strong>Total Resources</strong></td>
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## EXPENDITURE AND EXPENDITURE ADJUSTMENTS

<table>
<thead>
<tr>
<th>Expenditures:</th>
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<tr>
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<td>$201</td>
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<td>$5,287</td>
<td>$5,698</td>
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## FUND BALANCE

| Reserve for economic uncertainties | $2,837 | $2,914 | $2,752 |

| Months in Reserve | 6.4 | 5.1 | 5.8 |
## 3315 - Household Movers Fund

### Analysis of Fund Condition

(Dollars in Thousands)

<table>
<thead>
<tr>
<th>Governor’s Budget</th>
<th>PY 2017-18</th>
<th>CY 2018-19</th>
<th>BY 2019-20</th>
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</thead>
<tbody>
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<td>Prior Year Adjustment</td>
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<tr>
<td>Adjusted Beginning Balance</td>
<td>$ -</td>
<td>$ -</td>
<td>$ 1,407</td>
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### REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS

**Revenues:**

- 4129200 Other Regulatory Fees
- 4129400 Other Regulatory Licences and Permits
- 4103000 Investment Income - Surplus Money Investments
- 4173000 Penally Assessments - Other

<table>
<thead>
<tr>
<th></th>
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<th>CY 2018-19</th>
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<tbody>
<tr>
<td>$ -</td>
<td>$ -</td>
<td>$ 2,596</td>
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<td>$ -</td>
<td>$ -</td>
<td>$ 90</td>
<td></td>
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<td>$ -</td>
<td>$ -</td>
<td>$ 40</td>
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<tr>
<td>$ -</td>
<td>$ 2</td>
<td>$ 2</td>
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**Totals, Revenues**

$ - $ 2,622 $ 2,728

**Transfers and Other Adjustments**

- Revenue Transfer from Household Movers Fund (3315) to Motor Carriers Safety Improvement Fund (0293) per Public Utilities Code Section 5003.1
- Revenue Transfer from the Transportation Rate Fund 0412) to the Household Mover's Fund (3315) per 8660-011-0412 and 8660-401, Budget Act of 2013
- Revenue Transfer from the Transportation Rate Fund (0412) to Household Movers Fund (3315) per 8660-401, Budget Act of 2018

<table>
<thead>
<tr>
<th></th>
<th>PY 2017-18</th>
<th>CY 2018-19</th>
<th>BY 2019-20</th>
</tr>
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<tbody>
<tr>
<td>$ -</td>
<td>$ -</td>
<td>$ -21</td>
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<tr>
<td>$ -</td>
<td>$ -</td>
<td>$ 750</td>
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</tr>
<tr>
<td>$ -</td>
<td>$ -</td>
<td>$ 558</td>
<td>$ -</td>
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**Total Revenues, Transfers, and Other Adjustments**

$ - $ 3,909 $ 2,707

**Total Resources**

$ - $ 3,509 $ 4,114

### EXPENDITURE AND EXPENDITURE ADJUSTMENTS

**Expenditures:**

- Department of Consumer Affairs Regulatory Boards, Bureaus, Divisions (State Operations)

<table>
<thead>
<tr>
<th></th>
<th>PY 2017-18</th>
<th>CY 2018-19</th>
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<tbody>
<tr>
<td>1111</td>
<td>$ -</td>
<td>$ 2,502</td>
<td>$ 2,276</td>
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**Total Expenditures and Expenditure Adjustments**

$ - $ 2,502 $ 2,276

### FUND BALANCE

- Reserve for economic uncertainties

<table>
<thead>
<tr>
<th></th>
<th>PY 2017-18</th>
<th>CY 2018-19</th>
<th>BY 2019-20</th>
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</thead>
<tbody>
<tr>
<td>$ -</td>
<td>$ 1,407</td>
<td>$ 1,838</td>
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### MONTHS IN RESERVE

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<th>CY 2018-19</th>
<th>BY 2019-20</th>
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<td>9.5</td>
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Agenda Item 3a: Licensing Statistical Overview
# LICENSING STATISTICS

## Electronic and Appliance Repair Registrations

<table>
<thead>
<tr>
<th></th>
<th>2015-16</th>
<th>2016-17</th>
<th>2017-18</th>
<th>2018-19*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appliance Service Dealers</td>
<td>2,577</td>
<td>2,602</td>
<td>2,669</td>
<td>2,685</td>
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<tr>
<td>Electronic Service Dealer</td>
<td>5,043</td>
<td>5,047</td>
<td>4,832</td>
<td>4,743</td>
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<tr>
<td>Combination Electronic/Appliance Service Dealer</td>
<td>487</td>
<td>597</td>
<td>559</td>
<td>554</td>
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<tr>
<td>Service Contract Administrator</td>
<td>43</td>
<td>48</td>
<td>47</td>
<td>53</td>
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<tr>
<td>Service Contract Seller</td>
<td>10,544</td>
<td>12,062</td>
<td>14,115</td>
<td>12,198</td>
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<tr>
<td><strong>Total Active EAR Registrations</strong></td>
<td><strong>18,683</strong></td>
<td><strong>20,356</strong></td>
<td><strong>22,222</strong></td>
<td><strong>20,237</strong></td>
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</tbody>
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## Household Furnishings and Thermal Insulation Licenses

<table>
<thead>
<tr>
<th></th>
<th>2015-16</th>
<th>2016-17</th>
<th>2017-18</th>
<th>2018-19*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Furniture Retailers</td>
<td>2,251</td>
<td>2,277</td>
<td>2,053</td>
<td>2,088</td>
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<tr>
<td>Bedding Retailers</td>
<td>1,617</td>
<td>1,612</td>
<td>2,095</td>
<td>2,268</td>
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<tr>
<td>Furniture &amp; Bedding Retailers</td>
<td>11,656</td>
<td>11,630</td>
<td>11,834</td>
<td>11,445</td>
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<tr>
<td>Custom Upholsterers</td>
<td>479</td>
<td>507</td>
<td>499</td>
<td>469</td>
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<tr>
<td>Supply Dealers</td>
<td>130</td>
<td>114</td>
<td>107</td>
<td>98</td>
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<tr>
<td>Importers (includes overseas Manufacturers)</td>
<td>4,526</td>
<td>4,877</td>
<td>5,257</td>
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<tr>
<td>Manufacturers</td>
<td>1,468</td>
<td>1,537</td>
<td>1,520</td>
<td>1,501</td>
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<tr>
<td>Sanitizers</td>
<td>15</td>
<td>12</td>
<td>12</td>
<td>14</td>
</tr>
<tr>
<td>Wholesalers</td>
<td>154</td>
<td>180</td>
<td>195</td>
<td>191</td>
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<tr>
<td>Thermal Insulation Manufacturers</td>
<td>118</td>
<td>108</td>
<td>110</td>
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<tr>
<td><strong>Total Active HFTI Licenses</strong></td>
<td><strong>22,414</strong></td>
<td><strong>22,854</strong></td>
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<td><strong>23,587</strong></td>
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## Household Movers Permits

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<tbody>
<tr>
<td>Permits Issued</td>
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<td>51</td>
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<tr>
<td><strong>Total Active HHM Permits</strong></td>
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<td></td>
<td><strong>926</strong></td>
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## Household Movers Exams

<table>
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<tr>
<th>Month</th>
<th># of Exams (Passed)</th>
<th># of Exams (Failed)</th>
<th>Exams Taken</th>
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<td>August</td>
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<td>18</td>
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<td>October</td>
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<td>November</td>
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<tr>
<td>January</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>60</strong></td>
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<td><strong>89</strong></td>
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*As of January 31, 2019*
Agenda Item 3b: Consumer Complaints
Statistical Overview
## CONSUMER COMPLAINT STATISTICS

### Electronic and Appliance Repair Consumer Complaints

<table>
<thead>
<tr>
<th>Year</th>
<th>OPENED</th>
<th>CLOSED</th>
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</thead>
<tbody>
<tr>
<td>2015-16</td>
<td>678</td>
<td>758</td>
</tr>
<tr>
<td>2016-17</td>
<td>582</td>
<td>582</td>
</tr>
<tr>
<td>2017-18</td>
<td>1019</td>
<td>1014</td>
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<tr>
<td>2018-19*</td>
<td>336</td>
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### Household Furnishings and Thermal Insulation Consumer Complaints

<table>
<thead>
<tr>
<th>Year</th>
<th>OPENED</th>
<th>CLOSED</th>
</tr>
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<tbody>
<tr>
<td>2015-16</td>
<td>299</td>
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<tr>
<td>2016-17</td>
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<td>2017-18</td>
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<td>281</td>
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<tr>
<td>2018-19*</td>
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### Household Movers Consumer Complaints

<table>
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<tr>
<th>Year</th>
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<th>CLOSED</th>
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<tbody>
<tr>
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<td>2017-18</td>
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</tr>
<tr>
<td>2018-19*</td>
<td>159</td>
<td>107</td>
</tr>
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</table>

*As of January 31, 2019*
BREAKDOWN OF HOUSEHOLD MOVERS COMPLAINTS
Agenda Item 3c: Enforcement and Investigations Statistical Overview
**BEAR/BHFTI ENFORCEMENT STATISTICS**

- There has been one (1) case forwarded to the Attorney General’s Office in FY 2018/19, and two (2) cases currently pending.
- There is currently 1 licensee on Probation.

<table>
<thead>
<tr>
<th>TELEPHONE DISCONNECTS ORDERED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year</td>
</tr>
<tr>
<td>2015-16</td>
</tr>
<tr>
<td>2016-17</td>
</tr>
<tr>
<td>2017-18</td>
</tr>
<tr>
<td>2018-19*</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>INTERNAL CASES (Investigations)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OPENED</strong></td>
</tr>
<tr>
<td>Year</td>
</tr>
<tr>
<td>2015-16</td>
</tr>
<tr>
<td>2016-17</td>
</tr>
<tr>
<td>2017-18</td>
</tr>
<tr>
<td>2018-19*</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CITATIONS ISSUED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year</td>
</tr>
<tr>
<td>2015-16</td>
</tr>
<tr>
<td>2016-17</td>
</tr>
<tr>
<td>2017-18</td>
</tr>
</tbody>
</table>

*As of January 31, 2019*
# Household Movers Enforcement and Investigation Statistics

July 2018-February 2019

<table>
<thead>
<tr>
<th>Household Mover Cases Under Investigation</th>
<th>205</th>
</tr>
</thead>
<tbody>
<tr>
<td>July 2018-February 2019</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Hold Hostage Situations</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Resolved</td>
<td>28</td>
</tr>
<tr>
<td>Pending</td>
<td>6</td>
</tr>
<tr>
<td>Forwarded to Other Agencies</td>
<td>6</td>
</tr>
<tr>
<td>Total</td>
<td>40</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Cease and Desist Letters Issued</th>
<th>42</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Failure of Movers to Cease and Desist will result in Administrative Citations)</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Investigative Subpoenas Issued</th>
<th>2</th>
</tr>
</thead>
<tbody>
<tr>
<td>July 2018-February 2019</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Investigations Referred to District Attorney</th>
<th>1</th>
</tr>
</thead>
<tbody>
<tr>
<td>July 2018-February 2019</td>
<td></td>
</tr>
</tbody>
</table>
Agenda Item 3d: Laboratory Testing
Statistical Overview
LAB STATISTICS

Workload Analysis: Data for FYTD 18/19

<table>
<thead>
<tr>
<th>Type Test</th>
<th>Received 07/01/18-03/01/19</th>
<th>Completed Samples 07/01/18-03/01/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>TB117-2013</td>
<td>69</td>
<td>52 (90%) 6 (10%)</td>
</tr>
<tr>
<td>16 CFR 1633</td>
<td>23</td>
<td>24 (83%) 5 (17%)</td>
</tr>
<tr>
<td>Thermal Insulation</td>
<td>4</td>
<td>0</td>
</tr>
<tr>
<td>Bedding (No flammability tests)</td>
<td>31</td>
<td>26 (79%) 7 (21%)</td>
</tr>
<tr>
<td><strong>Labeling</strong></td>
<td>N/A</td>
<td>22 (18%) 99 (82%)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>127</td>
<td>---</td>
</tr>
</tbody>
</table>

**This category includes labeling results for all products except for Thermal Insulation.

FR Chemical Labeling and Analysis: Data for FYTD 18/19

<table>
<thead>
<tr>
<th>“NO” Chemicals Checked</th>
<th>Contains Chemicals</th>
<th>No Box Checked</th>
<th>FR Doc Request Sent</th>
<th>DTSC Analysis Conducted</th>
</tr>
</thead>
<tbody>
<tr>
<td>65</td>
<td>4</td>
<td>0</td>
<td>23</td>
<td>23</td>
</tr>
<tr>
<td>94%</td>
<td>6%</td>
<td>0%</td>
<td>35% of those marked “NO”</td>
<td>35% of those marked “NO”</td>
</tr>
</tbody>
</table>

Samples Analyzed with the “NO” Flame Retardant Chemical Statement 07/01/18-03/01/19

<table>
<thead>
<tr>
<th>Type Test</th>
<th>No.</th>
<th>Pass</th>
<th>%</th>
<th>No.</th>
<th>Fail</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>DTSC Analysis (23)*</td>
<td>12</td>
<td>52%</td>
<td></td>
<td>2</td>
<td>9%</td>
<td></td>
</tr>
<tr>
<td>FR Doc Review (23)**</td>
<td>17</td>
<td>74%</td>
<td></td>
<td>4</td>
<td>17%</td>
<td></td>
</tr>
</tbody>
</table>

*Testing in progress for nine components- quantitative analysis
**Testing in progress for two components
Agenda Item 4: Legislative Update
ASSEMBLY BILL No. 193

Introduced by Assembly Member Patterson

January 10, 2019

An act to amend Sections 7026.1, 7316, 7332, 7334, 7337.5, 7396, 7423, 19011, 19017, 19051, 19059.5, 19060.6, and 19170 of, to add and repeal Section 101.5 of, and to repeal Sections 7326, 7365, 19010.1, and 19052 of, the Business and Professions Code, and to amend Section 110371 of the Health and Safety Code, relating to professions and vocations.

LEGISLATIVE COUNSEL’S DIGEST

AB 193, as introduced, Patterson. Professions and vocations.

(1) Existing law establishes the Department of Consumer Affairs in the Business, Consumer Services, and Housing Agency to, among other things, ensure that certain businesses and professions that have potential impact upon the public health, safety, and welfare are adequately regulated.

This bill would require the department, beginning on January 1, 2021, to conduct a comprehensive review of all occupational licensing requirements and identify unnecessary licensing requirements that cannot be adequately justified. The bill would require the department to report to the Legislature on January 1, 2023, and every 2 years thereafter, on the department’s progress, and would require the department to issue a final report to the Legislature no later than January 1, 2033. The bill would require the department to apply for federal funds that have been made available specifically for the purpose of reviewing, updating, and eliminating overly burdensome licensing requirements, as provided.
(2) Existing law provides for the licensure and regulation of contractors by the Contractors’ State License Board in the department and includes within the term “contractor” a person who performs tree removal, tree pruning, stump removal, or engages in tree or limb cabling or guyng.

This bill would delete tree pruning from those provisions.

(3) Existing law, the Barbering and Cosmetology Act, provides for the licensure and regulation of the practice of cosmetology by the State Board of Barbering and Cosmetology in the department and defines the practice of both barbering and cosmetology to include shampooing the hair of any person. The act also specifies that, within the practice of cosmetology, there is the specialty branch of skin care, which includes applying makeup, and the specialty branch of nail care, which includes cutting, trimming, polishing, coloring, tinting, cleansing, manicuring, or pedicuring the nails of any person.

This bill would delete shampooing another person from the practice of barbering and cosmetology, would delete the act of applying makeup on another person from the specialty practice of skin care, and would delete nail care from the practice of cosmetology.

(4) Existing law provides for the regulation of custom upholsterers by the Bureau of Household Goods and Services in the department, and requires every custom upholsterer to hold a custom upholsterer’s license.

This bill would delete those provisions requiring licensure of custom upholsterers.

(5) The bill would make conforming and other nonsubstantive changes.


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

SECTION 1. The Legislature finds and declares all of the following:

(a) Many entities, including the Federal Trade Commission, the United States Department of Labor, and the Milton Marks “Little Hoover” Commission on California State Government Organization and Economy, have acknowledged the unnecessary burdens that occupational licensing places on otherwise qualified workers.

(b) Unnecessary licensing increases costs for consumers and restricts opportunities for workers.
(c) Researchers show that occupational licensing restrictions can result in almost three million fewer jobs and a cost of over $200,000,000,000 to consumers.

(d) The Institute for Justice estimates that burdensome licensing in California results in a loss of 195,917 jobs and $22,000,000,000 in misallocated resources.

(e) California is the most broadly and onerously licensed state in the nation and has been identified as the nation’s worst licensing environment for workers in lower-income occupations.

(f) Licensing is also believed to disproportionately affect minorities and exacerbate income inequality.

SEC. 2. Section 101.5 is added to the Business and Professions Code, to read:

101.5. (a) The department shall apply for federal funds that have been made available specifically for the purposes of reviewing, updating, and eliminating overly burdensome licensing requirements.

(b) Beginning on January 1, 2021, the department shall conduct a comprehensive review of all occupational licensing requirements and shall identify unnecessary licensing requirements that cannot be adequately justified. The department shall conduct the review whether or not the state receives federal funds pursuant to subdivision (a).

(c) The department shall report to the Legislature on January 1, 2023, and every two years thereafter until the department has completed its review, on the department’s progress in conducting the review. The department shall issue a final report to the Legislature no later than January 1, 2033.

(d) A report to be submitted pursuant to subdivision (c) shall be submitted in compliance with Section 9795 of the Government Code.

(e) Notwithstanding Section 10231.5 of the Government Code, this section is repealed on January 1, 2034.

SEC. 3. Section 7026.1 of the Business and Professions Code is amended to read:

7026.1. (a) The term “contractor” includes all of the following:

(1) Any person not exempt under Section 7053 who maintains or services air-conditioning, heating, or refrigeration equipment that is a fixed part of the structure to which it is attached.
(2) (A) Any person, consultant to an owner-builder, firm, association, organization, partnership, business trust, corporation, or company, who or which undertakes, offers to undertake, purports to have the capacity to undertake, or submits a bid to construct any building or home improvement project, or part thereof.

(B) For purposes of this paragraph, a consultant is a person, other than a public agency or an owner of privately owned real property, who meets either of the following criteria as it relates to work performed pursuant to a home improvement contract as defined in Section 7151.2:

(i) Provides or oversees a bid for a construction project.

(ii) Arranges for and sets up work schedules for contractors and subcontractors and maintains oversight of a construction project.

(3) A temporary labor service agency that, as the employer, provides employees for the performance of work covered by this chapter. The provisions of this paragraph shall not apply if there is a properly licensed contractor who exercises supervision in accordance with Section 7068.1 and who is directly responsible for the final results of the work. Nothing in this paragraph shall require a qualifying individual, as provided in Section 7068, to be present during the supervision of work covered by this chapter. A contractor requesting the services of a temporary labor service agency shall provide his or her contractor’s license number to that temporary labor service agency.

(4) Any person not otherwise exempt by this chapter, who performs tree removal, stump removal, or engaging in tree or limb cabling or guying. The term contractor does not include a person performing the activities of a nurseryperson who in the normal course of routine work performs incidental pruning of trees, or guyng of planted trees and their limbs. The term contractor does not include a gardener who in the normal course of routine work performs incidental pruning of trees measuring less than 15 feet in height after planting.

(5) Any person engaged in the business of drilling, digging, boring, or otherwise constructing, deepening, repairing reperforating, or abandoning any water well, cathodic protection well, or monitoring well.

(b) The term “contractor” or “consultant” does not include a common interest development manager, as defined in Section 11501, and a common interest development manager is not required
1 to have a contractor’s license when performing management
2 services, as defined in subdivision (d) of Section 11500.
3 SEC. 4. Section 7316 of the Business and Professions Code is
4 amended to read:
5 7316. (a) The practice of barbering is all or any combination
6 of the following practices:
7 (1) Shaving or trimming the beard or cutting the hair.
8 (2) Giving facial and scalp massages or treatments with oils,
9 creams, lotions, or other preparations either by hand or mechanical
10 appliances.
11 (3) Singeing, shampooing, arranging, dressing, curling, waving,
12 chemical waving, hair relaxing, or dyeing the hair or applying hair
13 tonics.
14 (4) Applying cosmetic preparations, antiseptics, powders, oils,
15 clays, or lotions to scalp, face, or neck.
16 (5) Hairstyling of all textures of hair by standard methods that
17 are current at the time of the hairstyling.
18 (b) The practice of cosmetology is all or any combination of
19 the following practices:
20 (1) Arranging, dressing, curling, waving, machineless permanent
21 waving, permanent waving, cleansing, cutting, shampooing,
22 relaxing, singeing, bleaching, tinting, coloring, straightening,
23 dyeing, applying hair tonics to, beautifying, or otherwise treating
24 by any means, the hair of any person.
25 (2) Massaging, cleaning, or stimulating the scalp, face, neck,
26 arms, or upper part of the human body, by means of the hands,
27 devices, apparatus or appliances, with or without the use of
28 cosmetic preparations, antiseptics, tonics, lotions, or creams.
29 (3) Beautifying the face, neck, arms, or upper part of the human
30 body, by use of cosmetic preparations, antiseptics, tonics, lotions,
31 or creams.
32 (4) Removing superfluous hair from the body of any person by
33 the use of depilatories or by the use of tweezers, chemicals, or
34 preparations or by the use of devices or appliances of any kind or
35 description, except by the use of light waves, commonly known
36 as rays.
37 (5) Cutting, trimming, polishing, tinting, coloring, cleansing,
38 or manicuring the nails of any person.
39 (6)
Massaging, cleansing, treating, or beautifying the hands or feet of any person.

Within the practice of cosmetology there exist the specialty branches of skin care and nail care. 

1. Skin care branch of skin care, which is any one or more of the following practices:
   1. Giving facials, applying makeup, giving skin care, removing superfluous hair from the body of any person by the use of depilatories, tweezers or waxing, or applying eyelashes to any person.
   2. Beautifying the face, neck, arms, or upper part of the human body, by use of cosmetic preparations, antiseptics, tonics, lotions, or creams.
   3. Massaging, cleaning, or stimulating the face, neck, arms, or upper part of the human body, by means of the hands, devices, apparatus, or appliances, with the use of cosmetic preparations, antiseptics, tonics, lotions, or creams.

2. Nail care is the practice of cutting, trimming, polishing, coloring, tinting, cleansing, manicuring, or pedicuring the nails of any person or massaging, cleansing, or beautifying from the elbow to the fingertips or the knee to the toes of any person.

3. Threading is a technique that results in removing hair by twisting thread around unwanted hair and pulling it from the skin and the incidental trimming of eyebrow hair.

4. Notwithstanding paragraph (2) of subdivision (d), a person who engages in natural hairstyling, which is defined as the provision of natural hair braiding services together with any of the
services or procedures defined within the regulated practices of barbering or cosmetology, is subject to regulation pursuant to this chapter and shall obtain and maintain a barbering or cosmetology license as applicable to the services respectively offered or performed.

(f) Electrolysis is the practice of removing hair from, or destroying hair on, the human body by the use of an electric needle only. “Electrolysis” as used in this chapter includes electrolysis or thermolysis.

SEC. 5. Section 7326 of the Business and Professions Code is repealed.

SEC. 6. Section 7332 of the Business and Professions Code is amended to read:

7332. (a) An apprentice is any person who is licensed by the board to engage in learning or acquiring a knowledge of barbering, cosmetology, skin care, nail care, or electrology, in a licensed establishment under the supervision of a licensee approved by the board.
(b) For purposes of this section, “under the supervision of a licensee” means that the apprentice shall be supervised at all times by a licensee approved by the board while performing services in a licensed establishment. At no time shall an apprentice be the only individual working in the establishment. An apprentice that is not being supervised by a licensee, apprentice, shall be deemed to be practicing unlicensed under this chapter.

SEC. 7. Section 7334 of the Business and Professions Code is amended to read:

7334. (a) The board may license as an apprentice in barbering, cosmetology, or skin care, or nail care any person who has made application to the board upon the proper form, has paid the fee required by this chapter, and who is qualified as follows:

(1) Is over 16 years of age.
(2) Has completed the 10th grade in the public schools of this state or its equivalent.
(3) Is not subject to denial pursuant to Section 480.
(4) Has submitted evidence acceptable to the board that any training the apprentice is required by law to obtain shall be conducted in a licensed establishment and under the supervision of a licensee approved by the board.

(b) The board may license as an apprentice in electrolysis any person who has made application to the board upon the proper form, has paid the fee required by this chapter, and who is qualified as follows:

(1) Is not less than 17 years of age.
(2) Has completed the 12th grade or an accredited senior high school course of study in schools of this state or its equivalent.
(3) Is not subject to denial pursuant to Section 480.
(4) Has submitted evidence acceptable to the board that any training the apprentice is required by law to obtain shall be conducted in a licensed establishment and under the supervision of a licensee approved by the board.

(c) All persons making application as an apprentice in barbering shall also complete a minimum of 39 hours of preapprentice training in a facility approved by the board prior to serving the general public.

(d) All persons making application as an apprentice in cosmetology, skin care, or nail care, or electrolysis shall also complete
minimum preapprentice training for the length of time established
by the board in a facility approved by the board prior to serving
the general public.
(e) Apprentices may only perform services on the general public
for which they have received technical training.
(f) Apprentices shall be required to obtain at least the minimum
hours of technical instruction and minimum number of practical
operations for each subject as specified in board regulations for
courses taught in schools approved by the board, in accordance
with Sections 3074 and 3078 of the Labor Code.
SEC. 8. Section 7337.5 of the Business and Professions Code
is amended to read:
7337.5. (a) The board shall adopt regulations providing for
the submittal of applications for admission to examination of
students of approved cosmetology, electrology, or barbering
schools who have completed at least 75 percent of the required
course clock hours and curriculum requirements (60 percent for
students of the manicurist course), or any person licensed as an
apprentice in barbering, cosmetology, or skin care, or nail care
who has completed at least 75 percent of the required
apprenticeship training hours. The regulations shall include
provisions that ensure that all proof of qualifications of the
applicant is received by the board before the applicant is examined.
(b) An application for examination submitted by a student of
an approved cosmetology, electrology, or barbering school under
this section shall be known as a “school preapplication” and an
additional preapplication fee may be required.
(c) An application for examination submitted by a person
licensed as an apprentice in barbering, cosmetology, or skin care,
or nail care shall be known as an “apprenticeship preapplication”
and an additional fee may be required.
(d) The board shall administer the licensing examination not
later than 10 working days after graduation from an approved
cosmetology, electrology, or barbering school to students who
have submitted an application for admission for examination under
the preapplication procedure, or not later than 10 working days
after completion of an approved barbering, cosmetology, or skin
care, or nail care apprenticeship program for a person licensed as
an apprentice.
SEC. 9. Section 7365 of the Business and Professions Code is repealed.

7365. A nail care course established by a school shall consist of not less than 350 hours of practical training and technical instruction in accordance with a curriculum established by board regulation.

SEC. 10. Section 7396 of the Business and Professions Code is amended to read:

7396. The form and content of a license issued by the board shall be determined in accordance with Section 164. The license shall prominently state that the holder is licensed as a barber, cosmetologist, esthetician, manicurist, electrologist, or apprentice, and shall contain a photograph of the licensee.

SEC. 11. Section 7423 of the Business and Professions Code is amended to read:

7423. The amounts of the fees required by this chapter relating to licenses for individual practitioners are as follows:

(a) (1) Cosmetologist—A cosmetologist application and examination fee shall be the actual cost to the board for developing, purchasing, grading, and administering the examination.

(2) A cosmetologist initial license fee shall not be more than fifty dollars ($50).

(b) (1) An esthetician application and examination fee shall be the actual cost to the board for developing, purchasing, grading, and administering the examination.

(2) An esthetician initial license fee shall not be more than forty dollars ($40).

(c) (1) A manicurist application and examination fee shall be the actual cost to the board for developing, purchasing, grading, and administering the examination.

(2) A manicurist initial license fee shall not be more than thirty-five dollars ($35).

(d) (c) (1) A barber application and examination fee shall be the actual cost to the board for developing, purchasing, grading, and administering the examination.

(2) A barber initial license fee shall be not more than fifty dollars ($50),

(e)
(d) (1) An electrologist application and examination fee shall be the actual cost to the board for developing, purchasing, grading, and administering the examination. (2) An electrologist initial license fee shall be not more than fifty dollars ($50).

(e) An apprentice application and license fee shall be not more than twenty-five dollars ($25).

(f) The license renewal fee for individual practitioner licenses that are subject to renewal shall be not more than fifty dollars ($50).

(h) Any preapplication fee shall be established by the board in an amount sufficient to cover the costs of processing and administration of the preapplication.

SEC. 12. Section 19010.1 of the Business and Professions Code is repealed.

19010.1. “Custom upholsterer” means a person who, either by himself or herself or through employees or agents, repairs, reupholsters, reovers, restores, or renews upholstered furniture, or who makes to order and specification of the user any article of upholstered furniture, using either new materials or owner’s materials. “Manufacturer” does not, however, include a “custom upholsterer,” as defined in Section 19010.1.

SEC. 13. Section 19011 of the Business and Professions Code is amended to read:

19011. “Manufacturer” means a person who, either by himself or herself or through employees or agents, makes any article of upholstered furniture or bedding in whole or in part, or who does the upholstery or covering of any unit thereof, using either new or secondhand material. “Manufacturer” does not, however, include a “custom upholsterer,” as defined in Section 19010.1.

SEC. 14. Section 19017 of the Business and Professions Code is amended to read:
Code is amended to read:

19017. “Owner’s material” means any article or material belonging to a person for his or her own use, that is sent to any manufacturer, manufacturer or bedding renovator, or custom upholsterer to be repaired or renovated. renovator or used in repairing or renovating.

SEC. 15. Section 19051 of the Business and Professions Code is amended to read:

19051. Every upholstered-furniture retailer, unless the person holds an importer’s license, a furniture and bedding manufacturer’s license, a wholesale furniture and bedding dealer’s license, a custom upholsterer’s license, or a retail furniture and bedding dealer’s license, shall hold a retail furniture dealer’s license.

(a) This section does not apply to a person whose sole business is designing and specifying for interior spaces, and who purchases specific amenable upholstered furniture items on behalf of a client, provided that the furniture is purchased from an appropriately licensed importer, wholesaler, or retailer. This section does not apply to a person who sells “used” and “antique” furniture as defined in Sections 19008.1 and 19008.2.

(b) This section does not apply to a person who is licensed as a home medical device retail facility by the State Department of Health Services, provided that the furniture is purchased from an appropriately licensed importer, wholesaler, or retailer.

SEC. 16. Section 19052 of the Business and Professions Code is repealed.

19052. Every custom upholsterer, unless he or she holds a furniture and bedding manufacturer’s license, shall hold a custom upholsterer’s license.

SEC. 17. Section 19059.5 of the Business and Professions Code is amended to read:

19059.5. Every sanitizer shall hold a sanitizer’s license unless the person is licensed as a home medical device retail facility by the State Department of Health Services or as an upholstered furniture and bedding manufacturer, retail furniture and bedding dealer, or retail bedding dealer, or custom upholsterer, dealer.

SEC. 18. Section 19060.6 of the Business and Professions Code is amended to read:
19060.6. (a) Except as provided in subdivision (b), every person who, on his or her own account, advertises, solicits, or contracts to manufacture, repair or renovate upholstered furniture or bedding, and who either does the work himself or herself or has others do it for him or her, shall obtain the particular license required by this chapter for the particular type of work that he or she solicits or advertises that he or she will do, regardless of whether he or she has a shop or factory.

(b) Every person who, on his or her own account, advertises, solicits or contracts to repair or renovate upholstered furniture and who does not do the work himself or herself nor have employees do it for him or her but does have the work done by a licensed custom upholsterer need not obtain a license as a custom upholsterer but shall obtain a license as a retail furniture dealer. However, nothing in this section shall exempt a retail furniture dealer from complying with Sections 19162 and 19163.

SEC. 19. Section 19170 of the Business and Professions Code is amended to read:

19170. (a) The fee imposed for the issuance and for the biennial renewal of each license granted under this chapter shall be set by the chief, with the approval of the director, at a sum not more nor less than that shown in the following table:

<table>
<thead>
<tr>
<th>License</th>
<th>Maximum Fee</th>
<th>Minimum Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Importer’s license</td>
<td>$940</td>
<td>$120</td>
</tr>
<tr>
<td>Furniture and bedding manufacturer’s license</td>
<td>940</td>
<td>120</td>
</tr>
<tr>
<td>Wholesale furniture and bedding dealer’s license</td>
<td>675</td>
<td>120</td>
</tr>
<tr>
<td>Supply dealer’s license</td>
<td>675</td>
<td>120</td>
</tr>
<tr>
<td>Custom upholsterer’s license</td>
<td>450</td>
<td>80</td>
</tr>
<tr>
<td>Sanitizer’s license</td>
<td>450</td>
<td>80</td>
</tr>
<tr>
<td>Retail furniture and bedding dealer’s license</td>
<td>300</td>
<td>40</td>
</tr>
<tr>
<td>Retail furniture dealer’s license</td>
<td>150</td>
<td>20</td>
</tr>
<tr>
<td>Retail bedding dealer’s license</td>
<td>150</td>
<td>20</td>
</tr>
</tbody>
</table>

(b) Individuals who, in their own homes and without the employment of any other person, make, sell, advertise, or contract
to make pillows, quilts, quilted pads, or comforters are exempt from the fee requirements imposed by subdivision (a). However, these individuals shall comply with all other provisions of this chapter.

(c) Retailers who only sell “used” and “antique” furniture as defined in Sections 19008.1 and 19008.2 are exempt from the fee requirements imposed by subdivision (a). Those retailers are also exempt from the other provisions of this chapter.

(d) A person who makes, sells, or advertises upholstered furniture and bedding as defined in Sections 19006 and 19007, and who also makes, sells, or advertises furniture used exclusively for the purpose of physical fitness and exercise, shall comply with the fee requirements imposed by subdivision (a).

(e) A person who has paid the required fee and who is licensed either as an upholstered furniture and bedding manufacturer or as a custom upholsterer under this chapter shall not be required to additionally pay the fee for a sanitizer’s license.

SEC. 20. Section 110371 of the Health and Safety Code is amended to read:

110371. (a) A professional cosmetic manufactured on or after July 1, 2020, for sale in this state shall have a label affixed on the container that satisfies all of the labeling requirements for any other cosmetic pursuant to the Federal Food, Drug, and Cosmetic Act (21 U.S.C. Sec. 301, et seq.), and the federal Fair Packaging and Labeling Act (15 U.S.C. Sec. 1451, et seq.).

(b) The following definitions shall apply to this section:

(1) “Ingredient” has the same meaning as in Section 111791.5.

(2) “Professional” means a person that has been granted a license by the State Board of Barbering and Cosmetology to practice in the field of cosmetology, nail care, barbering, or esthetics.

(3) “Professional cosmetic” means a cosmetic product as it is defined in Section 109900 that is intended or marketed to be used only by a professional on account of a specific ingredient, increased concentration of an ingredient, or other quality that requires safe handling, or is otherwise used by a professional.
Introduced by Assembly Member Low

February 14, 2019

An act to add Section 101.1 to the Business and Professions Code, relating to professions and vocations, and making an appropriation therefor.

legislative counsel’s digest

AB 613, as introduced, Low. Professions and vocations: regulatory fees.
Exiting law establishes the Department of Consumer Affairs, which is comprised of boards that are established for the purpose of regulating various professions and vocations, and generally authorizes a board to charge fees for the reasonable regulatory cost of administering the regulatory program for the profession or vocation. Existing law establishes the Professions and Vocations Fund in the State Treasury, which consists of specified special funds and accounts, some of which are continuously appropriated. This bill would authorize each board within the department to increase every 4 years any fee authorized to be imposed by that board by an amount not to exceed the increase in the California Consumer Price Index for the preceding 4 years, subject to specified conditions. The bill would require the Director of Consumer Affairs to approve any fee increase proposed by a board except under specified circumstances. By authorizing an increase in the amount of fees deposited into a continuously appropriated fund, this bill would make an appropriation.
The people of the State of California do enact as follows:

SECTION 1. Section 101.1 is added to the Business and Professions Code, to read:

101.1. (a) Notwithstanding any other law, no more than once every four years, any board listed in Section 101 may increase any fee authorized to be imposed by that board by an amount not to exceed the increase in the California Consumer Price Index, as determined pursuant to Section 2212 of the Revenue and Taxation Code, for the preceding four years in accordance with the following:

(1) The board shall provide its calculations and proposed fee, rounded to the nearest whole dollar, to the director and the director shall approve the fee increase unless any of the following apply:

(A) The board has unencumbered funds in an amount that is equal to more than the board’s operating budget for the next two fiscal years.

(B) The fee would exceed the reasonable regulatory costs to the board in administering the provisions for which the fee is authorized.

(C) The director determines that the fee increase would be injurious to the public health, safety, or welfare.

(2) The adjustment of fees and publication of the adjusted fee list is not subject to the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2) of the Government Code.

(b) For purposes of this section, “fee” includes any fees authorized to be imposed by a board for regulatory costs. “Fee” does not include administrative fines, civil penalties, or criminal penalties.
An act to add Part 12.3 (commencing with Section 15925) to Division 3 of Title 2 of, and to repeal Section 15929 of, the Government Code, relating to underground economy.

legislative counsel’s digest

AB 1296, as introduced, Gonzalez. Tax Recovery in the Underground Economy Criminal Enforcement Program.

Existing law, until January 1, 2019, established the Revenue Recovery and Collaborative Enforcement Team as a pilot program consisting of a team of agencies charged with specified duties that included developing a plan to document, review, and evaluate data and complaints, evaluating the benefits of a processing center to receive and analyze data, share complaints, and research leads, and providing agencies with investigative leads to combat criminal tax evasion associated with the underground economy.

This bill would establish the Tax Recovery in the Underground Economy Criminal Enforcement Program in the Department of Justice to combat underground economic activities through a multiagency collaboration to, among other things, pool resources, collaborate and share data, prosecute violations, and recover state revenue lost to the underground economy, as specified. The bill would require Tax Recovery in the Underground Economy Criminal Enforcement Program teams to be located in Sacramento, Los Angeles, San Diego, the San Francisco Bay area, and Fresno. The bill would establish a Tax Recovery in the Underground Economy Criminal Enforcement Program executive
board and Tax Recovery in the Underground Economy Criminal Enforcement Program committees to ensure multiagency collaboration. The bill would require that information exchanged pursuant to these provisions retain its confidential status, as specified. The bill would require the Department of Justice, in consultation with the executive board of the program, to submit to the Legislature a report on March 31, 2020, and annually thereafter, that includes specific information relating to the program. Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

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

SECTION 1. (a) The Legislature finds and declares all of the following:

(1) The underground economy has significant negative effects on Californians. Many workers go without basic rights and protections, law-abiding businesses are put at a competitive disadvantage, consumer protections are threatened, and tax revenues are lost that could otherwise fund programs in education, law enforcement, infrastructure, or fund tax reductions for the majority of Californians who play by the rules.

(2) According to a 2013 report by the University of California, Los Angeles (UCLA) Labor Center prepared for the State Board of Equalization (now the California Department of Tax and Fee Administration), the underground economy has more than doubled between 1970 and 2000. The state’s underground economy is estimated at $60 to $140 billion annually. An estimated $8.5 billion in corporate, personal, and sales and use taxes go uncollected each year.

(3) It is the intent of the Legislature in enacting this act to support the goals of the Tax Recovery in the Underground Economy Criminal Enforcement Program, which include all of the following:

(A) To protect workers, law-abiding businesses, and consumers by bringing justice to unscrupulous businesses operating in the state’s underground economy.

(B) To recover significant lost revenues to the state by prosecuting egregious, felony-level tax and fee evasion crimes in the state’s underground economy.
(C) To facilitate information sharing among participating agencies to assess leads, conduct investigations, and prosecute felony-level tax and fee evasion crimes in the underground economy.

(D) To support multiagency investigative teams in every region of the state.

SEC. 2. Part 12.3 (commencing with Section 15925) is added to Division 3 of Title 2 of the Government Code, to read:

PART 12.3. TAX RECOVERY IN THE UNDERGROUND ECONOMY CRIMINAL ENFORCEMENT ACT

15925. This part shall be known, and may be cited, as the Tax Recovery in the Underground Economy Criminal Enforcement Act.

15926. (a) The Tax Recovery in the Underground Economy Criminal Enforcement Program is hereby established in the Department of Justice to combat underground economic activities through a multiagency collaboration to do, to the extent practicable, the following:

(1) Pool resources and leverage enforcement efforts.
(2) Collaborate and share data with state and federal partners.
(3) Efficiently prosecute violations covering jurisdictions of multiple agencies to address the severity of the crimes and impose appropriate penalties on convicted violators.
(4) Recover state revenue lost to the underground economy.

(b) The Tax Recovery in the Underground Economy Criminal Enforcement Program shall include an executive board to ensure efficient and effective multiagency collaboration in furtherance of this act. The executive board shall consist of the following voting members:

(1) A representative from the Division of Law Enforcement at the Department of Justice.
(2) A representative from the Criminal Law Division at the Department of Justice.
(3) A representative from the Investigations and Special Operations Bureau at the California Department of Tax and Fee Administration.
(4) A representative from the Criminal Investigation Bureau at the Franchise Tax Board.
(5) A representative from the Investigation Division at the Employment Development Department.

(c) The Tax Recovery in the Underground Economy Criminal Enforcement Program may, as the executive board deems appropriate, invite the following state agencies to join the executive board in an advisory capacity:

1. The California Health and Human Services Agency.
2. The Department of Consumer Affairs.
3. The Department of Industrial Relations.
4. The Department of Insurance.
5. The Department of Motor Vehicles.
6. The Department of the California Highway Patrol.
7. The Department of Alcoholic Beverage Control.
8. The Bureau of Cannabis Control.
9. The Contractors’ State License Board.

(d) The Tax Recovery in the Underground Economy Criminal Enforcement Program may, as the executive board deems appropriate, invite other state and federal agencies to join the executive board in an advisory capacity subject to paragraph (2) of subdivision (b) of Section 15928.

(e) The addition of an advisory agency to the Tax Recovery in the Underground Economy Criminal Enforcement Program executive board shall be by written agreement between the voting members of the executive board and the agency joining the executive board. The written agreement shall govern the participation of the agency joining the executive board. The written agreement shall include provisions ensuring that confidential information is shared only when necessary to assess leads, conduct an investigation, or prosecute a case.

15927. (a) The Tax Recovery in the Underground Economy Criminal Enforcement Program shall include investigative teams located in Sacramento, Los Angeles, San Diego, the San Francisco Bay area, and Fresno under the direct oversight of the Department of Justice. The investigative teams shall include, but are not limited to, duly authorized representatives of the agencies listed in subdivision (b) of Section 15926. The addition of an agency to an investigative team shall be by written agreement between the Tax Recovery in the Underground Economy Criminal Enforcement Program’s executive board and the agency joining the investigative
team. The written agreement shall govern the participation of the agency joining the investigative team.

(b) Each investigative team shall have a committee established by the Tax Recovery in the Underground Economy Criminal Enforcement Program’s executive board to ensure efficient and effective multi agency collaboration in each region in furtherance of this act.

(c) The Tax Recovery in the Underground Economy Criminal Enforcement Program’s executive board and each investigative team’s committee shall meet as needed, but shall meet at least quarterly, to conduct its business.

15928. (a) For cases that involve tax or fee administration associated with underground economic activities, duly authorized members of the Tax Recovery in the Underground Economy Criminal Enforcement Program employed by an agency listed in subdivision (b) of Section 15926 or employed by an agency that joined the Tax Recovery in the Underground Economy Criminal Enforcement Program pursuant to subdivision (c) of Section 15926 shall exchange intelligence, data, including confidential tax and fee information, documents, information, complaints, or lead referrals for the purposes listed in subdivision (c).

(b) (1) Notwithstanding subdivision (a), no person employed by an agency listed in subdivision (b) or (c) of Section 15926 shall disclose confidential tax or fee information to a person employed by an agency invited to join the executive board pursuant to subdivision (d) of Section 15926, except as set forth in paragraph (2).

(2) For cases that involve a known or suspected felony level tax or fee evasion crime, voting members and advisory members may share confidential tax or fee information with other members of an investigatory team of the Tax Recovery in the Underground Economy Criminal Enforcement Program if all of the following criteria are met:

(A) The confidential tax or fee information is obtained by a voting member or advisory member of the Tax Recovery in the Underground Economy Criminal Enforcement Program pursuant to existing law, agreements authorized by existing law, or order by the Governor.

(B) The person who receives the confidential tax or fee information is a peace officer.
(C) The confidential tax or fee information is for one of the purposes listed in subdivision (c) related to a felony level tax or fee evasion crime.

(D) The person receiving the confidential tax or fee information has a legitimate need to know to assess leads, conduct an investigation, or prosecute a case.

(E) There is a nondisclosure agreement that prohibits the person receiving the confidential tax or fee information from disclosing the information to any person that is not part of the Tax Recovery in the Underground Economy Criminal Enforcement Program or disclosing the information to any other unauthorized person.

(c) The intelligence, data, including confidential tax or fee information, documents, information, complaints, and lead referrals exchanged pursuant to this section shall be used for the following purposes:

(1) To assess leads or referrals in order to determine if an investigation is warranted.

(2) To conduct investigations.

(3) To prosecute violations.

(4) To conduct data analytics.

(5) To enforce judgments.

(d) Any person who was or has been involved in the Tax Recovery in the Underground Economy Criminal Enforcement Program pursuant to Section 15926 or 15927 or any person who has at any time obtained that knowledge from any of the foregoing persons shall not divulge, or make known in any manner not provided by law, any of the confidential information received by or reported to the Tax Recovery in the Underground Economy Criminal Enforcement Program. Confidential information authorized to be exchanged pursuant to this section shall retain its confidential status and shall otherwise remain subject to the confidentiality provisions contained in, but not limited to, all of the following provisions:

(1) Section 11183 as that section pertains to the Department of Justice.

(2) Sections 1094 and 1095 of the Unemployment Insurance Code as those sections pertain to the Employment Development Department.
(3) Sections 19542, 19542.1, and 19542.3 of the Revenue and Taxation Code as those Sections pertain to the Franchise Tax Board.

(4) Section 15619 of this code, Section 42464.8 of the Public Resources Code, and Sections 7056, 7056.5, 8255, 9255, 9255.1, 30455, 32455, 32457, 38705, 38706, 43651, 45981, 45982, 45983, 45984, 46751, 50159, 50160, 50161, 55381, 60608, and 60609 of the Revenue and Taxation Code, as those sections pertain to the California Department of Tax and Fee Administration.

(5) Any other information confidentiality provisions in state law.

(6) Any information confidentiality provisions that are applicable to any agency that is added to the Tax Recovery in the Underground Economy Criminal Enforcement Program pursuant to subdivision (c) or (d) of Section 15926.

(e) A member of the Tax Recovery in the Underground Economy Criminal Enforcement Program shall not exchange federal tax data without authorization from the Internal Revenue Service.

(f) The Tax Recovery in the Underground Economy Criminal Enforcement Program’s executive board shall oversee the Tax Recovery in the Underground Economy Criminal Enforcement Program to ensure the protection of confidential tax and fee information pursuant to this part.

(g) The Tax Recovery in the Underground Economy Criminal Enforcement Program shall, to the extent the Legislature appropriates funds for purposes of this section, develop a data analytics system that enhances the efficiency and effectiveness of the multi agency collaboration set forth by this act.

15929. (a) On or before March 31, 2020, and annually thereafter, the Department of Justice, in consultation with the executive board of the Tax Recovery in the Underground Economy Criminal Enforcement Program, shall submit a report to the Legislature that includes, but is not limited to, the following information:

(1) The number of leads or complaints received by the Tax Recovery in the Underground Economy Criminal Enforcement Program during the reporting period.

(2) The number of cases investigated or prosecuted through civil action or criminal prosecution as a result of the work of the
Tax Recovery in the Underground Economy Criminal Enforcement Program.

(3) The amount and final disposition of moneys collected through Tax Recovery in the Underground Economy Criminal Enforcement Program’s enforcement efforts.

(4) The status of the multiagency collaboration required by this act.

(5) A list of the agencies that received confidential tax or fee information pursuant to subdivision (b) of Section 15928.

(6) The number of instances, if any, of unauthorized or suspected unauthorized access, use, or disclosure of confidential tax or fee information. The report shall include the number of instances, if any, of unauthorized or suspected unauthorized access, use, or disclosure of confidential tax or fee information dating back to the inception of the Tax Recovery in the Underground Economy Criminal Enforcement Program and its predecessor programs.

(7) The status of any efforts to plan for, develop, and implement a data analytics system that enhances the efficiency and effectiveness of the multiagency collaboration set forth in this act.

(8) Policy considerations, if any, to help advance the purpose of the Tax Recovery in the Underground Economy Criminal Enforcement Program.

(b) (1) A report to be submitted pursuant to subdivision (a) shall be submitted in compliance with Section 9795 of the Government Code.

(2) Pursuant to Section 10231.5, this section is repealed on January 1, 2024.
An act to add Section 9815 to the Business and Professions Code, relating to professions and vocations.

legislative counsel’s digest

AB 1469, as introduced, Low. Electronic and appliance repairers: trade standards: review. Existing law, the Electronic and Appliance Repair Dealer Registration Law, provides for the registration and regulation of service dealers and service contractors by the Bureau of Household Goods and Services within the Department of Consumer Affairs. Existing law authorizes the Director of Consumer Affairs to deny, suspend, revoke, or place on probation the registration of a service dealer for specified acts or omissions done by the service dealer or associated person, including that the service dealer or associated person willfully departed from or disregarded accepted trade standards for good and workmanlike installation or repair. Existing administrative law adopted by the bureau defines the term “accepted trade standards for good and workmanlike repair” for these purposes. This bill would require, by July 1, 2021, the Bureau of Household Goods and Services, in consultation with stakeholders, to conduct a review of its accepted trade standards for good and workmanlike repair to determine whether additional regulations need to be adopted concerning privacy and security implications of connected devices, as defined.
The people of the State of California do enact as follows:

SECTION 1. Section 9815 is added to the Business and Professions Code, to read:

9815. Not later than July 1, 2021, the Bureau of Household Goods and Services, in consultation with stakeholders, shall conduct a review of its accepted trade standards for good and workmanlike repair, as defined in Section 2741 of Title 16 of the California Code of Regulations, to determine whether additional regulations should be adopted concerning privacy and security implications of connected devices, as defined in Section 1798.91.05 of the Civil Code.
An act to amend Section 34500 of the Vehicle Code, relating to vehicles.

legislative counsel’s digest

SB 358, as introduced, Committee on Transportation. Vehicles: safety regulations. Existing law requires the Department of Motor Vehicles to regulate the safe operation of certain vehicles, including, but not limited to, motortrucks of three or more axles that are more than 10,000 pounds gross vehicle weight rating, truck tractors, and any motortruck regulated by the Department of Motor Vehicles, the Public Utilities Commission, or the United States Secretary of Transportation. This bill would additionally require the department to regulate the safe operation of motortrucks regulated by the Bureau of Household Goods and Services.


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

SECTION 1. Section 34500 of the Vehicle Code is amended to read:

34500. The department shall regulate the safe operation of the following vehicles:
(a) Motortrucks of three or more axles that are more than 10,000 pounds gross vehicle weight rating.
(b) Truck tractors.
(c) Buses, schoolbuses, school pupil activity buses, youth buses, farm labor vehicles, modified limousines, and general public paratransit vehicles.
(d) Trailers and semitrailers designed or used for the transportation of more than 10 persons, and the towing motor vehicle.
(e) Trailers and semitrailers, pole or pipe dollies, auxiliary dollies, and logging dollies used in combination with vehicles listed in subdivision (a), (b), (c), (d), or (j). This subdivision does not include camp trailers, trailer coaches, and utility trailers.
(f) A combination of a motortruck and a vehicle or vehicles set forth in subdivision (e) that exceeds 40 feet in length when coupled together.
(g) A vehicle, or a combination of vehicles, transporting hazardous materials.
(h) Manufactured homes that, when moved upon the highway, are required to be moved pursuant to a permit, as specified in Section 35780 or 35790.
(i) A park trailer, as described in Section 18009.3 of the Health and Safety Code, that, when moved upon a highway, is required to be moved pursuant to a permit pursuant to Section 35780.
(j) Any other motortruck not specified in subdivisions (a) to (h), inclusive, or subdivision (k), that is regulated by the Department of Motor Vehicles, the Public Utilities Commission, the Bureau of Household Goods and Services, or the United States Secretary of Transportation.
(k) A commercial motor vehicle with a gross vehicle weight rating of 26,001 or more pounds or a commercial motor vehicle of any gross vehicle weight rating towing a vehicle described in subdivision (e) with a gross vehicle weight rating of more than 10,000 pounds, except combinations including camp trailers, trailer coaches, or utility trailers. For purposes of this subdivision, the term “commercial motor vehicle” has the meaning defined in subdivision (b) of Section 15210.
SENATE BILL  No. 391

Introduced by Senator Monning

February 20, 2019

An act to amend Section 19283.1 of the Business and Professions Code, relating to business.

legislative counsel’s digest

SB 391, as introduced, Monning. Household Movers Act: enforcement: special investigators and supervising special investigators. Existing law, the Household Movers Act, provides for the regulation of household movers by the Bureau of Electronic and Appliance Repair, Home Furnishings, and Thermal Insulation in the Department of Consumer Affairs: The act authorizes a peace officer to enforce or assist in the enforcement of certain provisions of the act that are subject to criminal penalties. This bill would also authorize a person employed as a special investigator or supervising special investigator by the bureau and designated by the Director of Consumer Affairs to issue a written notice to appear in court for those violations for which a peace officer may enforce or assist in the enforcement, in accordance with specified procedures. 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 19283.1 of the Business and Professions Code is amended to read:
  2  19283.1. (a) The bureau shall ensure that this chapter is enforced and obeyed, and that violations thereof are promptly
prosecuted and that moneys due to the state are recovered and
collected.
(b) For purposes of this section, “peace officer” means a person
designated as a peace officer pursuant to Chapter 4.5 (commencing
with Section 830) of Title 3 of Part 2 of the Penal Code.
(c) A peace officer may enforce and assist in the enforcement
of Sections 19277 and 19278, resulting from a violation of Section
19236, 19237, 19244, or 19276, or more than one of those sections.
A peace officer may additionally enforce and assist in the
enforcement of Sections 19277.1 and 19279.3. In any case in which
an arrest authorized by this subdivision is made for an offense
declared to be a misdemeanor, and the person arrested does not
demand to be taken before a magistrate, the arresting peace officer
may, instead of taking the person before a magistrate, follow the
procedure prescribed by Chapter 5C (commencing with Section
853.5) of Title 3 of Part 2 of the Penal Code. The provisions of
that chapter shall thereafter apply with reference to any proceeding
based upon the issuance of a citation pursuant to this authority.
(d) The bureau shall coordinate enforcement of this section with
those peace officers likely to be involved in enforcing this section,
including undertaking both of the following:
(1) Educational outreach to promote awareness among those
peace officers about the requirements of Sections 19236, 19237,
19244, 19276, 19277, 19277.1, 19278, and 19279.3.
(2) Establishing lines of communication so that the bureau is
notified if an action is commenced to enforce the requirements of
those sections specified in subdivision (c), so that the bureau may
take appropriate action to enforce the citation and fine provisions
of this article.
(e) The Attorney General, a district attorney of the proper county
or city and county, or a city attorney may institute and prosecute
actions or proceedings for the violation of any law committed in
connection with, or arising from, a transaction involving the
transportation of household goods and personal effects.
(f) Notwithstanding any other law, a person employed as a
special investigator or supervising special investigator by the
bureau and designated by the director shall have the authority to
issue a written notice to appear in court pursuant to Chapter 5C
(commencing with Section 853.5) of Title 3 of Part 2 of the Penal
Code for a violation of a provision for which a peace officer may
enforce or assist in the enforcement pursuant to subdivision (c).

An employee so designated is not a peace officer, is not entitled
to safety member retirement benefits as a result of the designation,
and does not have the power of arrest.
To adopt a certain California flammability standard as a Federal flammability standard to protect against the risk of upholstered furniture flammability, and for other purposes.

IN THE SENATE OF THE UNITED STATES

OCTOBER 4, 2018

Mr. Wicker (for himself and Mr. BLUMENTHAL) introduced the following bill; which was read twice and referred to the Committee on Commerce, Science, and Transportation

A BILL

To adopt a certain California flammability standard as a Federal flammability standard to protect against the risk of upholstered furniture flammability, and for other purposes.

1 Be it enacted by the Senate and House of Representa-

tives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Safer Occupancy Furniture Flammability Act” or “SOFFA”.

SEC. 2. ADOPTION OF CALIFORNIA FLAMMABILITY STAN-

DARD AS A FEDERAL STANDARD.

(a) DEFINITIONS.—In this section—
(1) the term "bedding product" means—
    (A) an item that is used for sleeping or
    sleep-related purposes; or
    (B) any component or accessory with re-
    spect to an item described in subparagraph (A),
    without regard to whether the component or ac-
    cessory, as applicable, is used—
    (i) alone; or
    (ii) along with, or contained within,
    that item;
(2) the term "California standard" means the
    standard set forth by the Bureau of Electronic and
    Appliance Repair, Home Furnishings and Thermal
    Insulation of the Department of Consumer Affairs of
    the State of California in Technical Bulletin 117–
    2013, entitled "Requirements, Test Procedure and
    Apparatus for Testing the Smolder Resistance of
    Materials Used in Upholstered Furniture", originally
    published June 2013, as in effect on the date of en-
    actment of this Act;
(3) the terms "foundation" and "mattress"
    have the meanings given those terms in section
    1633.2 of title 16, Code of Federal Regulations, as
    in effect on the date of enactment of this Act; and
(4) the term "upholstered furniture"—
(A) means an article of seating furniture that—

(i) is intended for indoor use;
(ii) is movable or stationary;
(iii) is constructed with a contiguous upholstered—

(I) seat; and
(II) (aa) back; or
(bb) arm;
(iv) is—

(I) made or sold with a cushion or pillow, without regard to whether that cushion or pillow, as applicable, is attached or detached with respect to the article of furniture; or

(II) stuffed or filled, or able to be stuffed or filled, in whole or in part, with any material, including a substance or material that is hidden or concealed by fabric or another covering, including a cushion or pillow belonging to, or forming a part of, the article of furniture; and

(v) together with the structural units of the article of furniture, any filling mate-
rial, and the container and covering with respect to those structural units and that filling material, can be used as a support for the body of an individual, or the limbs and feet of an individual, when the individual sits in an upright or reclining position:

(B) includes an article of furniture that is intended for use by a child; and

(C) does not include—

(i) a mattress;

(ii) a foundation;

(iii) any bedding product; or

(iv) furniture that is used exclusively for the purpose of physical fitness and exercise.

(b) ADOPTION OF STANDARD.—

(1) In General.—Beginning on the date that is 180 days after the date of enactment of this Act, and except as provided in paragraph (2), the California standard shall be considered to be a flammability standard promulgated by the Consumer Product Safety Commission under section 4 of the Flammable Fabrics Act (15 U.S.C. 1193).
(2) TESTING AND CERTIFICATION.—A fabric, related material, or product to which the California standard applies as a result of paragraph (1) shall not be subject to section 14(a) of the Consumer Product Safety Act (15 U.S.C. 2063(a)).

(c) PREEMPTION.—

(1) IN GENERAL.—Notwithstanding section of the Flammable Fabrics Act (15 U.S.C. 1203) and section 231 of the Consumer Product Safety Improvement Act of 2008 (15 U.S.C. 2051 note), and except as provided in subparagraphs (B) and (C) of paragraph (2), no State or any political subdivision of a State may establish or continue in effect any provision of a flammability law, regulation, code, standard, or requirement that is designed to protect against the risk of occurrence of fire, or to slow or prevent the spread of fire, with respect to upholstered furniture.

(2) PRESERVATION OF CERTAIN STATE LAW.—Nothing in this Act or the Flammable Fabrics Act (15 U.S.C. 1191 et seq.) may be construed to preempt or otherwise affect—

(A) any State or local law, regulation, code, standard, or requirement that—
(i) concerns health risks associated with upholstered furniture; and
(ii) is not designed to protect against the risk of occurrence of fire, or to slow or prevent the spread of fire, with respect to upholstered furniture;
(B) sections 1374 through 1374.3 of title 4, California Code of Regulations (except for subsections (b) and (c) of section 1374 of that title), as in effect on the date of enactment of this Act; or
(C) the California standard.