

ASSEMBLY BILL 2138
APPLICATION DENIAL REPORT
SUBMITTED FOR FISCAL YEAR 2022 - 23

Tomiquia Moss
Secretary
Business, Consumer Services and Housing Agency

Chika Sunquist
Real Estate Commissioner
Department of Real Estate

INTRODUCTION

Assembly Bill 2138 (Chiu, Chapter 995, Statutes of 2018) was signed into law September 30, 2018, amending the Business and Professions Code, namely section 480 et seq. It requires that each licensing board under the Business and Professions Code annually make available to the public through the board's web site, and through a report submitted to the Legislature, information on the demographic data of license applicants for that board. This requirement also extends to other entities, including departments which license professions under the Business and Professions Code. The following report has been prepared based on information gathered by the Department of Real Estate (DRE).

Assembly Bill 2138 requires that each license board retain and report the following de-identified information:

- The number of applications received for each license.
- The number of applications requiring inquiries regarding criminal history.
- The number of applicants with a criminal record who received notice of denial or disqualification from licensure.
- The number of applicants with a criminal record who provided evidence of mitigation or rehabilitation.
- The number of applicants with a criminal record who appealed any denial or disqualification of licensure.
- The final disposition and demographic information, consisting of voluntarily provided information on race or gender, of any applicant in the three prior bullets above.

DRE requests voluntary information from individual applicants for licenses issued by DRE related to race and gender.

License and Applicant Data

DRE issues several types of licenses to individuals, based on type of activity to be performed, to include Real Estate Broker, Corporation Officer, Real Estate Salesperson, Individual Mortgage Loan Originator Endorsement, and Prepaid Rental Listing Service. DRE license application information has been summarized in the following tables.

License Type	Applications Received
Real Estate Broker	2,559
Corporation Officer	982
Real Estate Salesperson	26,357
Individual Mortgage Loan Originator Endorsement	2,687
Prepaid Rental Listing Service	0
Total Applicants Requiring a Criminal History Inquiry	1,067

Of total applicants, only 3.27% required a criminal history inquiry (1,067 of 32,585 applicants).

Fifty-seven of the 1,067 applicants (5.3%) who had a criminal history were denied. Fifty-seven of those applicants voluntarily provided gender identity information.

One hundred and forty-nine of the 1,067 applicants (13.9%) who had a criminal history provided evidence of rehabilitation. One hundred and forty-three of those applicants voluntarily provided gender identity information.

No applicants with a criminal history appealed a license denial.

Application information for those that voluntarily provided their demographic information has been summarized in the tables on the following table.

Reporting Category	Applicants with a Criminal History who were Denied	Applicants with a Criminal History who Provided Evidence of Rehabilitation		Applicants with a Criminal History who Appealed Denial	
Total	57	149		0	
Male	46	Total	80	Total	0
		Approved	75	Approved	0
		Approved-Restricted	4	Approved-Restricted	0
		Denied	1	Denied	0
		Withdrew	0	Withdrew	0
Female	11	Total	58	Total	0
		Approved	49	Approved	0
		Approved-Restricted	7	Approved-Restricted	0
		Denied	2	Denied	0
		Withdrew	0	Withdrew	0
Gender Non-Binary	0	Total	5	Total	0
		Approved	5	Approved	0
		Approved-Restricted	0	Approved-Restricted	0
		Denied	0	Denied	0
		Withdrew	0	Withdrew	0
Gender Not Specified	0	Total	6	Total	0
		Approved	6	Approved	0
		Approved-Restricted	0	Approved-Restricted	0
		Denied	0	Denied	0
		Withdrew	0	Withdrew	0