

**ANNUAL REPORT
TO THE
BOARD OF SUPERVISORS**



**LOS ANGELES COUNTY
BUSINESS LICENSE COMMISSION**

2018

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APPOINTED MEMBERS

First District Appointee
PRISCILLA CHENG



Second District Appointee
RENÉE CAMPBELL, Chairperson



Third District Appointee
GENEVIEVE MORRILL, Secretary



Fourth District Appointee
ROCHELLE A. GONZALEZ



Fifth District Appointee
SARA VASQUEZ, Vice Chairperson



MISSION STATEMENT

To determine whether to grant, deny, modify, suspend or revoke licenses, including charitable solicitation information cards within Los Angeles County.

ROLES AND RESPONSIBILITIES:

The Commission is governed by Title 7 of the Los Angeles County Code - Business License with authority in all unincorporated areas of the County, and also provides business licensing for Los Angeles County contract cities such as Malibu, Santa Clarita and Westlake Village. Responsibilities include investigating and taking action on matters connected with the public health, safety and welfare of County residents. Licensing matters for a hearing are referred to the Commission by the Board of Supervisors or other County Departments. Business licenses requiring Commission action include, but are not limited to: taxicab franchises, taxi cab licenses, adult entertainment licenses, dance licenses, bookstores, billiard rooms, medical marijuana dispensaries, restaurants, salvage dealers, recycling centers, bingo operators, exhibitions, carnivals, circuses, health spas, massage parlors/technician, pictures arcades, rifle ranges, and private schools.

The Commission also encourages the formation of new and private charities to meet the needs of the public, and licenses and regulates all worthy enterprises of philanthropic nature.

HISTORICAL BACKGROUND

The Board of Supervisors formed the Commission in 1942 to determine whether to grant, deny, modify, suspend or revoke licenses and monitor charitable organizations that solicit within the unincorporated areas of Los Angeles County. The Commission holds its hearing on Wednesdays at 9:00 a.m. in Room 374-A, Kenneth Hahn Hall of Administration.

FOCUS IN THE PAST YEAR

Since January 1, 2018, a total of 69 business license applications were reviewed, denied and/or approved by the Commission as shown below:

- 15 Annual Dances and Entertainments with Dance
- 2 Bingo Managers
- 2 Bookstores
- 2 Game Arcades
- 22 Massage Parlors
- 1 Tattoo
- 5 Taxicab Drivers - Corporate Change and Modify License
- 10 Water Taxi Operators
- 8 Massage Parlors (denied)

TREASURER AND TAX COLLECTOR'S PROPOSED UPDATES AMENDING DIVISION 1 & DIVISION 2 OF THE BUSINESS LICENSE ORDINANCE ON TITLE 7

On May 16, 2018, Kathy Gloster of the Treasurer and Tax Collector (TTC) and Shahiedah Palmer, County Counsel provided an overview of the drafted proposed updates amending Division 1 and planned proposed amendments to Division 2 of the Business License Ordinance within Title 7. Changes will include definitions, license requirements, licensee responsibilities and clarifying the appeals process; while amendments will focus on those business activities that are most licensed as well as those that need updating due to legislative changes.

There will be a non-compliance fee of \$285 that will start with an initial review of all businesses within Los Angeles County. For those businesses that have yet to file for a license, TTC will provide the business owner with an overview of the process and inform them of the requirement to file for a license with the Treasurer and Tax Collector's office within 15 days or incur the \$285 non-compliance fee. They will also inform the business owner of all applicable State and County laws. In addition to taking multiple steps to ensure compliance, TTC will also work with the Nuisance Abatement Team within the TTC Code Enforcement and the Los Angeles County Sheriff's Department. The non-compliance fee is a new tool that can deter some businesses from illegal activity.

In the past, temporary licenses issued by TTC did not have an expiration date. Although stated within Title 7, most business owners do not know that the temporary license is only valid for 60 days. If a business owner presents this information to a staff member that is also not familiar with Title 7, this can cause confusion. As part of the administrative changes, TTC will be updating its fee schedule, the application form and add an expiration date to all temporary licenses for clarity to the applicant as well as the Business License Commission.

Additionally, TTC will be adding a requirement by applicants to ensure that their information is current and updated. This will impact the amount of the renewal fee. County Counsel will review the provisions within the requirements for a new business license to allow for some discretion whether a relocation of a business would trigger a requirement for a new business license and work with County Counsel for Business License Commission to review the Ordinance and ensure the revisions do not preclude the need for a Hearing Officer. Provisions within the appeals processes will also be reviewed by TTC and County Counsel to determine whether a Countywide Hearing Officer can be created or to utilize an Administrative Law Judge, as currently appeals are referred to the Chief Executive Office. They will also be reviewing the Accusation process to clarify County officers for the initiation of Accusations as well as adding a, "due process" provision.

TTC and its County Counsel will work on the revisions for Division 2 which will look at specific business activities. Their initial review includes Taxis, Charitable Solicitations, Water Taxis, Automobile Repair and Food Establishments at Public Eating. At the request of the Board of Supervisors (Board), TTC will look at licensing janitorial

businesses, garment manufacturers and car washes. Additional reviews will be made after their initial review has been completed, submitted and approved by the Board. The Commission asked TTC to also look at providing the Commission with clarity or direction within their Referral forms submitted by the various Departments and Public Eating for Water Taxis.

The goal of the recommendations by TTC is to provide processes that clearly reflect what the courts stated as allowable questioning regarding charitable solicitations. The Commission noted and did not agree on the change to make the Charitable Solicitation process a purely ministerial act. The Commission requested that the formality of a hearing be retained, as it keeps the integrity of the process and ensure the ordinance reflects clear questioning by the Commission that does not violate the First Amendment. As changes to each business activity are made and changes are made within the Title 7, there may be a requirement to also change the forms that are used, including the "Notice of Intention to Solicit" form. TTC will provide a timeline status to the Board once it is available.

PUBLIC EATING

On June 27, 2018, Brenda J. Lopez, Assistant Director of Environmental Health introduced Swati Bhatt, Environmental Health Manager for the Department of Public Health, and provided a brief PowerPoint presentation on the public eating review process and criteria for water taxi licenses.

Ms. Bhatt provided an update overview on retail food permits using their standard retail food inspection program for retail food facilities such as restaurants, food markets and caterers and noted health permits are the same for land and boat.

The food services on charter boats and cruises are addressed by Federal law. There are other agencies that have oversight over larger cruise ships/passenger ships. These inspecting agencies are Center for Disease Control (CDC), Food and Drug Administration (FDA) and United States Coast Guard. Small charter boats do not need a permit.

Food trucks and food carts are under a mobile food plan and Building and Safety inspections for permit approval have to pass through Housing Community Development Commission (HCDC) for use of propane gas.

On October 10, 2018, TTC provided an update on activities related to the Department of Public Health (DPH) inspection of water taxis in Marina Del Rey, CA. This type of inspection will become TTC's permanent procedure.

DPH has begun evaluations of the remaining six water taxis which will include an inspection of equipment on the vessels to determine the risk category, and if necessary, start the application and plan process.

TTC will also be working with the Los Angeles County Fire Department, Building and Safety, and the Department Public Health to streamline the processes and reduce redundancy.

MESSAGE PARLOR

At the request of the Board of Supervisors, TTC will provide Business License Commission with an update ordinance of the Title 7 regarding massage parlors, its regulations with DPH and conduct all massage parlor inspections. Thus, it will simplify the scope of work of TTC in removing redundancy, fees and the charges to businesses. The revised ordinance will also include posting of signs in breakrooms regarding minimum wage laws, educating employee about their rights and about human trafficking. TTC has been working closely with the Sheriff's Department, three local Counties, massage organizations, and will conduct outreach to the business community about TTC and DPH fee study.

DEPARTMENT COLLABORATION

The increase in the submission of business licenses within Los Angeles County has made it necessary for the Commission to review its role and limitations regarding the approval, denial and appeal of licenses in addition to the process and possible governance of the Los Angeles County, CA Code of Ordinance - Title 7. The continued collaborated efforts of each Department with the Commission has allowed for a greater understanding of the requirements of the Commission and applicants including needed changes to Title 7 to be recommended by TTC to the Board of Supervisors.

CONCLUSION

The Commission's scope of work continues to be a challenge as the types and increase of business license applications changes. The Commission has taken preliminary steps to ensure licenses and Notice of Intention to Solicit requests that come before the Commission is fair and satisfactory to all parties involved. The Commission looks forward to the possible changes to govern public eating, to regulate massage parlors and the amendments taking place to revise Title 7, that may allow for additional clarity to continue its charge to review, approve, deny and revoke licenses in the unincorporated areas of Los Angeles County and continue to serve the Board of Supervisors and the citizens of Los Angeles County.

Sincerely,



Renée Campbell, President
Business License Commission

c: Board of Supervisors