

**BUREAU OF CANNABIS CONTROL**  
**DISCIPLINARY GUIDELINES**



**~~JULY~~ OCTOBER 2018**

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## I. INTRODUCTION

Pursuant to Business and Professions Code section 26011.5, the protection of the public is of the highest priority for the Bureau of Cannabis Control (Bureau). In keeping with its mandate to protect the public, the Bureau has adopted these recommended uniform guidelines in order to promote consistency in disciplinary orders for similar offenses on a statewide basis. This document is intended for use by those involved in the administrative disciplinary process (e.g., Administrative Law Judges (ALJ), Deputy Attorneys General (DAG), Bureau licensees and their legal counsel, and other interested parties), and may be revised from time to time, and distributed to interested parties upon request.

The Bureau requests that the suggested disciplinary orders contained in these guidelines be levied consistently and appropriately, based on the nature and seriousness of the violation(s) confirmed in an administrative action. The Bureau recognizes that mitigating or aggravating circumstances, in addition to other factors, may necessitate departure from these recommended orders and terms of probation. If there are any deviations from the guidelines, the Bureau requests that the ALJ hearing the matter include an explanation in the Proposed Decision so that the circumstances can be better understood and evaluated by the Bureau before final action is taken.

Additionally, these guidelines only apply to formal administrative disciplinary processes. These guidelines do not apply to other alternatives available to the Bureau, such as administrative citations and fines, except in cases where an Accusation has been filed ~~against a registrant or licensee~~ for failure to pay an assessed administrative fine and/or comply with an order of abatement issued by the Bureau.

## II. FACTORS TO BE CONSIDERED IN DETERMINING PENALTIES

In determining whether revocation, suspension, probation, fine, or a combination is to be imposed in a given case, factors such as the following should be considered:

1. Nature and severity of the act(s), violations, offenses, or crime(s) under consideration.
2. Actual or potential harm to the public.
3. Actual or potential harm to any consumer.
4. Prior disciplinary and/or administrative record.
5. Number and/or variety of current violations.
6. Mitigating evidence.
7. Rehabilitation evidence, including but not limited to, a statement of rehabilitation containing any evidence that demonstrates fitness for licensure, or a certificate of rehabilitation under Penal Code section 4852.01.
8. In case of a criminal conviction, compliance with conditions of sentence and/or court-ordered probation.
9. Overall criminal record.
10. Time passed since the act(s) or offense(s) occurred.
11. If applicable, evidence of expungement proceedings pursuant to Penal Code Section 1203.4.
12. Whether the conviction is a felony conviction based on possession or use of cannabis goods that would not be a felony if the person was convicted during the time of licensure.

### III. DISCIPLINARY GUIDELINES

The Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA) specifies the offenses for which the Bureau may take disciplinary action. Following are samples of the codes and regulation numbers, titles of the offenses and the associated Bureau determined disciplinary recommendations. When filing an accusation, the Bureau or Office of the Attorney General are not limited to the violations listed herein. They may also cite any and all additional related statutes and regulations violated not listed below. The following is *not* a comprehensive list of potential violations and in no way, should limit the Bureau or the Attorney General’s Office from asserting any relevant and applicable violation. The Bureau suggests that for cases with multiple violations, suspensions or other disciplines run concurrently. All standard terms of probation as stated ~~herein~~ in these Disciplinary Guidelines shall be included for all probations.

As used in these Disciplinary Guidelines, statutes and regulations are referenced as follows:

- Business and Professions Code: (B&P)
- Title 16, California Code of Regulations: (CCR)
- Penal Code: (PC)

#### California Code of Regulations Disciplinary Order Guidelines - Tier 1

**Minimum:** revocation stayed, 5 to 15-day suspension, a fine (as determined by the “Fine Formula” below), or a combination of a suspension and fine.

**Maximum:** revocation

Tier 1 discipline is recommended for:

- violations which are potentially harmful

Violations of the following codes are representative of this category:

Violation Description	Authority
Failure to Pay <u>Appropriate Fees</u>	<del>46</del> CCR § 5015
Failure to Cancel, <u>Destroy</u> , or Surrender License	B&P § 119 (d) CCR § 5022
Failure to <del>Notify the Bureau of Changes</del> <u>Comply with Business Modifications Requirements and Notice</u>	<del>46</del> CCR § 5023
<u>Use of Cannabis Diffuser or Vaporizer on Licensed Premises</u>	<u>CCR § 5025</u>
Unauthorized Modification of Licensed Premises	B&P § 26055(c) <del>46</del> CCR § 5027
Prohibited Distribution or Sale of Cannabis Goods Designated “For Medical Use Only”	<del>46</del> CCR § 5032
Unauthorized Storage of Inventory	<del>46</del> CCR § 5033
Failure to Maintain Records	B&P § 26160 <del>46</del> CCR §§ 5037, 5310, 5426, 5505-5507, 5739

<del>Allowing the Unauthorized Use of the Track and Trace System and Failure Failing to Maintain Track and Trace System Requirements</del>	<del>46 CCR §§ 5048-5052 5050 and 5052</del>
Failure to Properly Display and Post License	46 CCR § 5039
Failure to Comply with Advertising and Marketing Requirements	B&P §§ 26151- 26152 46 CCR §§ 5040-5041
Failure to <del>Ensure Restricted</del> Maintain and Restrict Limited-Access and Other Restricted Areas	B&P § 26070 46 CCR §§ 5042
<u>Failure of Licensee or Employee to Properly Display Licensee-issued Identification Badge</u>	<u>CCR § 5043</u>
Failure to Comply with Security <del>Measures</del> Requirements	46 CCR §§ 5044-5047 and 5403.1
<u>Improper Acceptance or Rejection of Cannabis Goods Shipment</u>	<u>CCR § 5052.1</u>
Failure to Comply with Proper Cannabis Destruction and Waste Management	46 CCR §§ 5054-505455, <u>5405(c), and 5410(e)</u> and 5727(c)
Unauthorized Storage of Cannabis Goods and Storage-only Services	46 CCR §§ 5033 and 5300-5302
Failure to Comply with Packaging and Labeling Requirements	B&P §§ <del>26070</del> , 26120-26121 46 CCR §§ 5303, <u>5408(a)(3)</u> , and 5412
Failure to Comply with Insurance Requirements	46 CCR § 5308
Failure to <u>Account for Inventory, or to Complete Inventory Reconciliation as Required</u> <del>Comply with Inventory Documentation, and Reconciliation Requirements</del>	46 CCR §§ 5051, 5309 and 5423-5424
<u>Unauthorized Return of Cannabis Goods</u>	<u>CCR §§ 5053 and 5410</u>
Failure to Comply with Transportation Requirements of Cannabis Goods	B&P § 26070 46 CCR §§ 5311-5312
Failure to Comply with Transport Personnel Requirements	46 CCR § 5313
Unauthorized Use of Distributor Transport Only License	46 CCR § 5315
<u>Failure to Maintain Proper Chain of Custody of Testing Sample</u>	<u>CCR § 5706</u>
<u>Failure to Timely Submit a Certificate of Analysis and Results</u>	<u>CCR § 5726</u>
<u>Failure to Supply Requested Data to the Bureau in a Timely Manner</u>	<u>CCR § 5732</u>
Failure to Comply with Shipping Manifest Requirements	B&P §§ 26067 and 26070 46 CCR § 5314
<u>Failure to Confirm Age of Customers</u>	<u>B&amp;P § 26140</u> <u>CCR §§ 5400 and 5402</u>
Unauthorized Hours of Operation	<del>46-CCR § 5403(a) and (b)(3)</del> , and 5422(b)
<u>Failure to Properly Display Cannabis Goods</u>	<u>CCR § 5405</u>
<u>Unauthorized Sale of Cannabis Plants and Seeds</u>	46 CCR § 5408(a)-(b)
Use of Pesticide on Live Plants	46 CCR § 5408(c)

<u>Give Away or Unauthorized Furnishing of Free Cannabis Goods or Accessories</u>	B&P § 26153 <del>46</del> CCR § 5411
Failure to Comply with Exit Packaging Requirements	B&P § 26070.1 <del>46</del> CCR § 5413
Failure to Comply with Delivery Requirements	<del>46</del> CCR §§ 5415-5418 and 5421
Failure to Provide Delivery Request Receipts	B&P § 26090 <del>46</del> CCR § 5420
<u>Unauthorized Receipt of Inventory Shipment That Does Not Meet Requirements</u>	<del>46</del> CCR § 5422
<u>Improper Retailer Premises Transfer</u>	CCR § 5427
Failure to Comply with Requirements for Temporary Cannabis Event License	<del>46</del> CCR § 5600 et seq.
Non-Permitted Use of License	B&P § 119(b)-(f)
Failure to Comply with Local Ordinance Regulating Commercial Cannabis Activity	B&P § 26030(f)
Failure to Comply with Operating Procedures	B&P § 26030(j)
<u>Allowing for the Sale of Alcohol or Tobacco Products, or Storage or Consumption of Alcoholic Beverages, on Licensed Premises</u>	B&P § 26054(a) CCR § 5025(d)
<u>False or Misleading Health-Related Statements</u>	B&P § 26154
Failure to Record Commercial Cannabis Activity on Sales Invoice or Receipt	B&P § 26161
Failure to Exercise Care for Safety of Self or Others Due to Being Under the Influence of an Intoxicating Substance	PC § 647(f)

### California Code of Regulations Disciplinary Order Guidelines - Tier 2

**Minimum:** revocation stayed, 15 to 30-day suspension, a fine (as determined by the “Fine Formula” below), or a combination of a suspension and fine.

**Maximum:** revocation

Tier 2 discipline is recommended for:

- Violations with a serious potential for harm
- Violations which involve greater risk and disregard of public safety

Violations of the following codes are representative of this category:

<b>Violation Description</b>	<b>Authority</b>
Exceeding License Privileges for Commercial Cannabis Activity	B&P §§ 26050 and 26053
<u>Holding an Interest in a Licensed Testing Laboratory and Other Commercial Cannabis License</u>	<u>B&amp;P § 26053(b)</u>
<u>Unauthorized Use and Operation of Designated Licensed Premises</u>	<del>46</del> CCR § 5025
<u>Sale or Delivery of Cannabis Goods to a Motor Vehicle</u>	<u>CCR § 5025(c)</u>

Subletting of Premises	<del>16</del> CCR § 5028
Failure to Comply with Track and Trace Reporting and System Reconciliation Requirements	<del>16</del> CCR §§ 5049-5051
Failure to Comply with Video Surveillance System Requirements	<del>16</del> CCR § 5044
Failure to Comply with Security Personnel Requirements	<del>16</del> CCR § 5045
<del>Failure to Confirm</del> Verify Age of Customers and <del>Unauthorized Access to Retailer Premises</del>	B&P § 26140 <del>16 CCR §§ 5400 and 5402</del>
Failure to Comply with <del>Employee</del> Age Restrictions for <del>Employees and Other Persons Retained by Licensee</del>	B&P § 26140 <del>16</del> CCR § 5031
Sale or Furnish of Adult-use Cannabis Goods to Minors	B&P §§ 26030(g) and 26140 <del>16</del> CCR § 5404(a)
<del>Unauthorized</del> Consumption of Cannabis Goods <del>by a Minor</del> on Licensed Premises	B&P § 26200
<del>Failure to Properly Display Cannabis Goods</del>	<del>16 CCR § 5405</del>
Unauthorized Sale of Non-Cannabis Goods on Premises	<del>16</del> CCR § 5407
Exceeding Daily Limits of Cannabis Goods Sales	<del>16</del> CCR § 5409
<del>Unauthorized Return of Cannabis Goods</del>	<del>16 CCR §§ 5053 and 5410</del>
Unauthorized Storefront Activities with Non-Storefront Retail License	<del>16</del> CCR § 5414
Consumption of Cannabis Goods During Delivery	<del>16</del> CCR § 5419
Failure to Ensure Laboratory Testing Arrangements, Proper Sampling and Quality Assurance	<del>16</del> CCR §§ 5304-5305, and 5307
<u>Failure to Present the Cannabis Goods Batch With Accurate Information, in its Entirety, and Final Form Reporting Results when Laboratory Quality Control (LQC) Data is Outside of Acceptance Criteria and/or Not Analyzing Required LQC Samples</u>	<u>CCR § 5304 and 5305</u>
<u>Failure to Follow Good Laboratory Practices</u>	CCR § 5729 and 5730
<u>Unauthorized Remediation of Failed Sample Batches</u>	<u>CCR § 5306</u>
Failure to Comply with Microbusiness Operations Requirements	<del>16</del> CCR § 5500 et seq.
Failure to Comply with Laboratory Testing Requirements	<del>16</del> CCR § 5700 et seq.
Failure to Obtain a Representative Sample	CCR § 5707 and 5708
Unauthorized Re-sampling and/or Re-testing of a Cannabis Goods Batch	CCR § 5305.1
False or Misleading Declaration of Correction in a Notice to Comply	<del>16</del> CCR § 5801
Prohibited Attire and Conduct	<del>16</del> CCR § 5806
Prohibited Entertainers and Conduct	<del>16</del> CCR § 5807
Allowing for the Copy or Display of a Fictitious License or a License that is Canceled, Revoked, or Altered	B&P § 119
Misdemeanor Offenses by Licensees	B&P § 125
Discipline by Another Agency	B&P § 141
Failure to Provide Safe Conditions for Inspection	B&P § 26030(i)



<u>Engaging in any Prohibited Restraint of Trade, or Other Prohibited Act to Create a Monopoly or Injure Competitors</u>	<u>B&amp;P § 26052</u>
<u>Violation of Building Standards or Regulations Relating to Hazardous Materials</u>	<u>B&amp;P § 26056</u>
<u>Failure to Comply with Manufacturing Standards</u>	<u>B&amp;P §§ 26130-26133</u>

### California Code of Regulations Disciplinary Order Guidelines - Tier 3

**Minimum:** revocation stayed, 45-day suspension, a fine (as determined by the “Fine Formula” below), or a combination of a suspension and fine.

**Maximum:** revocation

Tier 3 discipline is recommended for:

- Knowing or willfully violating laws or regulations pertaining to commercial cannabis activity
- Fraudulent acts relating to the licensee’s commercial cannabis business

Violations of the following codes are representative of this category:

<b>Violation Description</b>	<b>Authority</b>
<u>Engaging in Business Modification Practices without Bureau Approval</u>	<u>CCR § 5023</u>
<u>Failure to Notify the Bureau of a Change in Ownership</u>	<del>46</del> CCR §§ 5023(c) and 5024
<u>Obtaining a License for Premises in Restricted Location</u>	B&P § 26054 <del>46</del> CCR § 5026
<u>Conducting Commercial Cannabis Activity with Non-Licensees</u>	<del>46</del> CCR § 5032(a)
<u>Failure to Notify the Bureau of Criminal Acts, Civil Judgments, Labor Standards Violations, and Revocation of a Local Authorization after Licensure</u>	<del>46</del> CCR § 5035
<u>Failure to Notify the Bureau of Significant Discrepancy, Theft, Loss, and Criminal Activity</u>	B&P § 26070 (k) <del>46</del> CCR § 5036
<u>Restricting or Hindering the Examination of Books, <del>and</del> Records, or Equipment</u>	B&P §§ 26160-26161 <del>46</del> CCR §§ 5037(c)-(e) and 5800
<u>False Reporting of a Disaster</u>	<u>CCR § 5038</u>
<u>Retail Sale of Untested Cannabis Goods, or Cannabis Goods Not Received From a Licensed Distributor or Licensed Microbusiness</u>	<u>CCR § 5406</u>
<u>Sale of Customer-Returned Cannabis Goods</u>	<u>CCR § 5410(c)</u>
<u>Unauthorized Release of a Cannabis Goods Batch for Retail Sale, Including Dry-labbing and/or False Reporting of Results</u>	<del>46</del> CCR §§ 5707-5708, 5710, 5715, 5717 et seq., 5727, 5730
<u>Unauthorized Release of a Cannabis Goods Batch for Retail Sale or Distribution Transfers</u>	<u>CCR §§ 5304, 5305, 5306, 5307, 5307.1, and 5307.2</u>

<u>Failure to Complete all Required Analyses at One Licensed Laboratory Premises, Including Subcontracting or Transferring Samples Between Laboratories</u>	<u>CCR § 5705</u>
<u>Amending or Changing a Regulatory Compliance COA after Issuance</u>	<u>CCR § 5726</u>
<u>Obstruction of Inspections, Investigations, or Audits</u>	<del>46</del> CCR § 5800
<u>Failure to Provide Access to Premises for Any Inspection, Audit, Review, or Investigation</u>	<u>CCR § 5800</u>
<u>Delivery or Transport of Cannabis Goods Outside of California or to a Publicly Owned or Leased Location</u>	B&P § 26080 <del>46</del> CCR § 5416(b)-(c)
<u>Failure to Correct Any Objectionable Conditions on Premises</u>	<del>46</del> CCR § 5808(a)-(b)
<u>Illegal Sale of Dangerous Drugs, or Other Controlled Substances</u>	<del>46</del> CCR § 5808(e)
<u>Failure to Pay Fine</u>	B&P § 125.9(b)(5) <del>46</del> CCR § 5802
<u>Engage in Conduct that is Grounds for Denial of Licensure</u>	B&P § 480(a)
<u>False Statement or Omission in Application</u>	B&P § 480(d)
<u>Conviction of a Crime Substantially Related to Qualifications, Functions, or Duties of Licensure</u>	<u>B&amp;P § 490(a)</u>
<u>Securing License by Fraud, Deceit, or Misrepresentation.</u>	B&P § 498
<u>Failure to Pay Taxes</u>	<u>B&amp;P § 26030(d)</u>
<u>Unauthorized Release of Patient Information</u>	<u>B&amp;P § 26162.5</u>

**Fine Formula**

In instances where the Bureau allows a fine to be paid, the following method will be used to calculate the fine.

**Gross Revenue Cannabis Sales** divided by **Number of Days Open in Calculation Period During the Preceding 12 Months** = **Average Daily Sale Amount**

**50% of the Average Daily Sale Amount** multiplied by **Number of Days of the Suspension** = **Potential Fine Amount**

The books and records of the licensee shall be kept in such a manner that the gross revenue, average daily sale amount, and/or the loss of profits from commercial cannabis activity that the licensee would have suffered from a suspension can be determined with reasonable accuracy ~~therefrom~~, and such books, records, and information shall be accessible to the Bureau to make an accurate and complete determination of any fine amount. The fine formula is a guide for calculating a fine amount and is not determinative of any assessed or final fine amount. The Bureau may in its sole discretion adjust the fine amount against any licensee to any amount within the minimum and maximum fine amounts, or to any amount exceeding the maximum fine amount for each license type. The factors

the Bureau will consider in determining a fine amount include those factors under Section II of the Disciplinary Guidelines.

**Minimum and Maximum Fine Amounts**

The minimum and maximum fine amount is based on the tier the licensee falls into on the annual license fee schedule listed in 16 CCR § 50145015. These fine amounts do not limit or supersede any fine amounts prescribed by statute, if the statutory fines exceed those amounts listed here. For instance, Business and Professions Code section 26160, subsection (f), provides that a licensee shall be subject to a citation and fine of up to thirty thousand dollars per individual violation, for a failure to maintain or provide records as required pursuant to that section. The minimum fine amount for any disciplinary action shall not be less than \$1,000.

<b>License Type</b>	<b>Operations Gross Revenue (\$ Max. Per License)</b>	<b>Minimum Fine to Maximum Fine</b>
Testing Laboratory	<u>Up to 50 Million</u> Less or equal to \$160,000	\$1,000 to \$25,000 \$1,500 to \$6,000
	<u>Greater than 50 million to 400 Million</u> More than \$160,000 and less or equal to \$320,000	\$2,000 to \$90,000 \$3,000 to \$12,000
	<u>Greater than 400 Million</u> More than \$320,000 and less or equal to \$480,000	\$4,000 to \$180,000 \$4,000 to \$16,000
	<u>More than \$480,000 and less or equal to \$800,000</u>	\$6,500 to \$26,000
	<u>More than \$800,000 and less or equal to \$1.2 million</u>	\$10,000 to \$40,000
	<u>More than \$1.2 million and less or equal to \$2 million</u>	\$16,000 to \$64,000
	<u>More than \$2 million and less or equal to \$2.8 million</u>	\$24,000 to \$96,000
	<u>More than \$2.8 million and less or equal to \$4.4 million</u>	\$36,000 to \$144,000
	<u>More than \$4.4 million</u>	\$56,000 to \$224,000
	Distributor	<u>Up to 3 million</u> Less or equal to \$1 million
<u>Greater than 3 million to 12 million</u> More than \$1 million and less or equal to \$2.5 million		\$2,000 to \$20,000 \$3,000 to \$12,000
<u>Greater than 12 million to 60 million</u> More than \$2.5 million and less or equal to \$5 million		\$4,000 to \$100,000 \$5,625 to \$22,500

	<u>Greater than 60 million to 120 million</u> <u>More than \$5 million and less or equal to \$10 million</u>	<u>\$8,000 to \$200,000</u> <u>\$11,250 to \$45,000</u>
	<u>Greater than 120 million</u> <u>More than \$10 million and less or equal to \$20 million</u>	<u>\$10,000 to \$400,000</u> <u>\$22,500 to \$90,000</u>
	<u>More than \$20 million and less or equal to \$30 million</u>	<u>\$37,500 to \$150,000</u>
	<u>More than \$30 million and less or equal to \$50 million</u>	<u>\$60,000 to \$240,000</u>
	<u>More than \$50 million and less or equal to \$70 million</u>	<u>\$90,000 to \$360,000</u>
	<u>More than \$70 million</u>	<u>\$120,000 to \$480,000</u>
Distributor Transport Only Self-Distribution	<u>Up to 3 million</u> <u>Less or equal to \$1,000</u>	<u>\$1,000 to \$2,400</u> <u>\$1,000 to \$2,000</u>
	<u>Greater than 3 million to 12 million</u> <u>More than \$1,000 and less or equal to \$3,000</u>	<u>\$2,000 to \$3,000</u> <u>\$1,000 to \$4,000</u>
	<u>Greater than 12 million</u> <u>More than \$3,000</u>	<u>\$4,000 to \$8,000</u> <u>\$1,000 to \$6,000</u>
Retailer	<u>Up to 0.75 million</u> <u>Less or equal to \$500,000</u>	<u>\$1,000 to \$8,000</u> <u>\$1,250 to \$5,000</u>
	<u>Greater than 0.75 million to 2.5 million</u> <u>More than \$500,000 and less or equal to \$750,000</u>	<u>\$2,000 to \$40,000</u> <u>\$2,750 to \$11,000</u>
	<u>Greater than 2.5 million to 7.5 million</u> <u>More than \$750,000 and less or equal to \$1 million</u>	<u>\$4,000 to \$128,000</u> <u>\$3,750 to \$15,000</u>
	<u>Greater than 7.5 million</u> <u>More than \$1 million and less or equal to \$1.5 million</u>	<u>\$8,000 to \$240,000</u> <u>\$5,500 to \$22,000</u>
	<u>More than \$1.5 million and less or equal to \$2 million</u>	<u>\$7,250 to \$29,000</u>
	<u>More than \$2 million and less or equal to \$3 million</u>	<u>\$11,250 to \$45,000</u>
	<u>More than \$3 million and less or equal to \$4 million</u>	<u>\$15,250 to \$61,000</u>
	<u>More than \$4 million and less or equal to \$5 million</u>	<u>\$19,250 to \$77,000</u>
	<u>More than \$5 million and less or equal to \$6 million</u>	<u>\$23,250 to \$93,000</u>
	<u>More than \$6 million and less or equal to \$7.5 million</u>	<u>\$28,500 to \$114,000</u>

	<u>More than \$7.5 million</u>	<u>\$48,000 to \$192,000</u>
Microbusiness	<u>Up to 0.75 million</u> <u>Greater than 0.75 million to 2.5 million</u> <u>Greater than 2.5 million to 7.5 million</u> <u>Greater than 7.5 million</u>	<u>\$1,000 to \$20,000</u> <u>\$2,000 to \$60,000</u> <u>\$4,000 to \$200,000</u> <u>\$8,000 to \$360,000</u>
<u>Microbusiness</u>	<u>Less or equal to \$1.0 million</u>	<u>\$2,500 to \$10,000</u>
	<u>More than \$1.0 and less or equal to \$2.0 million</u>	<u>\$6,000 to \$24,000</u>
	<u>More than \$2.0 and less or equal to \$3.00 million</u>	<u>\$10,000 to \$40,000</u>
	<u>More than \$3.0 and less or equal to \$4.0 million</u>	<u>\$16,000 to \$64,000</u>
	<u>More than \$4.0 and less or equal to \$6.0 million</u>	<u>\$22,500 to \$90,000</u>
	<u>More than \$6.0 and less or equal to \$7.0 million</u>	<u>\$30,000 to \$120,000</u>
	<u>More than \$7.0 and less or equal to \$10.0 million</u>	<u>\$40,000 to \$160,000</u>
	<u>More than \$10.0 and less or equal to \$20.0 million</u>	<u>\$50,000 to \$200,000</u>
	<u>More than \$20.0 and less or equal to \$30.0 million</u>	<u>\$60,000 to \$240,000</u>
	<u>More than \$30.0 and less or equal to \$40.0 million</u>	<u>\$70,000 to \$280,000</u>
	<u>More than \$40.0 and less or equal to \$50.0 million</u>	<u>\$80,000 to \$320,000</u>
	<u>More than \$50.0 and less or equal to \$60.0 million</u>	<u>\$90,000 to \$360,000</u>
	<u>More than \$60.0 and less than or equal to \$80.0 million</u>	<u>\$110,000 to \$440,000</u>
	<u>More than \$80 million</u>	<u>\$150,000 to \$600,000</u>

## IV. STANDARD CONDITIONS OF PROBATION

The protection of the public is the highest priority of the Bureau. In disciplinary matters where probation has been imposed, the Bureau believes the conditions of probation will help ensure public protection and allow the probationer the opportunity to demonstrate rehabilitation. The following conditions of probation provide for consumer protection and establish a mechanism to monitor the rehabilitation progress of a probationer. Generally, the Bureau recommends a minimum of three (3) years' probation.

Introductory Language and Conditions 1-79 are required as follows:

### 1. OBEY LAWS

Respondent shall obey all state and local laws. A full and detailed account of any and all violations of law shall be reported by the respondent to the Bureau in writing within seventy-two (72) hours of occurrence. To permit monitoring of compliance with this condition, respondent shall submit completed fingerprint forms and fingerprint fees within 45 days of the effective date of the decision, unless previously submitted as part of the licensure application process.

**CRIMINAL COURT ORDERS:** If respondent, or an owner of the respondent, is under criminal court orders, including probation or parole, and the order is violated, this shall be deemed a violation of these probation conditions, and may result in the filing of an accusation and/or petition to revoke probation.

### 2. SUBMIT WRITTEN REPORTS

Respondent, during the period of probation, shall submit or cause to be submitted such written reports/declarations and verification of actions under penalty of perjury, as required by the Bureau, but no more frequently than once each calendar quarter. These reports/declarations shall contain statements relative to respondent's compliance with all the conditions of the Bureau's Probation Program. Respondent shall immediately execute all release of information forms as may be required by the Bureau or its representatives.

### 3. REPORT IN PERSON

Respondent, during the period of probation, through its designated owner or owners, shall appear in person at interviews/meetings as directed by the Bureau or its representatives.

### 4. COMPLY WITH CONDITIONS OF PROBATION

Respondent shall fully comply with the conditions of probation established by the Bureau and cooperate with representatives of the Bureau in its monitoring and investigation of the

respondent's compliance with the Bureau's Probation Program. Respondent shall inform the Bureau in writing within no more than 15 calendar days of any address change. Upon successful completion of probation, respondent's license shall be fully restored.

5. POSTING OF SIGN

During the period of suspension, Respondent shall prominently post a sign or signs, provided by the Bureau, indicating the beginning and ending dates of the suspension and indicating the reason for the suspension. The sign or signs shall be conspicuously displayed in a location or locations open to and frequented by customers. The location(s) of the sign(s) shall be approved by the Bureau and shall remain posted during the entire period of actual suspension.

Additionally, the Respondent shall circulate a notice of the conditions of probation to all employees, and post the notice in a conspicuous place where notices to employees are posted or available to employees. New employees shall also be provided a copy of the notice of the conditions of probation.

6. MAINTAIN VALID LICENSE

Respondent shall, at all times while on probation, maintain a current and valid license with the Bureau, including any period during which suspension or probation is tolled.

7. COST RECOVERY

Respondent shall pay to the Bureau costs associated with its investigation and enforcement pursuant to Business and Professions Code Section 26031 in the amount of \$\_\_\_\_\_. Respondent shall be permitted to pay these costs in a payment plan approved by the Bureau, with payments to be completed no later than three months prior to the end of the probation term.

If respondent has not complied with this condition during the probationary term, and respondent has presented sufficient documentation of ~~his or her~~ its good faith efforts to comply with this condition, and if no other conditions have been violated, the Bureau, in its discretion, may grant an extension of the respondent's probation period up to one year without further hearing in order to comply with this condition. During the one year extension, all original conditions of probation will apply.

8. LICENSE SURRENDER

During respondent's term of probation, if it ceases business or is otherwise unable to satisfy the conditions of probation, respondent may surrender ~~his or her~~ its license to the Bureau. The Bureau reserves the right to evaluate respondent's request and to exercise its discretion whether to grant the request, or to take any other action deemed appropriate and reasonable under the circumstances, without further hearing. Upon formal acceptance of the tendered license, respondent will no longer be subject to the conditions of probation. Surrender of

respondent's license shall be considered a disciplinary action and shall become a part of respondent's license history with the Bureau.

#### 9. VIOLATION OF PROBATION

If a respondent violates the conditions of probation, the Bureau after giving the respondent notice and an opportunity to be heard, may set aside the stay order and impose the stayed discipline (revocation/suspension) of the respondent's license. If during the period of probation, an accusation or petition to revoke probation is filed against respondent's license, or the Bureau has served the respondent a notice of intent to set aside the stay, the Bureau shall have continuing jurisdiction, and the probationary period shall automatically be extended and shall not expire until final resolution of the matter.

### **VI. INTRODUCTORY LANGUAGE AND OPTIONAL TERMS AND CONDITIONS OF PROBATION**

The following introductory language and all standard probation conditions are to be included in probationary decisions/orders. For applicants, cost recovery conditions do not apply. For licensees, all standard probation conditions apply. Optional terms and conditions may be included in orders of probation based upon violations.

#### **INTRODUCTORY LANGUAGE FOR ALL ORDERS**

IT IS HEREBY ORDERED that License Number \_\_\_\_\_ issued to Respondent \_\_\_\_\_ is [revoked/suspended/fined] [for/in the amount of] [days/amount], [however, the revocation is stayed] and respondent is placed on probation for \_\_\_\_\_ years on the following conditions.

SEVERABILITY CLAUSE – Each condition of probation contained herein is a separate and distinct condition. If any condition of this Order, or any application thereof, is declared unenforceable in whole, in part, or to any extent, the remainder of this Order, and all other applications thereof, shall not be affected. Each condition of this Order shall separately be valid and enforceable to the fullest extent permitted by law.