COURT REPORTERS BOARD
OF CALIFORNIA
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MEETING OF THE COURT REPORTERS BOARD

Thursday, May 26, 2016
10:30 a.m. to conclusion

Department of Consumer Affairs, HQ2
Hearing Room (located on first floor)
1747 North Market Boulevard
Sacramento, CA 95834

AGENDA

Board Members: Davina Hurt, Chair; Rosalie Kramm, Vice Chair; Elizabeth Lasensky; John Liu; and Toni O'Neill

CALL TO ORDER –Davina Hurt, Chair

ROLL CALL AND ESTABLISHMENT OF A QUORUM

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B. Status and discussion of AB 12 (Cooley), AB 507 (Olsen), AB 1033 (Garcia, Eduardo), AB 1566 (Wilk), AB 1707 (Linder), AB 1834 (Wagner), AB 1868 (Wagner), AB 1887 (Low), AB 1939 (Patterson), AB 2192 (Salas), AB 2611 (Low), AB 2629 (Hernandez), AB 2701 (Jones), AB 2859 (Low), SB 66 (Leyva), SB 270 (Mendoza), SB 1007 (Wieckowski), SB 1039 (Hill), SB 1140 (Moorlach), SB 1155 (Morell), SB 1176 (Galgiani), SB 1195 (Hill), SB 1348 (Cannella), SB 1444 (Hertzberg).

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A. Update and possible discussion regarding the CRB Budget Report
B. Update and possible discussion regarding the Transcript Reimbursement Fund
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IX. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA 112

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ADJOURNMENT

Action may be taken on any item on the agenda. All times are approximate and subject to change. The meeting may be canceled without notice. Any item may be taken out of order in order to accommodate speaker(s) and/or to maintain quorum. For further information or verification of the meeting, call Paula Bruning at (877) 327-5272, email to paula.bruning@dca.ca.gov, write to Court Reporters Board, 2535 Capitol Oaks Drive, Suite 230, Sacramento, CA 95833, or access the Board's Web site at www.courtreportersboard.ca.gov.

In accordance with the Bagley-Keene Open Meeting Act, all meetings of the CRB are open to the public. The CRB intends to webcast this meeting subject to availability of technical resources.

The meeting is accessible to the physically disabled. A person who needs disability-related accommodations or modifications in order to participate in the meeting may make a request by contacting Paula Bruning at (877) 327-5272 or emailing paula.bruning@dca.ca.gov or sending a written request to 2535 Capitol Oaks Drive, Suite 230, Sacramento, CA 95833. Providing your request at least five (5) business days before the meeting will help to ensure availability of the requested accommodation. Requests for further information should be directed to Yvonne Fenner at the same address and telephone number. If any member of the public wants to receive a copy of the supporting documents for the items on the agenda, please contact the Board within 10 days of the meeting. Otherwise, the documents, if any, will be available at the meeting.

The public can participate in the discussion of any item on this agenda. To better assist the Board in accurately transcribing the minutes of the meeting, members of the public who make a comment may be asked to disclose their name and association. However, disclosure of that information is not required by law and is purely voluntary. Nondisclosure of that information will not affect the public's ability to make comment(s) to the Board during the meeting. Please respect time limits. Be aware, the Board CANNOT discuss any item not listed on this agenda.

AGENDA ITEM I – Approval of April 8, 2016 Meeting Minutes

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Agenda Description: Review and approval of minutes

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Brief Summary:

Minutes from April 8, 2016 meeting in Sacramento

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Support Document:

Attachment – Draft minutes

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Fiscal Impact: None

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Report Originator: Paula Bruning, 5/9/2016

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Recommended Board Action: Approve minutes

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COURT REPORTERS BOARD OF CALIFORNIA
MINUTES OF OPEN SESSION
APRIL 8, 2016

DRAFT

CALL TO ORDER

Ms. Davina Hurt, Chair, called the meeting to order at 9:00 a.m. at the Department of Consumer Affairs HQ2, 1747 North Market Boulevard, Hearing Room, Sacramento, California.

ROLL CALL

Board Members Present:	Davina Hurt, Public Member, Chair Rosalie Kramm, Licensee Member, Vice Chair Elizabeth Lasensky, Public Member Toni O'Neill, Licensee Member
Board Members Absent:	John K. Liu, Public Member
Staff Members Present:	Yvonne K. Fenner, Executive Officer Kurt Heppler, Senior Staff Counsel Fred Chan-You, Staff Counsel Paula Bruning, Executive Analyst

A quorum was established, and the meeting continued.

I. MINUTES OF THE OCTOBER 30, 2015 MEETING

Ms. Lasensky requested that the word "but" be added to the fifth line of the last paragraph on page 5 of the minutes, following the words, "So Cal stip began." She then requested the word "to" be added to the fourth line of the fifth paragraph on page 7 of the minutes, following the words "create an unwritten exception." She requested the addition of "role of the" be added to the second line of eighth paragraph on page 9 of the minutes, following the words, "She expressed that the." Lastly, she asked that the word "with" be added to the first line under "Update on licensee fee cap increase" on page 19 of the minutes.

Ms. Hurt requested that a paragraph space be added between the last two paragraphs on page 7 of the minutes.

Ms. O'Neill moved to approve the minutes as amended. Second by Ms. Kramm. Ms. Hurt called for public comment. No comments were offered. A vote was conducted by roll call.

For: Ms. Kramm, Ms. Lasensky, Ms. O'Neill, and Ms. Hurt
Opposed: None

Absent. Mr. Liu
Abstain: None
Recusal: None

MOTION CARRIED.

Ms. O'Neill commended Ms. Bruning for the useful and helpful minutes.

II. CERTIFICATE OF APPRECIATION FOR ANGELIQUE SCOTT

Ms. Hurt stated that staff counsel are assigned to the boards by the Department of Consumer Affairs (DCA) legal team. Prior to Mr. Chan-You, Ms. Scott was assisting the Board as staff counsel, but was then reassigned.

Ms. Hurt expressed her appreciation to Ms. Scott for her work with the Board. Ms. Lasensky thanked Ms. Scott for her professionalism and assistance in framing the issues before the Board. Ms. Kramm also thanked Ms. Scott. Ms. O'Neill agreed with the other Board members and wished Ms. Scott the best in her career. Ms. Fenner added that Ms. Scott provided careful and knowledgeable responses to the Board's requests for guidance and helped the Board make good decisions for the consumers of California through thoughtful analysis. She wished Ms. Scott the best.

Ms. Hurt presented a certificate of appreciation to Ms. Scott.

Ms. Scott thanked the Board and staff and stated that it has been a pleasure working with both.

Ms. O'Neill moved to adopt the certificate of appreciation. Second by Ms. Kramm.
Ms. Hurt called for public comment. No comments were offered. A vote was conducted by roll call.

For: Ms. Kramm, Ms. Lasensky, Ms. O'Neill, and Ms. Hurt
Opposed: None
Absent. Mr. Liu
Abstain: None
Recusal: None

MOTION CARRIED.

III. REPORT OF THE EXECUTIVE OFFICER

A. CRB Budget Report

Ms. Fenner invited questions regarding the budget projections available on page 37 of the Board agenda packet. Ms. Hurt requested information about the "Temp Help" line item. Ms. Fenner responded that Temp Help is the amount paid to the retired annuitants who help proctor the dictation examination. Ms. Hurt also inquired about the "Unscheduled Reimbursement – Investment Cost Recovery" line item. Ms. Fenner explained that all reimbursements received by the Board appear in red because they will be returned to the fund at the end of the budget year. Ms. Hurt asked about the "IA

with OPES" line item. Ms. Fenner indicated that it is an interagency agreement with the Office of Professional Examination Services, who facilitate the examination development for the two written portions of the exam.

Ms. Fenner pointed out that the Months in Reserve for Budget Year 2016-17 falls to 6.8, as listed on page 38 of the Board agenda packet. As previously discussed, when the operating expenses fall below six months, the TRF cannot be funded.

Ms. Hurt commented that a large percentage of the Board's budget goes toward pro rata.

B. Transcript Reimbursement Fund

Ms. Bruning reported that 176 invoices had been approved for the 2015-16 fiscal year for the Pro Bono Program, totaling over $92,000. She stated that a large backlog had accumulated due to the loss of the half-time position for the Pro Per Program. Ms. Bruning added that 61 separate approvals for 39 cases had been made for the Pro Per Program for the 2016 calendar year. She stated that more than $18,000 of the $30,000 allotment had been allocated, of which nearly $4,600 had been paid out. She stated that there was $15,000 still available to allocate due to funds cleared out from prior fiscal years by Ms. Davis. However, 47 applications requesting more than $20,000 were pending review.

Ms. Bruning indicated that the DCA Budget Office informed the Board that the TRF had approximately $243,000 remaining without a transfer. Considering all the pending Pro Bono and Pro Per applications, there may be $80,000 left in the fiscal year for incoming applicants.

Ms. Hurt inquired how much time Ms. Bruning spends on the TRF applications since the half-time position was lost. Ms. Bruning responded that it was difficult to quantify since her job encumbers a large variety of tasks outside of the TRF, including Board, task force, and town hall meetings, as well as internal administrative functions. She estimated that at least 75 percent of her time was focused on TRF. Ms. Fenner added that reorganization of workload is part of the Board's strategic plan, but it would take place after the completion of the sunset review process.

C. Exam

Ms. Fenner offered to answer questions regarding the examination results reflected on pages 40 through 45 of the Board agenda packet.

D. Enforcement

Ms. Fenner referred to the statistics provided in the Board agenda packet, noting that there are no specific trends.

E. School Updates

Ms. Bruning stated a contract was recently put into place with expert consultant Ned Branch for the purposes of beginning the onsite review portion of school reviews. Mr.

Branch has an extensive background in education, including court reporting education, in both California and Oregon. It is anticipated that the reviews will begin after the beginning of the upcoming fiscal year.

Ms. O'Neill expressed her delight that Mr. Branch would be working with the Board. She stated that he is perfect for this role.

F. CRB Today Newsletter, Spring 2016

Ms. Bruning reported that the Spring 2016 CRB Today newsletter was distributed and would be posted on the Board's Web site.

G. Education/Outreach

Ms. Fenner reported that staff had recently approved proofs of the Best Practice Pointers 5, 7, 8 and 9 from the team at the DCA Office of Publication, Design, and Editing. Those documents will be added to the Board's Web site.

She added that a script was being developed with the help of Melinda Nelson for a webinar based one of the practice pointers.

H. BreEZe

Ms. Fenner stated that Release 2 of the BreEZe system successfully went live. She is waiting to see the cost analysis and studies DCA is conducting to find out what the next step will be.

IV. ONLINE SKILLS EXAM

Ms. Hurt stated that the Board received a proposal to offer the dictation portion of the examination online via a third-party vendor. Ms. Fenner stated that she had been working with Marybeth Everhart for a couple of years exploring options for live dictation examinations.

Marybeth Everhart and Jared Carmen approached the Board. Ms. Everhart is the national marketing manager for myRealtimeCoach (RTC), and Mr. Carmen is the owner of Realtime Learning Systems, the developers of RTC. Mr. Carmen provided a history, stating that RTC is the flagship product, with an online learning and testing platform that has been in use for the last 15 years as its foundation. He stated that his background includes online learning and testing for the U.S. government and military, Cisco Systems, Microsoft, and Fortune 500 companies. Ms. Everhart stated that she brings a court reporting background to the company, entering her 36th year in the profession where she reported for 20 years.

Ms. Everhart stated that the National Court Reporters Association (NCRA) moved to online testing in August 2015. She added that a number schools use RTC for testing students both online and at bricks and mortar locations. She stated that the Office of Military Commissions used RTC to vet their reporters before sending them to the GTMO Trials.

Ms. Everhart provided a summary of the benefits of moving the examination online. She asserted that the Board should consider online testing for convenience, security, and

savings. With regard to convenience, she stated that candidates testing online no longer have to travel to examination sites. The candidates can take the test in the environment and time that is most comfortable for them. Candidates receive immediate electronic scoring of their examination, which also reduces the grading by staff. The electronic grade is reviewed by staff, who set the threshold below which they will not review the exam (i.e., 90 percent).

Ms. Everhart addressed security, stated that RTC works closely with ProctorU, who developed the proctored online test approach. Last year, ProctorU conducted more than a quarter million exams from accountants to law school to skills tests. When candidates first log on, they confirm their identification. They then authenticate by answering questions regarding candidate information available in the public domain. Next, the environment is secured by a webcam. RTC recommends an external webcam so the candidate can pan around the room to ensure the location is secure and the candidate is alone. Additionally, the test must be listened to through headphones so no ambient audio can be recorded and shared, nor can another reporter report the test for the candidate. The computer clipboard must be cleared so that text from another person's examination cannot be pasted into the candidate's exam. The proctor will dictate a sentence to the candidate to confirm the candidate is writing. Finally, a disclaimer can be used to require the candidate to keep the test confidential. Some users also include repercussions for those found cheating or violating the confidentiality of the exam.

Ms. Everhart shared that candidates save money when not having to travel to examinations, and so does the Board. As previously mentioned, there is reduced time for staff grading examinations as well.

Mr. Carmen added that NCRA has given approximately 1,500 examinations since they moved to the online testing in August. He stated that beta testing has been ongoing for 10 months. The technology and platform are sound, and ProctorU is delightful to work with.

Ms. Lasensky inquired if RTC assumes candidates are taking the test from home. Ms. Everhart stated that the majority of candidates do take it home, but some take it at their office. Ms. Lasensky indicated that the Board would be assuming the candidates have the right computer configuration to handle RTC software and asked what level of computer sophistication is needed. Ms. Everhart stated that the candidate does not have to be tech savvy. There is no software to install as everything is done virtually through the RTC Web site.

Ms. Everhart reviewed the NCRA process, stating that the candidate would go to the NCRA Web site to register for the examination. The registration is then fed to RTC, who sends an e-mail with all the information needed to log onto the site.

Ms. Lasensky asked about the process for those who encounter a connection issue or computer failure. Mr. Carmen responded that online testing has been around since dialup was the best available. As technology advances, kinks are worked out. RTC has taken three steps to make testing a smooth and easy process. The first step is that the candidate clicks a link on the Web site to do a tech check when they schedule with a proctor. The Web site checks the connection and screen resolution, as well as a variety of other factors. Second, RTC provides the opportunity for the candidate to do a practice test. NCRA and ProctorU have a way for candidates to do unlimited, non-proctored

practice tests, as well as schedule a proctored practice test. He asserted that anyone who can use Netflix can use RTC.

Ms. Lasensky asked if RTC informs candidates what type of webcam will be required. Mr. Carmen confirmed that they do, which are typically available for $6 to $8. He added that there are online pdf and video documentations that show how to perform each test.

Mr. Carmen explained that the burden of facilities is removed from the Board and put onto the candidate. The expectation is set that the candidate needs to have a good place to test with functioning Internet and electricity, whether that be at home or another place they can be confident in the services. If the Internet or power goes out during the test, the candidate merely reschedules the test. The proctor will write notes voiding the test and requiring the candidate to reschedule.

Ms. Lasensky asked if there is more than one test available at a time. Ms. Everhart stated that the tests are randomly selected from a bank. The larger the bank, the less likely two candidates who know each other would be offered the same exam.

Ms. Hurt asked how many times each candidate can test. Ms. Everhart responded that each candidate can take a test once each time they pay and that they would only have access to each test one time. Ms. Fenner added that the larger the bank of tests, the more opportunities there would be for candidates to take the exam.

Ms. Lasensky inquired as to the time frame between scheduling the exam and actually taking it. Ms. Fenner responded that the Board would decide those factors, and the RTC and ProctorU provide the administration based on policy and procedures established by the Board. Initially, the Board may want to have a similar availability of three times each year. Mr. Carmen indicated that NCRA currently has a policy that requires the candidates to complete the test within 30 days of registering.

Ms. Kramm asked if there was any feedback from the schools and whether they would be able to provide testing rooms. Ms. Fenner stated that the proposal is new to everyone, so no feedback had been received yet. She anticipates the schools would set up a testing room to prepare them for taking the test online. Ms. Everhart added that there are out-of-state schools that do just that. Mr. Carmen stated that stress levels for the candidates are reduced when they are in an environment that is familiar.

Ms. O'Neill stated that she was able to watch the online testing procedure launch when she was on the NCRA board. She added that many states use the RPR as their license. The Board has the advantage of all the vetting done by NCRA through their transition. Since the errors have been worked out, the complaints have stopped and the candidates are really happy. She expressed that online testing could increase the number of working reporters in California. She would suggest the Board appoint a test-writing committee to increase the number of tests available, allowing candidates to test often and hopefully become licensed sooner. Ms. O'Neill stated her support of online testing for the dictation exam.

Ms. Hurt inquired about the contractual relationship between RTC and ProctorU. Mr. Carmen stated that RTC is affiliated with ProctorU, but there is no contract. The contracts are between NCRA and each of the entities separately. RTC provides the testing platform

whereas ProctorU provides the proctors. Ms. Everhart added that NCRA vetted out many proctoring companies before ultimately choosing ProctorU, primarily because it is a live-proctored process throughout.

Ms. Hurt asked how long NCRA has had a contract with RTC. Mr. Carmen responded that the relationship began approximately 10 years ago. The testing portion of their relationship began in 2011, with online testing beginning in 2014. Ms. Hurt requested clarification about the length of time beta testing has been done. Mr. Carmen stated that NCRA shifted to online testing at the end of August, but was doing beta testing for 10 months. There was a hybrid of the test where candidates took an online test at a bricks and mortar location with proctors in the room.

Ms. Hurt asked what the contractual relationship would be between the Board and RTC if there were a data breach. Mr. Carmen stated that RTC had never had a data breach and was not aware of any experienced by ProctorU. He stated that RTC and the Board could work out contractual terms for such a situation. Ms. Everhart added that the candidate and proctor share screens, but the proctor requests permission before accessing and controlling any hardware or software at each step. The candidate receives a reminder to close confidential information.

Mr. Carmen added that their entity is experienced with large scale, high stakes, secured testing. As an example they worked with the U.S. Army where over three million soldiers and civilians took an online course.

Ms. Hurt asked what happens if there is a disagreement or issue between the candidate and the proctor. Ms. Everhart stated the proctor would file an incident report, which would be sent to the Board. There have not been any incidents of this nature for NCRA. Mr. Carmen stated that NCRA set up an e-mail address dedicated to communications from ProctorU and candidates regarding questions or problems experienced.

Ms. O'Neill indicated that the Board currently uses an online test provider for the written portions of the examination and is not aware of any incidents that have risen to the level of the Board. She surmised that it would be handled similarly to current practice.

Ms. Lasensky inquired as to the volume of test takers in each cycle. Ms. Fenner responded that there is currently an average of 150 candidates per test.

Ms. Hurt asked for clarification of the concern Ms. Fenner expressed regarding using the test as a pre-test experience. Ms. Fenner stated that the Board retains statistics for the schools who report first-time pass rates to their accrediting bodies. The current cost to take the exam includes a $40 application fee plus $25 per each portion of the test. She asserted that the low cost may allow candidates to take the test just to see what it is like before committing to taking it to pass. She suggested the Board review the amount and manner of collecting the test fees.

Ms. Hurt conveyed that infrastructural policies would need to be decided before establishing a contract. She expressed mixed feelings, acknowledging there are benefits, but feeling concern about open answers. She shared that her personal information was breached with the IRS, causing her to be careful about information sharing. Ms. Fenner shared that she was also a victim of information theft, but believed candidates could use

laptops without personal information to take the test if they were concerned. She added that schools would have computers in their labs that candidates may be able to use. Ms. Lasensky added that public libraries may also be able to offer testing facilities and computers. Ms. Hurt indicated that she is more concerned about the information being shared through the authentication process.

Mr. Carmen stated that RTC stores a user name, password, and test results, but does not store any credit card information or other data. Ms. Everhart added that ProctorU uses the candidate's name and address when authenticating exam takers. There is no other information gathered.

Ms. Lasensky asked how the fees are collected. Mr. Carmen responded that it would be however the Board collects the fees. The Board agreed that it needed to investigate the options further.

Ms. Kramm indicated that many schools are moving to an online platform and closing their bricks and mortar locations. Students are used to being tested online. She expressed trust for RTC because they have been in the court reporting industry for many years and no one speaks poorly of them. She added that they have a good product and that they are helping court reporters become better writers. She agreed that it would benefit the industry by allowing more court reporters to be licensed more quickly. It will have save the Board money and staff time. She believed the Board could develop policies to address the security concerns expressed.

Ms. Hurt stated that she does not know anything about RTC, good or bad, and is posing questions to evaluate this proposal that will make a huge change to the industry. She would like to explore all sides, including benefits and risks. She recalled the blur of taking the Bar exam and described it as a sort of rite of passage for law students. And although the exam may be stressful, she asserted that working in court may be as well. She also expressed a need to work with the schools more to discuss expectations.

Ms. Hurt summarized that two Board members appeared in favor of moving forward with contracting with RTC. She asked Ms. Lasensky as to her position. Ms. Lasensky stated that although she had not heard public comment yet, she was supportive of the concept. She believed that the Board still had behind-the-scenes work to do before putting any plan into action.

Ms. O'Neill stated that through her involvement with NCRA, she observed that there were a few years of discussions about online examinations before it was brought to their board. They then had to go through the contract process and an implementation schedule that took approximately two years before the first tests were given. Ms. O'Neill added that having to repeat the examination with all the other test takers was not favorable for her, and she would have preferred to have been able to take it alone.

Ms. Hurt asked staff counsel if they had any input about the contract process or feedback from other DCA boards to contribute. Mr. Heppler responded that he specializes in contacts. He stated that when the DCA Director enters into contract on behalf of the Board, the Department of General Services (DGS) requires a competitive bid process unless there is nobody else who can provide the same service. There are many contracting steps and an analysis of cost reasonableness and value. Also, contracts

generally have several exhibits that speak to the responsibility in the event of a data breach. Mr. Heppler suggested the Board ask counsel to figure out how this concept would work within the current statutory and regulatory structure.

Ms. Fenner thanked Mr. Heppler for his outline and stated that she has been in contact with the contract unit to gather information regarding the first steps.

Ms. Hurt asked if the proposal was to begin online testing in 2016-17. Ms. Fenner was unsure based on the steps required, including creating and approving policy, and contracting. She shared that the Board would work with OPES to conduct an audit of the vendor's examination program as an independent third party to ensure that it meets the professional guidelines and technical standards as well as Business and Professions section 139. The audit would help make the exam legally defensible and check for questions of validity or unfairness. Ms. Fenner noted that Tracy Montez of OPES was present to answer questions.

Ms. Hurt indicated that contracting needs to begin either for hotels for onsite examinations or for moving toward online examinations. Ms. Fenner added that the Board currently has contracts in place for the dictation examination in Los Angeles for July 2016 and in Sacramento for the fall 2016 and 2017. If the Board chooses to move forward with online examination, she would recommend the Board have staff contract with the hotel in Los Angles through 2017. The online examinations could potentially begin in 2018.

Ms. Hurt called for public comment.

Kim Krueger, CSR, approached the Board, stating she passed the test first in the 1980s, and again approximately two years ago. In addition, she has taught court reporters through a program which used RTC. She has also proctored tests and qualifiers. She shared concerns about online testing. She stated that live voices are better and easier to hear and differentiate than canned voices. She expressed that court reporting students have poor equipment and some do not have funds to upgrade or purchase some of the required hardware for online testing and that all students should be afforded the same access to the test. She asserted that students would need to be technologically savvy to use RTC. Ms. Krueger expressed concerns that RTC would "data mine" the students in an attempt to sell them other products. She declared that she observed students finding ways to cheat, and having a proctor in the room with you can make the difference. She agreed that the test can be stressful, but she asserted that students should prepare to be stressed as a court reporter. She also saw a value to networking at the exam sites. Ms. Krueger believed that online testing would eventually become reality, but believed that live dictation and the sanctity of the test should be protected at all costs to ensure the licensees are qualified and able to deal with a variety of situations.

Cynthia Zeller, CSR, inquired if the candidates can see a video while taking an online dictation exam. Mr. Carmen responded that they can.

Ms. Fenner expressed appreciation for the public comment, stating that they are the types of issues that need to be brought into policy discussions. She added that the industry is moving forward quickly, and some less technologically-savvy individuals may be left behind. She asserted that the consumers of California need licensees that have the minimum ability to do their job, which is more than writing on the steno machine.

Ms. Lasensky suggested the Board move forward with pursuing online testing and, additionally, with developing policies and procedures. Ms. Hurt asked if the Board would like to establish a task force to draft policy and separately begin the contract process. Ms. O'Neill envisioned that the Board would direct staff to gather information from DCA contracting and RTC, and meanwhile, the policies and procedures would be drafted. Ms. Hurt suggested a task force chaired by a Board member with schools and other stakeholders before the contract is approved.

Ms. Fenner recommended the Board appoint a task force to draft policy to be brought before the Board for approval. She noted it would be a big undertaking. She added that the meetings of the task force would be open to the public, which should prove to provide valuable input. She suggested the Board instruct her to move forward with the audit process through OPES.

Ms. Hurt asked if the OPES audit obligates the Board to contract for an online exam. Ms. Fenner responded that without a contract, the Board would not be required to move forward with RTC.

Ms. Krueger asked the Board to consider the cost benefit before moving forward. She stated that if there is a cost savings, the security issues are worked out, and it allows access to all interested, she could see a partial implementation. She reiterated that she feels exclusive online testing is bad idea, but that allowing those who cannot travel to a test to have access to online testing may be good. Ms. Fenner indicated that some proprietary information prohibited her from disclosing exact figures, but that the savings to the Board is substantial.

Charlotte Mathias, CSR, indicated that the cost for the written portion of the test is substantially higher than when she took it 20 years ago. She wondered if the costs for online testing would be passed on to the applicant, fearing that higher costs would deter potential future reporters. Ms. Fenner responded that the statute caps each portion of the examination at $75. A legislative change would be required to increase that amount.

Tracy Montez, DCA Division Chief of Programs and Policy Review overseeing OPES, commented that many of the questions posed could be answered through the audit process. Some of the issues they will review include security, number of tests in the bank, retake policies, and passing scores.

Ms. Kramm moved to direct staff to move forward with the intent of conducting online testing, including getting approval through the DCA's OPES, with a goal toward online testing in 2018/2019, and a task force be formed to draft policies and procedures, to present to the Board. Second by Ms. Lasensky. Ms. Hurt called for public comment.

Ms. Mathias asked if there were going to be additional opportunities for public input. She expressed concern that people would have to use a room in their house that had mirrors all around based on something NCRA was doing. Ms. Kramm responded that the process included the use of webcams and potential public locations for candidates. Ms. Mathias added that it would be great if the schools could host online examinations.

A vote was conducted by roll call.

For: Ms. Kramm, Ms. Lasensky, and Ms. O'Neill
Opposed: Ms. Hurt
Absent. Mr. Liu
Abstain: None
Recusal: None

MOTION CARRIED.

Ms. Hurt asked the Board members if any would like to chair the task force. Ms. O'Neill suggested that there be two chairs. Ms. Lasensky volunteered to be a co-chair. Ms. Kramm suggested Ms. O'Neill also co-chair, having a history with the process through NCRA. Ms. O'Neill accepted.

Ms. Hurt directed Ms. Fenner to coordinate with the co-chairs with regards to scheduling meetings. She suggested the chairs appoint members from schools and the public to the task force. Ms. Fenner stated that she would work with the chairs to develop a mission and then assist in appointing six to eight members. She thanked the presenters from RTC.

V. STRATEGIC PLAN

A. Approval of Best Practice Pointers

Ms. Hurt thanked Ms. O'Neill for reviewing and editing Best Practice Pointers 6 and 10 since the October 30, 2015 meeting. She also thanked the members of the task force for their time and expertise in developing the 10 practice pointers.

She then invited discussion and action on the proposed practice pointers.

Best Practice Pointer No. 6 – Court Transcripts Designated Confidential or Under Seal

Ms. Kramm moved to adopt Best Practice Pointer No. 6, Court Transcripts Designated Confidential or Under Seal. Second by Ms. Lasensky. Ms. Hurt called for public comment. No comments were offered. A vote was conducted by roll call.

For: Ms. Kramm, Ms. Lasensky, Ms. O'Neill, and Ms. Hurt
Opposed: None
Absent. Mr. Liu
Abstain: None
Recusal: None

MOTION CARRIED.

Best Practice Pointer No. 10 – Reporter Conduct in the Jury Room

Ms. Lasensky moved to adopt Best Practice Pointer No. 10, Reporter Conduct in the Jury Room. Second by Ms. Kramm. Ms. Hurt called for public comment. No comments were offered. A vote was conducted by roll call.

For: Ms. Kramm, Ms. Lasensky, Ms. O'Neill, and Ms. Hurt
Opposed: None

Absent. Mr. Liu
Abstain: None
Recusal: None

MOTION CARRIED.

Ms. Fenner stated that the newly-approved pointers would be sent to the DCA Office of Publication, Design, and Editing for formatting and then sent to the Board's Web site with the rest of the pointers. She added that the Board may create vignettes for some of the practice pointers.

Ms. Kramm commented that she has received positive feedback from deposition firm owners, who send them to their reporters. She thanked the task force and staff for their work on the valuable tools.

Ms. Bruning added that the formatting is done through the DCA pro rata services.

B. Approval of Communications Plan

Ms. Fenner presented the boilerplate communication plan prepared by the DCA Office of Public Affairs (OPA). She stated that the plan could be broken down similarly to the Board's Action Plan if approved.

Ms. Hurt stated that she like the idea of revamping the Board's Web site to be more user-friendly and modern. She listed several questions, including whether the communication goals would be achievable within the Board's resource constraints. She also asked who would be the key staff for communications. Due to staff limitations, she asked what could be done in conjunction with DCA and what frequency of communication would be effective. She inquired how the Board could monitor the effectiveness of the plan.

Ms. Kramm suggested that high schools be added to the statewide career fair events under "Strategy."

Ms. Kramm moved to adopt the communication plan, adding high schools to the career fairs. Second by Ms. Lasensky. Ms. Hurt called for public comment. No comments were offered. A vote was conducted by roll call.

For: Ms. Kramm, Ms. Lasensky, Ms. O'Neill, and Ms. Hurt
Opposed: None
Absent. Mr. Liu
Abstain: None
Recusal: None

MOTION CARRIED.

C. Update on Action Plan Accomplishments

Ms. Fenner referred to the CRB Action Plan in the Board agenda packet on page 95, which indicates goals that are reached to further the Strategic Plan. She offered to answer any questions or make changes if requested.

The Board took a break at 11:02 a.m. and returned to open session at 11:15 a.m.

VI. UPDATE ON SUNSET REVIEW

Ms. Fenner stated that the Sunset Review Report was submitted at the end of November 2015 and reviewed by the Assembly Business and Professions Committee (BPC) and the Senate Business, Professions and Economic Development Committee (BP&ED), which form the joint sunset review committee (Sunset Committee). An oral presentation was given at the Sunset Review Oversight Hearing on March 9, 2016, at the Capitol by Ms. Hurt and Ms. Kramm. Written responses to the Sunset Committee's questions are required to be submitted by April 11, 2016. She requested the Board review the questions and drafted responses.

Issue 1 – Are current license fees sufficient to maintain the Board's long-term fiscal solvency?

Ms. Hurt asked the members for any edits they see necessary.

Ms. Lasensky suggested that the second occurrence of the work "projected" be changed to "anticipated" in the second line of the first paragraph under "Board Response." She stated that the response is reflective of her position.

Ms. Fenner shared that the BP&ED consultant has bill language ready for an increase to the fee cap and is awaiting a response from DCA Budgets. She believes the language will part of the Sunset bill.

Ms. Hurt requested the word "already" be changed to "previously" in the fourth line of the second paragraph on page 98 of the Board agenda packet.

Issue 2 – Should the Legislature amend the $300,000 amount that must, unless reserves are too low, be allocated to the TRF each year?

Ms. Lasensky indicated that the "t" was missing from the word "the" in the first line of the last paragraph on page 98. She also commented that the sentence as a whole does not work. Ms. O'Neill volunteered to work on the language for that sentence.

Issue 3 – Should an extension be granted to continue the TRF for indigent litigants?

The title of this issue was inadvertently listed as a copy of Issue 2. Ms. Fenner will update the report with the correct title.

Issue 4 – Is the Board able to enforce court reporting statutes against foreign court reporting corporations?

Ms. Lasensky suggested the word "The" be removed from the first line of the fourth paragraph on page 101, and the sentence should start with "Court reporting."

Ms. Kramm expressed that SB 270, which is referred to in the response, has changed significantly and would need to be discussed before continuing with Issue 4.

The Board heard Agenda Item VII.B. – Legislation, SB 270, prior to completing Agenda Item VI – Update on Sunset Review.

VII. LEGISLATION (out of order)

B. Status of bills relevant to the Board

SB 270

Ms. Kramm indicated that SB 270 had been amended (see Attachment 1). She asserted that the term "billed wholly inside of this state" found in BPC section 8040(b)(3) negated the purpose of the bill, which is to hold foreign corporations doing business in California to California laws.

Ms. Kramm added that section 8040(b)(1) does not address penalties for corporations not registering with the Board.

She stated that these amendments had not yet been made to the bill at the time she testified before the Sunset Committee. She believed that Senator Mendoza would like the bill to be useful toward the Board's goal.

Ms. Fenner expressed that during her discussions with the author's office, there was an idea of tying a licensee to the registered corporation. However, that was not included in the amendment.

Ignacio Hernandez, on behalf of the California Court Reporters Association (CCRA), stated that the bill moved through the Senate in 2015, then went to a hearing at the Assembly BPC. During the hearing, concern was expressed by some members of the BPC that companies would be put out of business in California for arranging deposition services. Senator Mendoza then discussed potential amendments similar to the model used in Texas. Mr. Hernandez added that the amendment is in addition to the current bill language, not a replacement of it, so it should be viewed together. The bill has not been heard due to the concerns raised with the amendment by a number of people. It is eligible to be heard this year, and it is expected the BPC hear it in June at the earliest.

Ms. Kramm asked what concerns were raised and by whom. Mr. Hernandez responded that the US Legal lobbyist was more upset about the proposed amendment than the original bill because it would require them to follow California law. In addition, he shared there was unofficial concern expressed from other industry-related entities.

Mr. Hernandez stated that the ultimate objective for the amendment is to maintain very strong penalties in SB 270 for anyone who operates in California outside of California law. He stated that the additional language would give an option to these entities to

register with the Board which would then require them to follow all rules and statutes promulgated by the Board. Those operating without registration would be subject to strict daily penalties that are outlined in the original SB 270 language. The problems that have been articulated by the Board with regard to foreign corporations would be captured, giving the Board and Attorney General (AG) jurisdiction over these entities. He stated that there are opportunities to fine-tune language in the legislative process.

Ms. Hurt stated that she believed the Board supports the goals of SB 270 to ensure all corporations are following the laws and regulations, but does not see that reflected in the language. She asked Mr. Hernandez to address the concerns shared by Ms. Kramm. Mr. Hernandez responded that he believed the bill was structured so that if the entity does not register, the entity is subject to the other penalties set out in SB 270, which would be new to current law. He clarified that what was provided to the Board staff for distribution were amendments that would be added to SB 270, so it should be read in tandem with the existing bill. The original language captures entities that are working outside of California law. If California law, subject to this amendment, requires an entity to register and follow all the rules, regulations and statutes of California and they choose not to, there would be penalties, fines, and/or injunctive relief.

Ms. Fenner stated that she understood that the amendment was replacing the language and not in addition to the existing bill. Therefore, the existing bill language was not included in the Board agenda packet.

Aspasia Papavassiliou, Deputy Attorney General, indicated that she works in the licensing section of the AG's office, and she shared that her experience includes receiving cases from boards for prosecution. Ms. Papavassiliou indicated that she had read the earlier version of SB 270 and the amendment. The amendment goes farther in giving the Board jurisdiction over non-CSR owned firms. She inquired if the Board would like to put non-CSR firms out of business or regulate them. If the Board chooses to regulate, there needs to be a license requirement and a licensee that the Board can discipline. She recommended the bill be amended to make it clear that entities rendering court reporting services need to be registered. She shared concern over the language that said "billed wholly inside of this state," but suggested it could be updated to say "services rendered in California."

Ms. Kramm expressed that the word "services" has been generically defined by some entities to only include taking of stenographic notes as opposed to the production of transcripts. She does not want these entities to be able to get around the requirement due to language. She sees a great opportunity to create something that cures this problem. Ms. Papavassiliou stated that a registration requirement would go a long way toward implying that the business aspect of court reporting is part of the services that the Board is seeking to regulate.

Ms. O'Neill asked if a registration is equivalent to being licensed. She stated that she would not want to find out the bill has loopholes that allow an entity to get out of being held under the Board's jurisdiction. Ms. Papavassiliou responded that a registration can be a license. If the entity has to apply and get approved and is issued a registration number which has to be renewed, it would be fall under the definition of a license.

Ms. Lasensky asked what wording is needed to reach the Board's goal. In response, Ms. Papavassiliou stated that she would change the "billed wholly inside of this state" language to something simpler, such as "for court reporting services rendered inside California." She would also make it clear that registration is required. She reiterated that the original language does include the penalties for unlicensed activity.

Mr. Hernandez stated that he would work with the AG's office to make the language more clear and provide the Board the authority to enforce all the rules on these entities as if it were a licensee.

Mr. Heppler noted that the language includes a start date of July 1, 2016, but without an urgency clause, it would seem more likely that it would take effect January 1, 2017. He suggested that at least one licensee be connected to each firm registration. The Board may also want to consider a clear statutory path where the registration can be revoked. He added that the Board could enact regulations to set qualifications and fees for registration.

Ms. Krueger shared her experience in working as an independent contractor for large corporations who offer court reporting services. She stated that she has been pressured to do things that would violate California law. She added that many times the large corporations simply change their name and corporation so they appear to be a new firm. She concurred that a California licensee should be connected to court reporting firms for accountability. She referred to the April 6, 2016 letter from the attorneys for Holly Moose (see Attachment 2), where it states on page 3, paragraph 2 that they unaware of any other licensed profession under DCA where corporations would be entirely free to operate in the State without licensee involvement.

Ms. Hurt asked to confirm that California had firm registration in the past. Ms. Fenner confirmed that it did, which was discontinued in the 1980s. Ms. Hurt requested background information as to why it ended.

Toni Pulone, CSR, stated that a former executive officer determined that the program was not being monitored and was, therefore, not of any value. She added that most firms were not registering anyway.

Ed Howard, on behalf of the Deposition Reporters Association (CalDRA), thanked the Board and CCRA for its thoughtful discussion. He stated that CalDRA is in support of the SB 270 as it is currently written. They endorse having a licensee responsible for each registered firm as well as a fee for registration. Mr. Howard shared the concerns stated by Ms. Kramm regarding BPC 8040(b)(1) and (3).

Mr. Howard referred to and quoted the first paragraph on page 101 of the Board agenda packet. The challenge that the Board is confronting is the corporations that are flouting the Board's authority by stating that they are not professional corporations because they are not "rendering services." He then referred to the amendments of SB 270, specifically BPC 8030(b)(1). He stated that the reference and definition of "professional corporation" are the same as the current law, which is being defied by the same corporations who claim they are not "rendering services." Therefore, he asserted that the amendments do not solve the problem. Mr. Howard indicated that some states have defined what a corporation is, which the Board could do by regulation.

Ms. Kramm inquired if limited liability companies could find a loophole in this amendment. Mr. Howard responded that they could potentially. He shared that a bill was introduced several years ago that added other corporate forms to the definition of professional corporation. That bill was defeated by the same firms opposing SB 270.

He added that it should be specified what role the responsible licensee has, whether it be a shareholder, director, or officer of the corporation. Also, it should be determined whether or not the licensee will be required to be in a supervisory role, in charge of the things that licensees are supposed to do. He suggested the Board evaluate what has and has not worked in other states.

Mr. Howard asserted that SB 270 migrated from a bill that sought to make the Board's job easier, to seeking to dramatically change the underlying architecture of how court reporting is done in California.

Mr. Chan-You asked Mr. Howard to clarify his statement regarding using the regulatory process to define rendering court reporting services for corporations. Mr. Howard responded that the Board can promulgate regulations to define an ambiguous term. He added that the Board could initiate the process or do so as a response to a petition for rulemaking. He suggested that a checklist could be used to define court reporting services, including handling the production of an original or copy. He stated that the intent of the Standards of Practice was to make it easier to define court reporting services; however, it did not fix the biggest loophole.

Ms. Hurt clarified that the Board is leading a thoughtful charge to ensure all laws and regulations are followed by anybody who conducts court reporting services. She added that any involvement from stakeholders to assist in the process is important. However, it is a complex endeavor, and there have been a lot of talks in closed session related to some of the litigation that is being brought to the forefront. Mr. Howard commented that it is appropriate that this matter be discussed in the Board's Sunset Review Report, where the Legislature looks to the Board for the required principles for effective enforcement against corporations.

Ms. Pulone expressed appreciation for the efforts of CCRA in sponsoring SB 270. She shared concerns over the amendments, stating they undo the original intention. The amendments suggest removal of all current prohibitions on foreign corporations from providing court reporting services in California and do away with the requirement that a firm must be owned and directed by licensees. She concurred with the concerns shared by Ms. Kramm regarding BPC 8040(b)(3).

She indicated that she was concerned about the prohibitions or limitations on the operation of non-licensee firms be opened up and allowed in exchange for registration without any guarantee that the registration will work. She asserted that corporations already deny that they are professional corporations and will not register with the Board. Further, she shared concern that small deposition firms would be put out of business by the doors to California being opened without a way to discipline or control professional corporations.

Mr. Howard asserted that no law could deter large corporations who deny California jurisdiction from coming into the state. However, the law could make enforcement

easier. The Board has correctly identified the core problem, but unless it is fixed, nothing else matters. He stated that the Board would need to take the violating companies to court.

Ms. Pulone added that many firms are not incorporated, so she questioned how the amendment would capture those entities. In addition, many businesses who offer related services are now going into court reporting, such as interpreters, videographers, and document copiers. Unless there was a clear definition that anyone who ever provided a court reporter for a legal proceeding would be included in the requirement to register, she is unsure how the Board would be able to capture all those business.

Mr. Hernandez shared that he has been working on legislation for approximately 17 years. He indicated that he was optimistic about the discussion regarding the amendments and potential loopholes. He stated that the issues of whether or not the definition of corporation is tight enough or captures everyone has been thought about. He acknowledged that the Board needed more than the existing law to effectuate a change to the ongoing problem, and SB 270 was drafted with that goal. The penalties for violation by corporations and individuals are included in the language. He asserted that the commitment is no less now than it was when the process began more than a year earlier. He stated that it would be simple to clarify the language.

Mr. Hernandez stated that he had not previously heard the recommendation of tying a licensee to the corporation for registration. He was willing to explore it internally and discuss it with the bill author, who would ultimately make the decision on the language.

He reiterated that the bill is pretty far down the road and will be up in June. He stated that there have been ongoing discussions with a number of stakeholders, Board representatives and those engaged in enforcement for more than a year.

He stated that the issue cannot wait another one or two legislative years to be addressed. SB 270 provides an opportunity to move forward. He realizes that not everyone will comply with the law; therefore, the language is intended to be strong against those who violate it. As sponsors of the bill, CCRA wants to get it right. He recommended the Board move to support the proposed amendments and work with CCRA and Senator Mendoza on specific points. He stated that if the bill goes to hearing without support from the Board, the Legislators will question why.

Ms. Hurt asked if refined language that the Board could consider would be available by May. Mr. Hernandez responded that the plan is to refine the language to ensure it is as tight as possible, and he hoped it would be available by then. He asked for point-by-point details about what the Board wanted changed.

Ms. Hurt stated that the Board agrees with the concept of ensuring everyone follows the rules and regulations, and firm registration was suggested by several advisors; however, the means by which to do that is still a struggle. The Board has reservations with supporting the language as presented. Ms. Kramm expressed appreciation for all the work put into by the sponsor and Senator Mendoza. Nevertheless, she did not believe it would be appropriate to support the bill while not approving of the language.

Mr. Hernandez asked if the Board would have an opportunity to vote to support SB 270 before mid-June 2016 if presented with final language. Ms. Hurt said the Board could schedule another meeting to discuss this and other issues, going back to her earlier question about having the language by May. Mr. Hernandez said it is possible.

Ms. O'Neill also stated that she could not take a position either way based on the current language and amendments. She added that she reread the Board's draft response to the Sunset Committee's questions of Issue 4 and no longer sees a need for a change to the response. Ms. Hurt agreed, stating that SB 270 is listed as just one avenue to reach a goal.

Mr. Hernandez requested the Board summarize the key areas that need to be fine-tuned so he could begin working on it immediately. Although it may not be all-inclusive of the entire discussion, Ms. Fenner stated that the Board wanted to expand the corporations definition specifically so that it would include all entities, tie a licensee to the firm as a registered managing employee or some other role, add penalties up to and including revocation, add fees to register or the ability for the Board to set fees, change the effective date in BPC 8030(b)(2), and solve the issue of "billed wholly inside of this state" in BPC 8030(b)(3). She added that research needs to be conducted of the language used by other states for the arranging for services aspect.

Ms. Hurt noted that a new level of work for Board staff would be created by the passage of SB 270.

Ms. Kramm expressed that the issue was raised in the Sunset Review, evidencing the Legislature's concern. The Board's efforts and discussion should be included in the response to the issue.

Mr. Heppler summarized that the Board expressed its policy concerns related to SB 270 and is going to examine amendments at a future meeting date. Ms. Hurt added that the Board hopes to have another meeting in May before the bill goes to hearing.

The Board took a break at 12:58 p.m. Upon returning to open session at 1:36 p.m., the Board moved back to Agenda Item VI – Update on Sunset Review.

VI. UPDATE ON SUNSET REVIEW (continued)

Issue 4 – Is the Board able to enforce court reporting statutes against foreign court reporting corporations? (continued)

Ms. O'Neill commented that after having a robust discussion regarding SB 270, she believed the language is fine for this response. Ms. Hurt and Ms. Kramm agreed. Ms. Hurt added that SB 270 is listed as just one avenue that the Board is exploring and asked if anyone wanted to add any substantive avenues. Ms. Kramm suggested the response be kept general.

Mr. Heppler asked if the Board wished to memorialize what happened at the meeting within the response. Ms. Hurt responded that she did not want to hinder SB 270 by stating too much. She stated that the Board meeting minutes would memorialize the discussion, which could be used by the sponsor.

Ms. Hurt reiterated Ms. Lasensky's edit given during the morning session.

Issue 5 – How can the Board address the pending shortage of court reporters?

Ms. Kramm asked if the Board wanted to include the fact that online testing is being explored to provide more opportunities for candidates to pass the license examination. Ms. Fenner stated that since it is still in the concept stage, she would not recommend including it.

Ms. Bruning suggested changing the word "clearly" to "closely" in the last paragraph of the issue. The Board agreed.

Issue 6 – How can the Board best address issues relating to exanimation development?

No comments or edits were provided.

Issue 7 – What is the status of BreEZe implementation by the Board?

Ms. Fenner stated that there is a blank space in the first line of page 105 where staff was awaiting information from DCA Budgets. That sentence will be changed to: "The year to date figure will be unavailable until fiscal year 2015-16 ends, but the projected figure is $65,305." She stated that she is seeking to confirm with the budget analyst that the $65,305 is from the inception of the BreEZe project and not just the fiscal year.

Ms. Hurt requested the removal of the extra "t" at the end of the Staff Recommendation on page 104.

Issue 8 – How is the Board and the profession affected by technological advancements?

Ms. O'Neill stated that she believed the Board's response to be perfect since technology changes so quickly.

The Board agreed to remove the word "however" in the fourth line of the first paragraph of the Board Response on page 105. Ms. Hurt requested that a comma be added after "In the past 30 years alone" in the same paragraph.

Mr. Chan-You indicated that it appears the word "and" is missing in the title of the issue. Ms. Fenner said she would check the title as it was given to the Board by the Sunset Committee.

Issues 9 – Are there technical changes to the practice act that may improve the Board's operations?

No comments or edits were provided.

Issue 10 – Should the licensing and regulation of CSRs be continued and be regulated by the current Board membership?

Ms. Hurt requested the addition of "for protection of California consumers" to the end of the last sentence on page 106.

Ms. Hurt accepted Ms. O'Neill's offer to review the document for additional grammatical and spelling errors and to make non-substantive edits.

Ms. Lasensky moved to adopt the Board Response to Sunset Review Issues as amended, and to give the executive officer authority to make non-substantive corrections to the final report. Second by Ms. Kramm. Ms. Hurt called for public comment. No comments were offered. A vote was conducted by roll call.

For: Ms. Kramm, Ms. Lasensky, Ms. O'Neill, and Ms. Hurt
Opposed: None
Absent. Mr. Liu
Abstain: None
Recusal: None

MOTION CARRIED.

VII. LEGISLATION

A. Update on licensee fee cap increase

As reported during Agenda Item VI – Update on Sunset Review, Ms. Fenner stated that she and others continue to work on language for the fee cap. She reiterated that final language that will be amended into AB 2192, which is the Board's sunset bill. She is in the process of responding to the budget background questionnaire.

B. Status of bills relevant to the Board

Ms. Fenner stated that most of the report is informational, with the bills that affect court reporter highlighted by three asterisks.

AB 1834

Ms. Fenner reported that AB 1834 (Wagner) was brought before the Assembly Judiciary Committee. Chair Mark Stone indicated that he would vote "no" on this bill unless it was amended to include funding for court reporters in family law matters. As a courtesy, the bill is being held in the committee since the co-chair is the author. It is essentially dead at this point.

The Board decided to not take a position on the bill because it could be gutted and used for another purpose.

AB 2192

Ms. Fenner related that AB 2192 (Bonilla) is the sunset bill that would extend the Board to January 1, 2021. The Board directed Ms. Fenner to draft a letter of support for the chair's signature.

Mr. Hernandez stated that CCRA supports the bill extending the Board.

SB 270

(taken out of order, see page 14)

SB 1007

Ms. Kramm asked if this bill would affect binding arbitrations. Mr. Howard responded that it would apply to all arbitrations, especially binding arbitrations.

Ms. Hurt indicated that she applauds the effort and direction it is going, but she is not ready to write a letter in support or against.

Mr. Hernandez offered to answer questions regarding AB 2629 (Hernandez), which was sponsored by CCRA. Ms. Fenner said she did not have language for this bill. Mr. Hernandez said the language was put into print on March 18, 2016, which was two days after the Board's report was created. He indicated that the bill is seeking an increase in the statutory rates for court transcripts and is scheduled for hearing before the Assembly Judiciary Committee on April 19, 2016.

VIII. STATUS OF SCOPE OF PRACTICE REGULATION
Title 16, California Code of Regulations, section 2403(b)(3)

Ms. Fenner reported that the regulation was sent to the Office of Administrative Law on March 30, 2016, who has 30 working days to perform their review.

IX. BURD v. BARKLEY COURT REPORTERS, INC.
Consideration of request for amicus curiae brief on behalf of Plaintiff

Ms. Kramm recused herself from the discussion and voting on the amicus curiae brief request consideration due to a potential conflict of interest.

Jim Patterson, plaintiff's attorney in the case, approached the Board. He stated since the last Board meeting in October, a ruling against the plaintiff had been made by the trial court. The court recognized that the issue would be best suited for the Court of Appeals to rule on. The trial court ruled that the statutory fee caps found in the Government Code do not apply to reporters that are sworn and reporting official court proceedings as official court reporters pro tempore (pro tem). As a result, he stated the plaintiff needed the Board to reiterate its 20-year position in a more official manner.

Mr. Patterson asserted that the Government Codes that set forth the fees do not mention either official reporters or official reporter pro tem, but that the legislative history of the statutory fees refers to both official and pro tem reporters in almost all instances. He added that there are instances in the Government Code before and after Government Code section 69950 where official reporter pro tem or both are mentioned, but not always. He stated that Government Code section 69942 requires reporters to have a license, but it only specifies officials and not pro tem reporters. If the same logic of the trial court ruling were applied pro tem reporters would not need a license.

With the case going to appeal, he urged the Board to weigh in on the issue in the form of an amicus brief. He said the defendant and two special interest groups will argue that the

statutory fees do not apply to private reporters. He added that CalDRA and CCRA already attempted to file amicus briefs with the trial court, which he had never seen done before. The court did consider those briefs. He anticipated both associations would file amicus briefs with the Court of Appeal as well. He stated his belief that it is important that the Court of Appeal is aware of the Board's ongoing interpretation of the statutes, as well as the reasons behind it.

Mr. Patterson stated that without the statutory caps, indigent litigants and litigants of lesser means are at a huge disadvantage. He asserted that wealthy litigants would be able to hire a reporter for a hearing where the litigant of lesser means may not be able to afford a copy of the transcript if the rates are not regulated.

Ms. Fenner asked about the timeline for the appeal. Mr. Patterson responded that the notice of appeal will be filed in the next week, and then a briefing schedule will be generated. He believed it would be nine months to a year before any hearings are scheduled.

Ms. Hurt inquired as to what was presented to the trial court in regards to the Board's position and what would be the difference with the Court of Appeal. Mr. Patterson stated that the last time there were time constraints, so the Board reissued a 2012 letter that referenced a 1999 letter and essentially said the Board had not changed its position. The reissued letter was presented to the trial court. Ultimately, the trial judge asserted that she would deal with the situations on a case-by-case basis and order that a copy of the transcript be given to the indigent party. He indicated that parties should not have to rely on the judge to order the other party to provide a copy.

Mr. Patterson stated that an amicus brief from the Board would carry more weight on behalf of itself to defend its long-standing positions.

Ms. Lasensky indicated that the Board has relayed its position on several letters at this point, and nothing has changed. She stated that she is not comfortable with going to the next step.

Mr. Patterson stated that the difference at this point is that the Board is not being asked to restate its position, but to state its position and the reason behind it via the amicus brief.

Ms. O'Neill interpreted the issue to be the judge's definition of pro tem reporter. She said the Board cannot address that issue. She did not read anything in the ruling that indicated the statutory fees can be ignored. Mr. Patterson said the issue is whether the statutory fees apply to people sitting pro tempore and not whether you are a pro tem reporter or not.

Ms. Hurt quoted from a section of the ruling found on page 121 of the Board agenda packet, "The Court is not bound by the Court Reporters Board of California's interpretation." She questioned how much weight the brief would have based on that information. She expressed that the Board does want justice to be fair and equal for all folks, whether they have money or not. Ms. Hurt stated that the Board has held the same position and did not see a reason to change that, but did note that the statutory fees are outdated. Ms. Hurt continued that the Board's mission is to protect all consumers, indigent and wealthy alike.

At the request of Ms. Hurt, Ms. Fenner explained the process for filing an amicus brief. She stated that if the Board found consumer harm and would like to grant the request, the first step would be to work with staff counsel to write a letter to the Governor's Office asking for permission to write the brief. The turnaround time for this part of the process is approximately 60 to 90 days. If the Governor grants the petition, it would then go the AG's office for evaluation. If the AG's office grants the request, they would write and submit the brief on behalf of the Board.

Ms. Lasensky asked if the Board would be creating any harm by producing an amicus brief. Ms. Hurt responded that she did not see any way it could, but it could address consumer harm.

Ms. Hurt advocated for granting the request for amicus brief. She stated that the Board has held the same position for many years, and it is related to consumer harm and access to justice.

Joe Tabrisky, representing Defendant Barkley Court Reporters, approached the Board. He started by remarking on Ms. O'Neill's comments from the October 30, 2015 Board meeting that the Court would have to be the interpreter of the Government Code. He stated that the hearing was a basic application of the legislative analysis by the Court in terms of interpreting Article 9. The Court also reviewed the use of the terms pro tem and official court reporter by the Legislature throughout the section.

He continued, stating that the Court made it clear from their analysis that the failure of the Legislature to use pro tem when it was applying the fees in Government Code section 69950 was a critical, and the Court determined that Government Code section 69950 only applied to official court reporters. He stated that the inclusion of official court reporters and the exclusion of pro tem reporters in Government Code section 69947 made it clear to the Court that the Legislature did not intend statutory fees to apply to private court reporters hired by either the court or the individual litigants.

Ms. Hurt inquired if Mr. Tabrisky was suggesting that the Board rethink its position of supporting the statutory rate for reporters in court. Mr. Tabrisky responded that such a matter would be beyond the purview of his interest. On behalf of Barkley Court Reporters, he asserted that the Board would be extending itself by getting into an interpretive dispute with the courts as to that language and what that means. He stated that the request for amicus brief is asking the Board to do more than reiterate its position. The amicus brief would essentially be taking a position with regard to litigants on behalf of the plaintiff. Ms. Hurt recognized that the amicus brief is a step up to advocating a policy of leveling the playing field. Mr. Tabrisky disputed the view of leveling the playing field, stating that both parties are paying for the court reporters. The court is faced with the interpretation of the act and the definition of pro tem and why pro tem is used in some sections and not in others. The Court stated and has the authority under Code of Civil Procedure section 128 to order one side or the other pay the fees on a case-by-case basis. Other options are also available to the parties.

Ms. Hurt inquired if pro tem reporters were around when the legislation was written. Mr. Tabrisky stated that as they are used presently, the answer is no, except in small counties in terms of being retained by the courts. He added that the judge acknowledged

that the statute was not intended to address the changes to the way courts operate as a result of the recession. A legislative change would have to occur to address that issue.

Mr. Tabrisky stated that contrary to what Mr. Patterson indicated, the judge clearly stated that she did not consider either brief filed by the associations. She viewed the matter to be an interpretation of the language which she was capable of doing. He doubted even the Court of Appeal would consider an amicus brief filed by the Board.

He reiterated the position of the judge with regards to litigants being stacked against each other monetarily. The judge found no indication or evidence that non-wealthy litigants were unable to obtain transcripts based on a wealthy litigant hiring the court reporter. In addition, the judge found it confusing that consideration of raising that statutory rate, given the argument that some litigants could not afford transcripts at the current rate. The judge also found it questionable to impose a statutory fee onto a private agreement when other professional licenses do not hold out statutory rates for private contracts.

Mr. Howard, on behalf of CalDRA, stated that the Board was not being asked to reexamine its passion and dedication to protecting consumers or access to justice. However, he requested the Board reexamine its interpretation of what the law currently provides based on the fact that for 20 years the Board's legal position omitted an analysis of the pivotal statute. Addressing Ms. Lasensky, he stated that she asked at the October 30, 2015 meeting how CalDRA supposedly got it wrong by agreeing with the Board's position for many years. He stated that CalDRA changed its position based upon looking at the Board's analysis which omitted Government Code section 69947. He also pointed out that the judge quoted from Government Code section 69947 in the ruling, which can be found on page 120 of the Board agenda packet. In addition, the judge included the six Government Code sections that specifically mention the official reporter or pro tem.

Ms. Hurt asked where Mr. Howard sees the analysis of the Board's policy. He stated that it was in the letter that was reissued and submitted to the Court. He added that the Court looked at it and stated in its ruling that because the Board's letter merely expresses an agency's interpretation of a statute, they are entitled to a lesser degree of judicial deference. It goes on to say that the Court finds the plain language of the statute fails to embrace pro tem reporters, and the Court is not persuaded otherwise by the Board's letter. He stated that the Board's letter cited statute when stating the law, and he is not aware of any analysis done by the Board that looks at Government Code section 69947, which excludes pro tem reporters.

Mr. Howard suggested the Board task its counsel with looking at its prior analysis with consideration of Government Code section 69947 prior to pursuing an amicus brief. Mr. Tabrisky added that it would be helpful to include a review of Government Code section 69941, 69944, and 69946 in terms of how the Legislature used both "official reporters" and "pro tempore reporters".

Mr. Heppler stated that it would be at the Board's discretion whether it would like to initiate the process of commencing an amicus brief. He shared that the case is not a writ of administrative mandamus where someone is challenging the sufficiency of a board disciplinary decision. It is a pure statutory construction issue, which is what the Board is being asked to weigh in on.

Mr. Heppler added that for most DCA boards, the essential functions are licensing qualified applicants, providing regulatory oversight, and disciplining those who violate their statutes and regulations. The Board may wish to reevaluate its statutory obligations and immerse itself in that endeavor.

While the Board's staff counsel does not give opinions or re-litigate the matter, he indicated that its role is to give advice to the Board. He suggested that the Board closely examine the nature of the case, which is a statutory construction issue, and determine how that squares with its consumer protection obligations set forth in the statutes, then determine if moving ahead is both prudent and judicious. Ms. Hurt asked if an evaluation by staff counsel can be completed by May. Mr. Heppler affirmed that it was possible and added that the Board can direct staff counsel to prepare its own opinion. Regardless of the results of the opinion, it may be important for the Board to hear what its own counsel thinks of the issue. Mr. Chan-You stated it would be attorney-client privileged.

Ms. Mathias stated that she contacted the Board upon receiving the May 2012 letter regarding statutory rates. She understood staff to say that pro tem reporters could make up the difference in their fees through per diem since the code is silent on per diem. She questioned how the consumer was being protected if the pro tem reporter charges a high per diem for just a few pages because their pay is not subsidized the way official reporters are. She asserted that charging as an independent contractor establishes in advance what charges the client is faced with based on the page rate being adequate to cover the reporter's time and expenses. She stated that attorneys are not being asked to waive their fees and neither should court reporters.

Mr. Patterson stated that he does not disagree that the fees are currently too low and that it should be addressed. However, the analysis is far more complicated than just looking at how much it is going to cost for a reporter to report the hearing. He added that one of the most important factors is that the statutory rate caps the amount that can be charged for the copy. Therefore, if the other party hires a private reporter, the statutory rate would make the copy reasonable.

He stated that there is no perfect solution, but that the Board needs to choose one side or the other. He added that the associations will file amicus briefs with the Court of Appeal based on policy arguments. He further stated that the Court of Appeal welcomes and encourages public comment and amicus briefs, and he believes would want to hear what this Board has to say.

Ms. Hurt indicated that the Board is considering a meeting in May, and would like to have staff counsel evaluate the matter further, understanding the Board is interested in supporting access to justice for indigent litigants. She would then suggest the Board reconsider the matter at a May meeting. Ms. O'Neill said she was more comfortable taking this route. Ms. Lasensky agreed that more information was needed. Ms. Hurt stated that she leans toward writing the amicus brief based on the policy of equal access to justice to indigent clients. Ms. Lasensky said the Board's policy should be as clear and complete as possible.

Ms. O'Neill moved to direct staff counsel to provide an analysis of the Board's position on the applicability of statutory rates. Second by Ms. Lasensky.

Ms. Hurt called for public comment.

Mr. Patterson requested that staff counsel look at the legislative history while conducting their analysis, which he found references officials and pro tem reporters within the same sections. He also asked that they review Government Code section 69942.

Ms. Mathias clarified that the rich company is not always the one that brings the court reporter. The litigants can shop around for better prices and bring their own reporter to court.

Ms. Pulone added that the TRF is available to indigent litigants as another option.

A vote was conducted by roll call.

For: Ms. Lasensky, Ms. O'Neill, and Ms. Hurt
Opposed: None
Absent. Mr. Liu
Abstain: None
Recusal: Ms. Kramm

MOTION CARRIED.

Mr. Heppler stated that one way or the other, the Board will get an answer. He indicated that the reach of the applicable statutes will be determined by the Court upon appeal. It would be up to the Board whether they want to shape that decision.

Mr. Howard understood the motion to be directing staff counsel to look at the law. Ms. Hurt responded that counsel would express to the Board what its policy should be based on its review, but that does not preclude the Board from holding a different policy.

X. CLOSED SESSION

This item was deferred.

XI. DISCUSSION REGARDING SOUTHERN CALIFORNIA STIPULATION

Ms. Fenner stated that at the direction of the Board at its October 30, 2015 meeting, staff set up town hall meetings to gain input from all interested stakeholders regarding the Southern California stipulation (So Cal stip). Ms. Bruning added that the meetings were held on February 6, 2016, in Sacramento, and on March 10, 2016, in Los Angeles.

Ms. Bruning continued, stating that the invitation was sent via e-mail to the Board's subscriber list on January 7, 2016. On the same date, the invitation was sent to the Judicial Council. Unfortunately, they were not able to send it to their list of presiding judges; therefore, staff contacted many counties around the state that may be interested in the matter. The invitation was sent to 12 presiding judges or court executive officers for distribution at their courts. The State Bar included the invitation in their weekly newsletter to their members. The notice was also posted to the Board's Web site.

Ms. Hurt stated that the matter started with a petition to the Board. The town hall meetings were established with a goal of gathering opinions from judges, attorneys, and court reporters as an array of stakeholders to evaluate the long-standing tradition. She stated that the meetings were both great, bringing together the members of the community who shared their stories and experiences related to the issue. It was noticeable that the majority of those that attended were court reporters, with approximately three attorneys attending the Sacramento meeting. No attorneys or judges attended the Los Angeles meeting.

Ms. Hurt asked if there were any new public comments to be made. No comments were offered.

Ms. Kramm stated the court reporters in Northern California made amazing arguments, as did the Southern California reporters, albeit with a different prospective. She stated that as a San Diego court reporter and firm owner, she has lived the So Cal stip for 30 years. She understands it and the attorneys' confusion, as well as ramifications that concern court reporters. She wanted to understand as a Board member the ramifications of what the Board conclusion might be. She researched the matter by speaking to a professor of law at the University of San Diego about the California Code of Civil Procedures (CCP) section 2025. The professor was familiar with the So Cal stip and considers it to be stealing when an attorney provides a copy to another attorney. He did not believe, however, the court reporter could decline to enter into the So Cal stip if the attorneys want to. This was partially because judges allow it in Southern California. She added that many judges do not even want paper, and paper transcripts may be done away with in the next two or three years as the courts move to digital copies.

Ms. Kramm shared that she had a deposition in Los Angeles recently where she told the attorneys that the So Cal stip was old fashioned and is not something people do anymore. The attorneys expressed a concern that the witness would have to travel to her office, which she informed them that CCP 2025 no longer requires that. She also told them that it concerns court reporters when the transcripts are torn apart. The attorneys agreed to follow the code, but share the pdf copy. She believed that it did not solve the problem, but made it worse because the attorneys are so confused about what the code is.

She expressed that she believed that attorneys need education about the code, as do court reporters. She suggested a vignette be created.

Ms. Kramm said a court reporter refusing to enter into the So Cal stip may be faced with losing jobs to reporters who do. In addition, if the Board were to determine that entering into the So Cal stip constituted a violation, every reporter would lose their license. That would be the only way to level the playing field that would give the reporter in the field the power to stipulate away the original. As a Board member, she would not advocate the revocation of licenses because attorneys entered into a stipulation.

Ms. O'Neill reiterated the Board's charge to protect consumers. In her years reporting depositions in Southern California, she heard very little harm happening. She did not see where the harm was to undertake the task of enforcing the code.

Ms. Lasensky stated that the Board heard a lot of public comment, but she did not hear anything substantive that showed harm.

Ms. Kramm asserted that the court reporters should know CCP 2025 and should know what they are saying in the field, but many do not.

Ms. Hurt stated that, as she understood it, attorneys have the right to control the procedural aspects of their litigation through tactics and strategies. One of those aspects may be stipulating. She stated that the two main questions may be what can be stipulated away and have they exceeded their authority to stipulate away a neutral entity's duties under the CCP. She then indicated that the California Code of Regulations 2475 prohibits a reporter from entering into, arranging, or participating in a relationship that compromises the impartiality of the certified shorthand reporter. She then considered how the So Cal stip compromises the impartiality of the court reporters. Ms. Hurt added that the California Discovery Act allows parties to modify their discovery procedures, one of which being stipulations.

She did not see a solution reached by court reporters turning each other in to the Board or angering attorneys and judges. She indicated that she previously questioned what the industry did to educate the Bar, and contact had not been made. She believed reaching out to the Bar for education purposes is the next step, and she suggested that understanding e-filing implications is needed.

Ms. Pulone said that as a Northern California reporter, she is infrequently exposed to the So Cal stip; however, she has seen consumer harm when pages are out of order or are missing from the transcript. She asserted that the issue is not about copy sales, but about keeping the original safe and intact. Ms. Pulone restated the questions brought to the Board by CalDRA at its October 30, 2015 meeting, asking if the court reporter would be sanctioned by Board for entering into the So Cal stip.

Ms. Fenner stated that the Board can never issue a blanket statement. Each complaint is considered on a case-by-case basis. She added that if the stipulation is on the record and the court reporter agrees to do it, then it is non-actionable. Ms. Kramm stated that reporters should have the entire stipulation on the record.

Ms. Pulone agreed with the idea of educating the Bar and licensees.

Ms. Mathias thanked the Board for agreeing to take part in educating the Bar. She shared concerns for the original transcript and asserted that the Board's mission also includes protecting the integrity of the record.

Ms. Bruning suggested the Board create an educational handout that could be sent to the Bar and also printed by court reporters to bring to depositions. Ms. Hurt added that she could also speak with her contacts at the State Bar.

The Board directed staff to work with the chair to determine what education pieces will be prepared to disseminate its position.

XII. PRESENTATION ON HOLDING OF NORTH CAROLINA CASE

This item was deferred.

The Board heard Agenda Item XIV – Public Comment prior to Agenda Item XIII – Future Meeting Dates.

XIV. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA (out of order)

Ms. Mathias stated that a Southern California practice of leaving a blank in the transcript is making its way to Northern California. She could not find anything in the code to address it and would like it added to the best practice pointers. Ms. Hurt stated that there will be additional practice pointers created, and the suggestion is now on record.

XIII. FUTURE MEETING DATES

Ms. Hurt asked if any members had conflicts in May. Ms. O'Neill indicated she would need to check with her office before making a commitment. She would recommend against Friday, May 27, as it precedes a holiday weekend.

The Board directed staff to coordinate dates with the members.

XV. ADJOURNMENT

Ms. Hurt adjourned the meeting at 3:44 p.m.

DAVINA HURT, Board Chair	DATE	YVONNE K. FENNER, Executive Officer	DATE

59009

03/22/16 03:09 PM
RN 15 22741 PAGE 1
Substantive

AMENDMENTS TO SENATE BILL NO. 270
AS AMENDED IN ASSEMBLY JUNE 23, 2015

Amendment 1

In the title, in line 1, after the first "to" insert:

amend Section 8040 of, and to

Amendment 2

In the title, in line 1, strike out the second "to" and insert:

to,

Amendment 3

On page 2, before line 1, insert:

SECTION 1. Section 8040 of the Business and Professions Code is amended to read:

8040. (a) A shorthand reporting corporation is a corporation ~~which~~ that is authorized to render professional services, as defined in Section 13401 of the Corporations Code, as long as that corporation and all of its shareholders, officers, directors, and employees rendering professional services who are certified shorthand reporters are in compliance with the Moscone-Knox Professional Corporation Act, this article, and all other statutes and regulations now or hereafter enacted or adopted pertaining to that corporation and the conduct of its officers. With respect to a shorthand reporting corporation, the governmental agency referred to in the Moscone-Knox Professional Corporation Act is the Court Reporters Board of California.

(b) (1) Notwithstanding subdivision (a) of this section and subdivision (b) of Section 13401, any professional corporation or foreign professional corporation is authorized to render professional services of shorthand reporting without compliance with the requirements of Section 8044, if that professional corporation or foreign professional corporation is registered as a shorthand reporting corporation with the Court Reporters Board of California prior to rendering those services.

(2) Not later than July 1, 2016, the board shall implement a shorthand reporting corporation registration process.

(3) Any statute or regulation applicable to a licensee is also applicable to a professional corporation or a foreign professional corporation for any services produced and billed wholly inside of this state.

(4) Nothing in this section shall be construed to authorize a person without a license issued pursuant to this chapter to practice shorthand reporting as defined in Section 8017.

(c) For purposes of this section, all of the following definitions shall apply:

(1) "Foreign professional corporation" means a corporation organized under the laws of a state of the United States other than this state that is engaged in a profession of providing shorthand reporting services.

(2) "Professional corporation" means a corporation organized under the General Corporation Law that is engaged in rendering shorthand reporting services.

(3) "Professional services" has the same meaning as that term is defined in subdivision (a) of Section 13401 of the Corporations Code, that is the service of shorthand reporting lawfully rendered pursuant to this chapter.

Amendment 4

On page 2, in line 1, strike out "SECTION 1." and insert:

SEC. 2.

Amendment 5

On page 3, in line 4, strike out "state." and insert:

state pursuant to Section 8040.

Amendment 6

On page 4, below line 12, insert:

SEC. 3. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.

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April 6, 2016

Ms. Davina Hurt, Chair
Court Reporters Board of California
2535 Capitol Oaks Drive, Suite 230
Sacramento, CA 95833

Re: Possible Amendments to Senate Bill 270 (Mendoza) and Court Reporters Board Position

Dear Chairwoman Hurt:

We represent Holly Moose, a California certified shorthand reporter, in her pending lawsuit against U.S. Legal Support, Inc. (*Holly Moose, an individual, d/b/a Holly Moose & Associates v. U.S. Legal Support, Inc.*, Santa Clara County Superior Court, Case No. 2014-1-cv-258886). Over the last several years litigating this case, we have developed expertise in the laws regulating court reporting in California and, more generally, in how corporations providing licensed services are treated under California law and elsewhere across the country.

It recently has come to our attention that there may be a legislative effort afoot that would dramatically change the way that corporations providing shorthand reporting services are held accountable in California and, in the process, would seriously undermine—or even moot—our client's efforts to enforce the State's existing laws regarding corporate practice of shorthand reporting. As we discuss below, because the possible amendments would seriously impair the ability of the Court Reporters Board of California to protect consumers and permit an unprecedented role for corporations of all kinds in California and nationwide to provide licensed services without any licensee accountability, we respectfully urge the Board to oppose this effort if it were formally introduced.

In her pending lawsuit, Ms. Moose alleges, as a private attorney general, that U.S. Legal Support, a Texas corporation, has violated the California Unfair Competition Law by (1) rendering professional shorthand reporting services in California as a foreign professional corporation without being authorized to do so by California law, and (2) rendering professional services without having its owners and officers be licensees, *i.e.* CSRs, as is required by California law. In defense, U.S. Legal Support makes the same argument in court as we understand that it has in the Legislature: that because it independently contracts with court reporters rather than employs them directly, it is not a professional corporation and, thus, need not abide by any laws regulating the profession.

On February 22, 2016, Santa Clara County Superior Court Judge Carrie Zepeda heard arguments on the merits in *Moose v. U.S. Legal Support*, and we are currently awaiting her final decision. If Judge Zepeda were to rule in our client's favor, her decision or a subsequent final decision in the Court of Appeal likely would prevent foreign professional corporations, like U.S. Legal Support, from continuing to unlawfully render court reporting services in California unless and until such corporations comply with all provisions of the Moscone-Knox Professional Corporations Act and the Business and Professions Code, including the essential provision that professional corporations be wholly owned by licensees—a requirement that is commonplace, and enforced, in other California licensed professions.

Indeed, from what we can tell, only in the profession of court reporting in California have these corporate practice laws not been enforced such that corporations with no relationship to California licensees now enjoy a significant share of the market. Law firms cannot, for example, be owned by regular, *i.e.* non-professional, corporations in California, and no such corporations exist. The same is true with doctors, CPAs, and the like. Yet, in the shorthand reporting profession, corporations, like U.S. Legal Support, continue to grow their market share without having to adhere to the myriad regulations affecting licensed CSRs.

As we understand it, there may be a legislative push afoot that purports, but ultimately fails, to address this untenable reality. Specifically, Senate Bill 270 (Mendoza), as it might be amended, would allow foreign corporations, like U.S. Legal Support, to lawfully render professional shorthand reporting services in California merely by registering with the Board. The proposed legislation, however, does not also require that such foreign corporations be wholly owned, or even partially owned, by CSRs. Nor, *critically*, does the proposed legislation expressly define "professional corporation" or "professional services" in a way that would ensure that the business operations of entities like U.S. Legal Support would constitute the rendering of professional shorthand reporting services. Together, these two serious flaws would render the proposed legislation harmful to consumers while not positively addressing

the problem of unregulated professional practice by foreign corporations like U.S. Legal Support.

First, as we have argued in *Moose v. U.S. Legal Support*, the requirement that professional corporations be wholly owned by licensees is an integral and foundational judgment that the California Legislature made when it decided to allow professional corporations to operate in this State. By requiring licensee ownership of professional corporations, the Legislature ensured that corporations are held to the same professional and ethical standards as individual licensees. Thus, when a licensee-owned corporation commits an act of professional misconduct, state regulatory bodies, such as the CRB, can take disciplinary action against the licenses of that corporation's owners, including fines, suspensions, or revocations. If the licensee ownership requirement were removed, as it might be under SB 270, with no licensee on the hook for professional misconduct, this long-standing principle of individual professional accountability would fall by the wayside in the shorthand reporting profession—and only that profession. The Board should vigorously resist any legislative effort that would result in this outcome.

To repeat, we are aware of no other licensed profession under the Department of Consumer Affairs where corporations would be entirely free to operate in this State without any licensee involvement or accountability. Even in Nevada, for example, where there is firm registration, there is also a requirement that an individual licensee be accountable for the corporation's operations. *See* NAC § 656.280 ("Each firm must have at least one owner who is a court reporter or a designated representative of the court reporting firm to whom a certificate of completion has been issued . . . .").

By way of further example, Texas—the home state of U.S. Legal Support—has laws that likewise illustrate how dramatically SB 270's prospective amendments depart from court reporting licensing customs nationwide. There, even though no individual licensee is on the hook in for corporate professional misconduct, Texas specifically allows its regulator to take action against corporate shorthand reporting firms based upon the individual acts of non-licensee directors. *See* Texas Gov't Code Sec. 154.111(3) ("[C]onduct on the part of an officer, director, or managerial employee of the shorthand reporting firm . . . violates this subtitle.").

Second, SB 270, if it were amended in such a fashion, falls far short of ensuring that foreign corporations like U.S. Legal Support would even be compelled to register with the Board in the first place. The possible amendments to SB 270 only require "professional corporations" to register. As noted above, however, U.S. Legal Support maintains that it is not a "professional corporation" at all because it independently contracts, rather than directly employs, CSRs to transcribe proceedings. U.S. Legal Support maintains that professional shorthand reporting services are limited to the

actual transcription of legal proceedings—a task which U.S. Legal Support claims is done only by its independently contracted CSRs—while U.S. Legal Support acts only as a type of "middleman" that performs certain "ancillary" tasks like printing and delivering transcripts. While we believe U.S. Legal Support's claim lacks merit, we fully anticipate that it and other corporations currently operating outside the law would again raise this claim as a basis for refusing to register with the CRB under the provisions of an amended SB 270.[1] In that very likely event, the Board would be left with the choice of (a) allowing corporations like U.S. Legal Support to continue operating in this State in violation of clear statutes or (b) having to initiate costly and prolonged litigation over whether the language of SB 270 applies to purported "middlemen" like U.S. Legal Support, which is exactly the challenge confronting the Board under current law.

In sum, if SB 270 is amended as described above, then consumers would lose the legal accountability of there being a licensed professional on the hook for corporate performance and misconduct, our client's longstanding lawsuit that might bring resolution to many of these issues for the Board may be placed in doubt, and the Board would be not any closer to being able to enforce its laws against court reporting firms who claim they are not "professional corporations." For these reasons, the above-discussed amendments to SB 270 would be an extremely ill-advised and harmful attempt to address a serious problem in the California shorthand reporting profession, and the Board should reject any attempts to amend SB 270 in such a way.[2]

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[1] Notably, Texas has enacted laws to prevent a corporation from arguing that its use of independent contractors shields it from regulation as a "professional corporation." *See* Texas Gov't Code Sec. 154.001(b)(3) (defining "shorthand reporting firm" to mean, *inter alia*, an entity in which "the firm or affiliate office contracts with a resident of [Texas] by mail or otherwise and either party is to perform court reporting services, shorthand reporting services, or other related services wholly or partly in this state"). While we believe that California common law already forecloses corporations, like U.S. Legal Support, from hiding behind independent contractors to escape regulation as a professional corporation, we also believe that the CRB, if it so desired, could adopt by regulation an identical, enforcement-easing definition of "professional corporation." *See 20th Century Ins. Co. v. Garamendi* (1994) 8 Cal.4th 216.

[2] Underscoring that the author and sponsor may not be intimately familiar with freelance corporate operations, the possible amendments provide in subpart (b)(3) that the new law would apply "for any services produced and billed wholly inside of [California]." It is common, however, for national court reporting corporations to handle production and billing *outside* California, including in their out-of-state corporate headquarters. By its own terms, then, SB 270 likely would not apply to the corporations it intends to reach, and, even if it

Thank you for your time and attention to our thoughts on this important topic. Please do not hesitate to contact us by phone at (202) 842-2600 or by email at ldayan@bredhoff.com or zista@bredhoff.com if you wish to discuss this matter further.

Sincerely,

/s/Leon Dayan, Esq. (SBN 153162)
/s/Zachary Ista, Esq. (admitted *pro hac vice*)
Attorneys for Holly Moose

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did, the corporations could legally avoid registration with the Board simply by moving production or billing outside California.

AGENDA ITEM II – Legislation

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Agenda Description:

A. Update on licensee fee cap increase

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Brief Summary:

SB 1039 (Hill) contains language to increase the license fee cap from $125 to $250.

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Recommended Action: Staff recommends the Board take a position of support and instruct a letter of support go out from the Chair to the author, Senator Hill.

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Agenda Description:

B. Briefing on current legislation related to the court reporting industry and/or the Court Reporters Board with discussion and possible action.

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Brief Summary: (Bills with a notation of *** are of particular interest or impact to court reporting or the Court Reporters Board specifically)

AB 12 (Cooley) – State government: administrative regulations: review
(Senate Committee on Appropriations)
This bill would require every state agency to review and revise regulations to eliminate inconsistent overlapping, duplicative and outdated provisions. Further, these entities would be required to adopt these revisions as emergency regulations by January 1, 2018.

AB 507 (Olsen) – Department of Consumer Affairs: BreEZe system: annual report
(Senate Committee on Business, Professions & Economic Development)
This bill would, on and after January 31, 2016, require the department to submit an annual report to the Legislature and the Department of Finance that includes, among other things, the department's plans for implementing the BreEZe system at specified regulatory entities included in the department's third phase of the BreEZe implementation project, including, but not limited to, a timeline for the implementation.

AB 1033 (Garcia, Eduardo) – Economic impact assessment: small business definition
(Senate Committee on Governmental Organization)
This bill would authorize state agencies to utilize an alternative definition of "small businesses" when determining the number of small businesses impacted by a regulation within the overall economy, a specific industry or geographic region. The alternative definition identifies a small business as independently owned, independently operated, not dominant in its field of operation and employing fewer than 100 individuals.

AB 1566 (Wilk) – Reports
(Failed to pass)
This bill would require any report submitted to the Legislature to include a signed declaration by the head of the submitting agency to attest to the accuracy of the report.

AB 1707 (Linder) – Public records: response to request.
(Failed to pass)
This bill would require any agency that fulfills a Public Records Act request to provide the requesting party with a list of any records withheld and the applicable exemption from disclosure.

*****AB 1834 (Wagner) – Electronic court reporting**
(Assembly Judiciary, granted reconsideration but no movement)
This bill would allow a court to use electronic recording equipment in a family law case if an official reporter or an official reporter pro tempore is unavailable.

AB 1868 (Wagner) – Regulations: legislative notice
(Assembly Committee on Appropriations)
This bill would require a regulatory notice of proposed action to be submitted by state agencies to the Legislature if it includes information relative to economic cost impacts to businesses or private individuals.

AB 1887 (Low) – State government: discrimination: travel
(Assembly Committee on Appropriations; Hearing May 4, 2016)
This bill would prohibit state funded or sponsored travel to any state that passed a law on or after June 26, 2015, to repeal existing laws that protect against discrimination on the basis of sexual orientation, gender identity, or gender expression or has enacted a law that authorizes or requires discrimination against same-sex couples or their families.

AB 1939 (Patterson) – Licensing Requirements
(Assembly Committee on Appropriations, Suspense File)
This bill would require the Director of DCA to conduct a study and submit to the Legislature by July 1, 2017, a report identifying, exploring, and addressing occupational licensing requirements that create unnecessary barriers to labor market entry or mobility specifically as it pertains to dislocated workers, transitioning service members, and military spouses.

*****AB 2192 (Salas) – Court Reporters Board: personnel**
(Assembly Business and Professions)
This bill would extend the sunset date of the Court Reporters Board to January 1, 2021.

AB 2611 (Low) – The California Public Records Act: exemptions
(Assembly Committee on Appropriations)
This bill would exempt any audio or video recording depicting death or serious bodily injury from the California Public Records Act.

***** AB 2629 (Hernandez) – Court Reporters**
(Assembly Committee on Appropriations)
This bill would increase the fee charged for original transcripts and copies incrementally commencing January 1, 2017. The bill would provide that on and after January 1, 2021, the fee for an original transcript is $1.24 for each 100 words, and for each copy purchased at the same time, $0.22 for each 100 words. The bill would provide that on and after January 1, 2021,, the fee for a first copy of a transcript that is not simultaneously purchased with the original transcript is $0.29 for each 100 words, and for each additional copy purchased at the same time, $0.22 for each 100 words .The bill would also provide that the fee for transcription is an additional 50% for special daily copy service.

AB 2701 (Jones) – Department of Consumer Affairs: boards: training requirements
(Failed to pass)
This bill would require all newly appointed members of programs within DCA to complete training that includes information about the Bagley-Keene Open Meeting Act, the Administrative Procedure Act, the Office of Administrative Law and the Department's conflict of Interest Code.

*****AB 2859 (Low) – Professions and vocations: retired category: licenses**
(Assembly Floor, third reading, consent calendar)
This bill would allow all programs within DCA to establish, by regulation, a system to issue retired licenses, with specific limitations.

SB 66 (Leyva) – Career Technical Education
(Assembly Committee on business and Professions)
This bill would authorize the DCA to provide specific licensure data to the California Community Colleges Chancellor's Office in order to measure employment outcomes of students who partake in California community College's career technical education programs.

*****SB 270 (Mendoza) – Court Reporters Board: civil actions: corporations**
(Assembly Business and Professions)
[Awaiting amended language]

*****SB 1007 (Wieckowski) – Professions and vocations**
(Senate Judiciary)
This bill would require a court to dismiss an arbitration award if the court determines that the rights of a party were substantially prejudiced by the refusal of the arbitrators to allow the party, at the party's expense, to have a certified shorthand reporter transcribe any deposition, proceeding, or hearing as the official record.

*****SB 1039 (Hill) – Licensure application: military experience**
(Senate Committee on Business, Professions and Economic Development)
This is an omnibus bill that, among other things, increases the license fee cap for court reporters from $125 to $250.

SB 1140 (Moorlach) – Legislature: operation of statutes
(Senate Committee on governmental Organization)
This bill would require the automatic repeal of a regulatory authorization statute two years after the statute goes into effect, except under specified circumstances.

SB 1155 (Morell) – Professions and vocations: licenses: military service
(Senate Committee on Appropriations, Suspense File)
This bill would require DCA to develop a program to waive the initial application and license fees for veterans who have been honorably discharged from the California National Guard or U.S. Armed Forces.

SB 1176 (Galgiani) – Small Business Procurement and Contract Act: business size
(Senate Committee on Appropriations)
This bill would raise the amount of average annual gross receipts to be considered a small business or microbusiness.

SB 1195 (Hill) – Professions and vocations: board actions: competitive impact
(Senate Committee on Appropriations)
This bill would do the following: 1) authorize the Department's director to review a decision or other action of a board within the Department to determine whether it unreasonably restrains trade and to approve, disapprove, or modify the board decision or action, as specified; 2) allow the Director to veto a regulatory package for anticompetitive impacts; 3) provide state indemnification for liability of board members for antitrust violations; 4) require boards to include information regarding anticompetitive impacts in their regulatory packages; 5) add competitive impact a an additional standard for the Office of Administrative Law to review: 6) prohibit the Board of Registered Nursing from employing an executive office that is a Board licensee; 7) extend the effective date of the Veterinary Medical Board to January 1, 2021; 8) allow drug compounding; 9) authorize a university license type; and 10) prohibit premise registration after five years of nonrenewal among other technical changes.

SB 1348 (Cannella) – Licensure application: military experience
(Senate Committee on Appropriations, Suspense File)
This bill would require all DCA programs that accept military education, experience, or training to amend their applications to advise veteran applicants of the ability to apply that education, experience, or training.

SB 1344 (Hertzberg) – Personal information: privacy: state agencies: security plans
(Senate Committee on Appropriations)
This bill would require a state agency that owns or licenses personal information data to prepare a mitigation and response plan for breach of the database.

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Support Documents:

Attachment 1 – AB 2192 (Salas)
Attachment 2 – AB 2629 (Hernandez)
Attachment 3 – AB 2859 (Low)
Attachment 4 – SB 270 (Mendoza)
Attachment 5 – SB 270 (Mendoza) – Mockup of Potential Amendments
Attachment 6 – SB 1007 (Wieckowski)
Attachment 7 – SB 1039 (HIII

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Report Originator: Yvonne Fenner, 5/18/2016

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Recommended Board Action:

Staff recommends the Board review the proposed bills and decide if they wish to support, oppose, or remain neutral.

AMENDED IN ASSEMBLY APRIL 6, 2016

CALIFORNIA LEGISLATURE— 2015–2016 REGULAR SESSION

Assembly Bill No. 2192

Introduced by ~~Committee on Business and Professions (Assembly Members Bonilla (Chair), Jones (Vice Chair), Baker, Bloom, Campos, Chang, Dodd, Mulling, Ting, Wilk, and Wood)~~ *Assembly Member Salas (Principal coauthor: Senator Hill)*

February 18, 2016

An act to amend Sections 8000 and 8005 of the Business and Professions Code, relating to professions and vocations.

LEGISLATIVE COUNSEL'S DIGEST

AB 2192, as amended, ~~Committee on Business and Professions~~ *Salas*. Court Reporters Board of California: personnel.

Existing law provides for the licensure and regulation of court reporters by the Court Reporters Board of California, which is within the Department of Consumer Affairs, and authorizes the board to appoint an executive officer and committees and to employ other employees, as specified. Existing law repeals these provisions on January 1, 2017.

This bill would extend those provisions until January 1, 2021.

Vote: majority Appropriation: no Fiscal Committee: yes Local Program: no

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

SECTION 1. Section 8000 of the Business and Professions Code is amended to read:

8000. (a) There is in the Department of Consumer Affairs a Court Reporters Board of California, which consists of five members, three of whom shall be public members and two of whom shall be holders of certificates issued under this chapter who have been actively engaged as shorthand reporters within this state for at least five years immediately preceding their appointment.

(b) This section shall remain in effect only until January 1, 2021, and as of that date is repealed.

(c) Notwithstanding any other law, ~~the~~ repeal of this section renders the board subject to review by the appropriate policy committees of the Legislature.

SEC. 2. Section 8005 of the Business and Professions Code is amended to read:

8005. (a) The Court Reporters Board of California is charged with the executive functions necessary for effectuating the purposes of this chapter. It may appoint committees as it deems necessary or proper. The board may appoint, prescribe the duties, and fix the salary of an executive officer. Except as provided by Section 159.5, the board may also employ other employees as may be necessary, subject to civil service and other law.

(b) This section shall remain in effect only until January 1, 2021, and as of that date is repealed.

AMENDED IN ASSEMBLY APRIL 20, 2016
AMENDED IN ASSEMBLY MARCH 18, 2016

CALIFORNIA LEGISLATURE— 2015–2016 REGULAR SESSION

Assembly Bill No. 2629

Introduced by Assembly Member Roger Hernandez

February 19, 2016

An act to amend Sections 69951 of, and to amend, repeal, and add Section 69950 of, the Government Code, relating to court reporters.

LEGISLATIVE COUNSEL'S DIGEST

AB 2629, as amended, Roger Hernández. Court reporters.

Existing law provides that the fee for original transcripts prepared by an official court reporter or by a court reporter pro tempore is $0.85 for each 100 words, and for each copy purchased at the same time, $0.15 for each 100 words. Existing law provides that the fee for a first copy of a transcript by a person who does not simultaneously purchase the original transcript is $0.20 for each 100 words, and for each additional copy purchased at the same time, $0.15 for each 100 words. Existing law authorizes a court reporter, in civil cases, to charge an additional 50% for special daily copy service.

This bill would increase the fee charged for original transcripts and copies incrementally commencing January 1, 2017. The bill would provide that on and after January 1, ~~2019,~~ *2021,* the fee for an original transcript is $1.24 for each 100 words, and for each copy purchased at the same time, $0.22 for each 100 words. The bill would provide that on and after January 1, ~~2019,~~ *2021,* the fee for a first copy of a transcript that is not simultaneously purchased with the original transcript is $0.29 for each 100 words, and for each additional copy purchased at the same time, $0.22 for each 100 words. ~~The bill would provide that on and after April 1, 2020, and on or before each April 1 thereafter, the fee charged for original transcripts and copies shall be increased proportionally by the increase in the Consumer Price Index for All Urban Consumers, as specified, and would require the Administrative Office of the Courts to publish an updated transcript fee schedule.~~ The bill would also provide that the fee for transcription is an additional 50% for special daily copy service.

Vote: majority Appropriation: no Fiscal Committee: yes Local Program: no

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

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

(a) Official court reporters and court reporters pro tempore employed by the courts are currently paid under a dual compensation structure in which the base salary of the court reporter is supplemented by income from preparing required transcripts and providing other required transcription services.

(b) The dual compensation structure protects the state from bearing the full cost of transcript preparation and other transcription services and avoids the resulting consequences of overtime liability related to these services.

(c) The fees for original transcripts prepared by official court reporters and court reporters pro tempore have not been adjusted in 26 years, and fees for copies purchased at the same time as the original transcript have only increased once in 103 years.

(d) In order to ensure full and fair compensation of official court reporters and court reporters pro tempore employed by the court, and in order to attract and retain official court reporters and court reporters pro tempore employed by the courts that have sufficient skills and competence to serve the needs of the justice system, it is imperative that the system of dual compensation provide sufficient payment for transcription services.

(e) Therefore, it is necessary to revise the fees for transcripts prepared by official court reporters and court reporters pro tempore.

SECTION 2. Section 69950 of the Government Code is amended to read:

69950. (a) From January 1, 2017, to December 31, ~~2017,~~ *2018,* inclusive, the fee for transcription for the original printed copy is ninety-eight cents ($0.98) for each 100 words, and for each copy purchased at the same time by the court, party, or other person purchasing the original, seventeen cents ($0.17) for each 100 words.

(b) From January 1, 2017, to December 31, ~~2017,~~ *2018,* inclusive, the fee for a first copy to any court, party, or other person who does not simultaneously purchase the original shall be twenty-three cents ($0.23) for each 100 words, and for each additional copy, purchased at the same time, seventeen cents ($0.17) for each 100 words.

(c) This section shall remain in effect only until January 1, ~~2018,~~ *2019,* and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, ~~2018,~~ *2019,* deletes or extends that date.

SECTION 3. Section 69950 is added to the Government Code, to read:

69950. (a) From January 1, ~~2018,~~ *2019,* to December 31, ~~2018,~~ *2020,* inclusive, the fee for transcription for the original printed copy is one dollar and thirteen cents ($1.13) for each 100 words, and for each copy purchased at the same time by the court, party, or other person purchasing the original, twenty cents ($0.20) for each 100 words.

(b) From January 1, ~~2018,~~ *2019,* to December 31, ~~2018,~~ *2020,* inclusive, the fee for a first copy to any court, party, or other person who does not simultaneously purchase the original shall be twenty-six cents ($0.26) for each 100 words, and for each additional copy, purchased at the same time, twenty cents ($0.20) for each 100 words.

(c) This section shall become operative on January 1, ~~2018.~~ *2019.*

(d) This section shall remain in effect only until January 1, ~~2019,~~ *2021,* and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, ~~2019,~~ *2021,* deletes or extends that date.

SECTION 4. Section 69950 is added to the Government Code, to read:

69950. (a) On and after January 1, ~~2019,~~ *2021,* the fee for transcription for the original printed copy is one dollar twenty-four cents ($1.24) for each 100 words, and for each copy purchased at the same time by the court, party, or other person purchasing the original, twenty-two cents ($0.22) for each 100 words.

(b) On and after January 1, ~~2019,~~ *2021,* the fee for a first copy to any court, party, or other person who does not simultaneously purchase the original shall be twenty-nine cents ($0.29) for each 100 words, and for each additional copy, purchased at the same time, twenty-two cents ($0.22) for each 100 words.

~~(c)On or before April 1, 2020, and on or before each April 1 thereafter, the amounts described in subdivisions (a) and (b) shall be increased proportionally by the increase in the Consumer Price Index for All Urban Consumers, as published by the United States Bureau of Statistics, for the previous calendar year, to be rounded up to the nearest cent by the Administrative Office of the Courts. The Administrative Office of the Courts shall also publish an updated transcript fee schedule, and those increased fees shall take effect on that April 1.~~

~~(d)~~

(c) This section shall become operative on January 1, ~~2019.~~ *2021.*

SECTION 5. Section 69951 of the Government Code is amended to read:

69951. The fee for transcription is an additional 50 percent for special daily copy service.

CALIFORNIA LEGISLATURE— 2015–2016 REGULAR SESSION

Assembly Bill No. 2859

Introduced by Assembly Member Low

February 19, 2016

An act to add Section 463 to the Business and Professions Code, relating to professions and vocations.

LEGISLATIVE COUNSEL'S DIGEST

AB 2859, as introduced, Low. Professions and vocations: retired category: licenses.

Existing law provides for numerous boards, bureaus, commissions, or programs within the Department of Consumer Affairs that administer the licensing and regulation of various businesses and professions. Existing law authorizes any of the boards, bureaus, commissions, or programs within the department, except as specified, to establish by regulation a system for an inactive category of license for persons who are not actively engaged in the practice of their profession or vocation. Under existing law, the holder of an inactive license is prohibited from engaging in any activity for which a license is required. Existing law defines "board" for these purposes to include, unless expressly provided otherwise, a bureau, commission, committee, department, division, examining committee, program, and agency.

This bill would additionally authorize any of the boards, bureaus, commissions, or programs within the department to establish by regulation a system for a retired category of license for persons who are not actively engaged in the practice of their profession or vocation, and would prohibit the holder of a retired license from engaging in any activity for which a license is required, unless regulation specifies the criteria for a retired licensee to practice his or her profession. The bill would authorize a board upon its own determination, and would require a board upon receipt of a complaint from any person, to investigate the actions of any licensee, including, among others, a person with a license that is retired or inactive.

Vote: majority Appropriation: no Fiscal Committee: yes Local Program: no

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

SECTION 1. Section 463 is added to the Business and Professions Code, to read:

463. (a) Any of the boards, bureaus, commissions, or programs within the department may establish, by regulation, a system for a retired category of licensure for persons who are not actively engaged in the practice of their profession or vocation.

(b) The regulation shall contain the following:

(1) The holder of a retired license issued pursuant to this section shall not engage in any activity for which a license is required, unless the board, by regulation, specifies the criteria for a retired licensee to practice his or her profession or vocation.

(2) The holder of a retired license shall not be required to renew that license.

(3) In order for the holder of a retired license issued pursuant to this section to restore his or her license to an active status, the holder of that license shall meet all the following:

(A) Pay a fee established by statute or regulation.

(B) Certify, in a manner satisfactory to the board, that he or she has not committed an act or crime constituting grounds for denial of licensure.

(C) Comply with the fingerprint submission requirements established by regulation.

(D) If the board requires completion of continuing education for renewal of an active license, complete continuing education equivalent to that required for renewal of an active license, unless a different requirement is specified by the board.

(E) Complete any other requirements as specified by the board by regulation.

(c) A board may upon its own determination, and shall upon receipt of a complaint from any person, investigate the actions of any licensee, including a person with a license that either restricts or prohibits the practice of that person in his or her profession or vocation, including, but not limited to, a license that is retired, inactive, canceled, revoked, or suspended.

AMENDED IN ASSEMBLY JUNE 23, 2015
AMENDED IN SENATE MAY 5, 2015
AMENDED IN SENATE APRIL 14, 2015
AMENDED IN SENATE APRIL 6, 2015

CALIFORNIA LEGISLATURE— 2015–2016 REGULAR SESSION

Senate Bill No. 270

Introduced by Senator Mendoza

February 19, 2016

An act to add Section 8041 to the Business and Professions Code, relating to court reporters.

LEGISLATIVE COUNSEL'S DIGEST

SB 270, as amended, Mendoza. Court Reporters Board of California: civil actions: corporations.

Existing law provides for the certification and regulation of shorthand reporters and for the regulation of shorthand reporting corporations by the Court Reporters Board of California.

Under existing law, a shorthand reporting corporation is a corporation authorized to render professional services, as defined, as long as that corporation and all of its shareholders, officers, directors, and employees rendering professional services who are certified shorthand reporters are in compliance with specified provisions of law. Existing law defines a foreign professional corporation as a corporation organized under the laws of a state of the United States other than this state that is engaged in a profession of a type for which there is specified authorization for the performance of professional services by a foreign professional corporation. Under existing law, it constitutes unprofessional conduct and a violation of these provisions for any licensed person to violate, attempt to violate, assist in or abet the violation of, or conspire to violate any specified provisions of law, including regulations adopted thereunder. Existing law prohibits a shorthand reporting corporation from not doing or failing to do any act the doing of which or the failure to do which would constitute unprofessional conduct under any statute, rule, or regulation pertaining to shorthand reporters or shorthand reporting.

This bill would authorize the board to bring a civil action in a superior court to enjoin any person, corporation, or corporation organized under the laws of a state of the United States other than this state, from rendering court reporter services in this state without ever being issued a license by the board or without authorization to render court reporter services in this ~~state by satisfying specified requirements.~~ *state.* The bill would authorize the board to request the Attorney General to bring such an action. The bill would require the court to impose specified monetary penalties against the person or corporation rendering services without a license or authorization. The bill would also authorize the court to order restitution and enjoin a person or corporation from taking any action constituting a violation of any law pertaining to impartiality, as provided. ~~The bill would make it a misdemeanor for any person or corporation to knowingly render court reporter services in this state without ever being issued a license or authorized to render those services.~~

~~By creating a new crime, the bill would impose a state-mandated local program.~~

~~The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.~~

~~This bill would provide that no reimbursement is required by this act for a specified reason.~~

Vote: majority Appropriation: no Fiscal Committee: yes Local Program: ~~yes~~ *no*

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

SECTION 1. Section 8041 is added to the Business and Professions Code, to read:

8041.(a) In addition to any other authority or remedy, the board may *pursuant to this section* bring a civil action in a superior court to enjoin any person, corporation, or corporation organized under the laws of a state of the United States other than this state, from rendering court reporter services in this state without ever being issued a license by the board or *without* authorization to render court reporter services in this ~~state by satisfying the requirements of this article.~~ *state.* The board may request the Attorney General to bring an action pursuant to this subdivision.

(b) If a civil action is brought pursuant to subdivision (a), the court, in addition to any other remedy authorized by law, shall impose a penalty of not less than one thousand dollars ($1,000) and no more than two thousand five hundred dollars ($2,500) per day against the person or corporation rendering services without a license or authorization, and the court, *in addition to any other restitution provided by law,* may also order restitution and the return of any payments made to the person or corporation.

(c) In an action brought pursuant to subdivision (a), the court, *in addition to any other authority or remedy,* may also enjoin a person or corporation from taking any action that would otherwise constitute a violation of any statute or regulation of the board pertaining to impartiality, including, but not limited to, Section 2475 of Title 16 of the California Code of Regulations, and the court, *in addition to any other penalty provided for by statute or regulation pursuant to this section,* may impose a penalty of up to two thousand five hundred dollars ($2,500) and order restitution for any acts undertaken by any person or corporation rendering court reporter services in this state. In determining the amount of the penalty *pursuant to this section*, the court shall take into consideration the frequency of the violations and the impact of those violations, including a violation of Section 2475 of Title 16 of the California Code of Regulations.

~~(d)The court may designate that any transcript prepared by any person or corporation subject to an action brought under this section does not qualify as a certified transcript. However, the person or corporation shall be required to reimburse the certified shorthand reporter for the production of the transcript in accordance with transcript fees pursuant to existing law.~~

~~(e)It shall be a misdemeanor for any person or corporation to knowingly render court reporter services in this state without ever being issued a license by the board or being authorized to render court reporter services in this state pursuant to this article.~~

~~(f)~~

(d) If the board or Attorney General is granted an injunction pursuant to subdivision (a), the court shall award reasonable investigation and enforcement costs and may also award a portion of any unallocated penalties collected pursuant to subdivision (c) to be used for future investigation and enforcement of this section by the board and the Attorney General. Any such award of penalties to the board shall be deposited in the Court Reporters' Fund and these penalties shall be subject to appropriation by the Legislature.

~~(g)~~

(e) This section shall not be construed to change, limit, or alter any existing authority of the board, including existing injunctive authority.

~~SECTION 2.No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.~~

ADD SECTION 1

Business and Professions Code 8040 is amended to read:

(a)A shorthand reporting corporation is a corporation which is authorized to render professional services, as defined in Section 13401 of the Corporations Code, as long as that corporation and all of its shareholders, officers, directors, and employees rendering professional services who are certified shorthand reporters are in compliance with the Moscone-Knox Professional Corporation Act, this article, and all other statutes and regulations now or hereafter enacted or adopted pertaining to that corporation and the conduct of its officers. With respect to a shorthand reporting corporation, the governmental agency referred to in the Moscone-Knox Professional Corporation Act is the Court Reporters Board of California.

(b)(1) Notwithstanding subdivision (a) of this section and subdivision (b) of Section 13401, any professional corporation or foreign professional corporation may arrange for services of shorthand reporting without compliance with the requirements of Section 8044, if that professional corporation or foreign professional corporation is registered with the Court Reporters Board of California pursuant to Section 8040.1 prior to arranging those services.

(2) Not later than July 1, ~~2016~~ 2017, the board shall implement a registration process pursuant to Section 8040.1.

(3) Any statute or regulation applicable to a licensee is also applicable to a professional corporation or a foreign professional corporation for ~~any services produced or billed wholly inside of this state.~~ arranging for the services of an official court reporter, or arranging for the billing or other fees for court reporting services performed in the state.

(4) Nothing in this section shall be construed to authorize a person without a license issued pursuant to this chapter to practice shorthand reporting as defined in Section 8017.

(c) For purposes of this section, all of the following definitions shall apply:

(1) "Foreign professional corporation" means a corporation organized under the laws of a state of the United States other than this state that is engaged in a profession of providing shorthand reporting services.

(2) "Professional corporation" means a corporation organized under the General Corporation Law that is engaged in rendering shorthand reporting services.

(3) "Professional services" has the same meaning as the term is defined in subdivision (a) of Section 13401 of the Corporations Code, that is the service of shorthand reporting lawfully rendered pursuant to this chapter..

SECTION 2

Section 8040.1 is added to the Business and Professions Code, to read:

8040.1 (a) It is unlawful for any professional corporation or foreign professional corporation to render services, and it is unlawful to arrange for those services pursuant to subdivision (b) of Section 8040 or to advertise or put

out any sign or card or other device which may indicate to members of the public that it is entitled to render such services without first obtaining registered status from the board.

(b) Each applicant for registration must file an application with the California Court Reporters Board on a form prescribed by the board.

(c) The application must:

(1) Include the federal identification number of the applicant;

(2) Include the name of the person who will be appointed as a designated representative of the court reporting firm and such other identifying information as required by the Board;

(3) Be accompanied by the required fee; and

(4) Include all information required to complete the application.

(d) To obtain registered status to this section, an applicant need not hold a certificate as a certified court reporter.

SECTION 3

Section 8040.2 is added to the Business and Professions Code, to read:

8040.2 (a) Each professional corporation or foreign professional corporation arranging services pursuant to subdivision (b) or Section 8040 shall appoint one person in this state affiliated with the corporation to act as a designated representative of the corporation. The appointed person must hold a certificate as a certified court reporter in the state, or pass an examination administered by the Board pursuant to subdivision (b).

(b) Not later than July 1, 2017, the Board shall administer an examination to determine whether a designated representative of a court reporting firm understands the ethics and professional conduct required for the practice of court reporting, any statute or regulation applicable to court reporting, and the obligations owed by a certified court reporter in the state to the parties in any reported proceeding.

(c) The Board may adopt regulations to carry out the provisions of this section and to establish additional subject areas to be included in the examination.

SECTION ~~1~~ *4*.

Section 8041 is added to the Business and Professions Code, to read:

8041.(a) In addition to any other authority or remedy, the board may pursuant to this section bring a civil action in a superior court to enjoin any ~~**person, corporation, or corporation organized under the laws of a state of the United States other than this state**~~ ***professional corporation or foreign professional corporation as defined in subdivision (c) Section 8040***, from rendering court reporter services in this state without ever being ~~**issued a license**~~ ***registered*** by the board or without authorization to render court reporter services in this state***, pursuant to Section 8040***. The board may request the Attorney General to bring an action pursuant to this subdivision.

(b) If a civil action is brought pursuant to subdivision (a), the court, in addition to any other remedy authorized by law, shall impose a penalty of not less than one thousand dollars ($1,000) and no more than two thousand five hundred dollars ($2,500) per day

against the person or corporation rendering services without a license or authorization, and the court, in addition to any other restitution provided by law, may also order restitution and the return of any payments made to the person or corporation.

(c) In an action brought pursuant to subdivision (a), the court, in addition to any other authority or remedy, may also enjoin a person or corporation from taking any action that would otherwise constitute a violation of any statute or regulation of the board pertaining to impartiality, including, but not limited to, Section 2475 of Title 16 of the California Code of Regulations, and the court, in addition to any other penalty provided for by statute or regulation pursuant to this section, may impose a penalty of up to two thousand five hundred dollars ($2,500) and order restitution for any acts undertaken by any person or corporation rendering court reporter services in this state. In determining the amount of the penalty pursuant to this section, the court shall take into consideration the frequency of the violations and the impact of those violations, including a violation of Section 2475 of Title 16 of the California Code of Regulations.

(d) If the board or Attorney General is granted an injunction pursuant to subdivision (a), the court shall award reasonable investigation and enforcement costs and may also award a portion of any unallocated penalties collected pursuant to subdivision (c) to be used for future investigation and enforcement of this section by the board and the Attorney General. Any such award of penalties to the board shall be deposited in the Court Reporters' Fund and these penalties shall be subject to appropriation by the Legislature.

(e) This section shall not be construed to change, limit, or alter any existing authority of the board, including existing injunctive authority.

ADD SECTION 5

Business & Professions Code Section 8031 is amended to read:

8031. The amount of the fees required by this chapter is that fixed by the board in accordance with the following schedule:

(a) The fee for filing an application for each examination shall be no more than forty dollars ($40).

(b) The fee for examination and reexamination for the written or practical part of the examination shall be in an amount fixed by the board, which shall be equal to the actual cost of preparing, administering, grading, and analyzing the examination, but shall not exceed seventy-five dollars ($75) for each separate part, for each administration.

(c) The initial certificate fee is an amount equal to the renewal fee in effect on the last regular renewal date before the date on which the certificate is issued, except that, if the certificate will expire less than 180 days after its issuance, then the fee is 50 percent of the renewal fee in effect on the last regular renewal date before the date on which the certificate is issued, or fifty dollars ($50), whichever is greater. The board may, by appropriate regulation, provide for the waiver or refund of the initial certificate fee where the certificate is issued less than 45 days before the date on which it will expire.

(d) By a resolution adopted by the board, a renewal fee may be established in such amounts and at such times as the board may deem appropriate to meet its operational

expenses and funding responsibilities as set forth in this chapter. The renewal fee shall not be more than one hundred twenty-five dollars ($125) nor less than ten dollars ($10) annually, with the following exception:

Any person who is employed full time by the State of California as a hearing reporter and who does not otherwise render shorthand reporting services for a fee shall be exempt from licensure while in state employment and shall not be subject to the renewal fee provisions of this subdivision until 30 days after leaving state employment. The renewal fee shall, in addition to the amount fixed by this subdivision, include any unpaid fees required by this section plus any delinquency fee.

(e) The duplicate certificate fee shall be no greater than ten dollars ($10).

(f) The penalty for failure to notify the board of a change of name or address as required by Section 8024.6 shall be no greater than fifty dollars ($50).

(g) The fee for a foreign professional corporation to register with the Board, pursuant to Section 8040, shall be in an amount fixed by the board, which shall equal the actual cost of preparing and administering the registration.

AMENDED IN SENATE MAY 3, 2016
AMENDED IN SENATE APRIL 13, 2016

CALIFORNIA LEGISLATURE— 2015–2016 REGULAR SESSION

Senate Bill No. 1007

Introduced by Senator Wieckowski

February 10, 2016

An act ~~to amend Section 1286.2 of, and~~ to add Section 1282.5 ~~to,~~ *to* the Code of Civil Procedure, relating to arbitration.

LEGISLATIVE COUNSEL'S DIGEST

SB 1007, as amended, Wieckowski. Arbitration: transcription by certified shorthand reporter.

Existing law establishes standards for arbitration, and requires a court to vacate an arbitration award if it makes certain findings.

This bill would provide that a party to an arbitration has the right to have a certified shorthand reporter transcribe any deposition, proceeding, or hearing as the official record. The bill would require *a party requesting a certified shorthand reporter to make his or her request upon the initiation of the arbitration or at the time that any deposition, proceeding, or hearing is being calendared, and would also require* the party requesting the transcript to incur the expense of the certified shorthand reporter, except as specified in a consumer arbitration. The bill would ~~also require a court to vacate an arbitration award if the court determines that an arbitrator refused a~~ *authorize a party whose request has been refused by the arbitrator to petition the court for an order to compel the arbitrator to grant the* party's request to have a certified shorthand reporter transcribe any deposition, proceeding, or hearing.

Vote: MAJORITY Appropriation: NO Fiscal Committee: NO Local Program: NO

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

SECTION 1. Section 1282.5 is added to the Code of Civil Procedure, to read:

1282.5. (a)*(1)* A party to an arbitration has the right to have a certified shorthand reporter transcribe any deposition, proceeding, or hearing. The transcript shall be the official record of the deposition, proceeding, or hearing.

(2) A party requesting a certified shorthand reporter shall make his or her request upon the initiation of the arbitration or at the time that any deposition, proceeding, or hearing is being calendared.

(b) If an arbitration agreement does not provide for a certified shorthand reporter, the party requesting the transcript shall incur the expense of the certified shorthand reporter. However, in a consumer arbitration, a certified shorthand reporter shall be provided upon request of an indigent consumer, as defined in Section 1284.3, at the expense of the nonconsumer party.

(c) If an arbitrator refuses to allow a party to have a certified shorthand reporter transcribe any deposition, proceeding, or hearing pursuant to this ~~section and an award is made, the court shall vacate the award under paragraph (7) of subdivision (a) of Section 1286.2.~~ *section, the party may petition the court for an order to compel the arbitrator to grant the party's request.*

~~SECTION 2.Section 1286.2 of the Code of Civil Procedure is amended to read:~~

~~1286.2.~~

~~(a)Subject to Section 1286.4, the court shall vacate the award if the court determines any of the following:~~

~~(1)The award was procured by corruption, fraud, or other undue means.~~

~~(2)There was corruption in any of the arbitrators.~~

~~(3)The rights of the party were substantially prejudiced by misconduct of a neutral arbitrator.~~

~~(4)The arbitrators exceeded their powers and the award cannot be corrected without affecting the merits of the decision upon the controversy submitted.~~

~~(5)The rights of the party were substantially prejudiced by the refusal of the arbitrators to postpone the hearing upon sufficient cause being shown, by the refusal of the arbitrators to hear evidence material to the controversy, or by other conduct of the arbitrators contrary to the provisions of this title.~~

~~(6)An arbitrator making the award either: (A) failed to disclose within the time required for disclosure a ground for disqualification of which the arbitrator was then aware; or (B) was subject to disqualification upon grounds specified in Section 1281.91 but failed, upon receipt of timely demand, to disqualify himself or herself as required by that provision. However, this subdivision does not apply to arbitration proceedings conducted under a collective bargaining agreement between employers and employees or between their respective representatives.~~

~~(7)An arbitrator refused a party's request under Section 1282.5 for a shorthand reporter.~~

~~(b)Petitions to vacate an arbitration award pursuant to Section 1285 are subject to the provisions of Section 128.7.~~

AMENDED IN SENATE APRIL 21, 2016
AMENDED IN SENATE APRIL 12, 2016
AMENDED IN SENATE APRIL 7, 2016

CALIFORNIA LEGISLATURE— 2015–2016 REGULAR SESSION

Senate Bill No. 1039

Introduced by Senator Hill

February 12, 2016

An act to amend Sections ~~1636.4,~~ 2423, 2460, 2461, 2475, 2479, 2486, 2488, 2492, 2499, 2733, 2746.51, 2786.5, 2811, 2811.5, 2815, 2815.5, 2816, 2830.7, 2836.3, 2838.2, 4128.2, *4999, 4999.2,* 7137, 7153.3, 8031, 8516, and 8518 of, to amend, repeal, and add Section 4400 of, to add Section 2499.7 to, ~~and~~ to repeal ~~Chapter 15 (commencing with Section 4999) of Division 2 of,~~ *Sections 4999.1, 4999.3, 4999.4, and 4999.6 of, and to repeal and add Section 4999.5 of,* the Business and Professions Code, to ~~repeal~~ *amend* Section 1348.8 of the Health and Safety Code, and to ~~repeal~~ *amend* Section 10279 of the Insurance Code, relating to professions and vocations, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

SB 1039, as amended, Hill. Professions and vocations.

(1) Existing law requires the Office of Statewide Health Planning and Development to establish the Health Professions Education Foundation to, among other things, solicit and receive funds for the purpose of providing scholarships, as specified.

The bill would state the intent of the Legislature to enact future legislation that would establish a Dental Corps Scholarship Program, as specified, to increase the supply of dentists serving in medically underserved areas.

~~(2)The Dental Practice Act provides for the licensure and regulation of persons engaged in the practice of dentistry by the Dental Board of California, which is within the Department of Consumer Affairs, and requires the board to be responsible for the approval of foreign dental schools by evaluating foreign dental schools based on specified criteria. That act authorizes the board to contract with outside consultants or a national professional organization to survey and evaluate foreign dental schools, as specified. That act requires the board to establish a technical advisory group to review the survey and evaluation contracted for prior to the board taking any final action regarding a foreign dental school. That act also requires periodic surveys and evaluations of all approved schools be made to ensure compliance with the act.~~

~~This bill would authorize the board, in lieu of conducting its own survey and evaluation of a foreign dental school, to accept the findings of any commission or accreditation agency approved by the board, if the findings meet specified standards and the foreign dental school is not under review by the board on January 1, 2017, and adopt those findings as the board's own. The bill would delete the requirement to establish a technical advisory group. The bill would instead authorize periodic surveys and evaluations be made to ensure compliance with that act.~~

~~(3)~~*(2)* The Medical Practice Act creates, within the jurisdiction of the Medical Board of California, the California Board of Podiatric Medicine. Under the act, certificates to practice podiatric medicine and registrations of spectacle lens dispensers and contact

lens dispensers, among others, expire on a certain date during the second year of a 2-year term if not renewed.

This bill would instead create the California Board of Podiatric Medicine in the Department of Consumer Affairs, and would make conforming and related changes. The bill would discontinue the above-described requirement for the expiration of the registrations of spectacle lens dispensers and contact lens dispensers.

~~(4)~~*(3)* The Nursing Practice Act provides for the licensure and regulation of nurse practitioners by the Board of Registered Nursing, which is within the Department of Consumer Affairs, and requires the board to adopt regulations establishing standards for continuing education for licensees, as specified. That act requires providers of continuing education programs approved by the board to make records of continuing education courses given to registered nurses available for board inspection. That act also prescribes various fees to be paid by licensees and applicants for licensure, and requires these fees to be credited to the Board of Registered Nursing Fund, which is a continuously appropriated fund as it pertains to fees collected by the board.

This bill would require that the content of a continuing education course be based on generally accepted scientific principles. The bill would also require the board to audit continuing education providers, at least once every 5 years, to ensure adherence to regulatory requirements, and to withhold or rescind approval from any provider that is in violation of regulatory requirements. The bill would raise specified fees, and would provide for additional fees, to be paid by licensees and applicants for licensure pursuant to that act. By increasing fees deposited into a continuously appropriated fund, this bill would make an appropriation.

~~(5)~~*(4)* The Pharmacy Law provides for the licensure and regulation of pharmacists by the California State Board of Pharmacy within the Department of Consumer Affairs. That law prescribes various fees to be paid by licensees and applicants for licensure, and requires all fees collected on behalf of the board to be credited to the Pharmacy Board Contingent Fund, which is a continuously appropriated fund as it pertains to fees collected by the board.

This bill would, on and after July 1, 2017, modify specified fees to be paid by licensees and applicants for licensure pursuant to that act. By increasing fees deposited into a continuously appropriated fund, this bill would make an appropriation.

~~(6)~~*(5)* Existing law requires ~~certain~~ businesses *that employ, or contract or subcontract with, the full-time equivalent of 5 or more persons functioning as health care professionals, as defined, whose primary function is to provide telephone medical advice,* that provide telephone medical advice services to a patient at a California address to be registered with the Telephone Medical Advice Services Bureau and further requires telephone medical advice services to comply with the requirements established by the Department of Consumer Affairs, ~~among other provisions,~~ as specified.

~~This bill would repeal those provisions.~~

This bill would discontinue the requirement that those businesses be registered with the bureau, would instead make the respective healing arts licensing boards responsible for enforcing those requirements and any other laws and regulations affecting those health care professionals licensed in California, and would make conforming and related changes.

~~(7)~~*(6)* The Contractors' State License Law provides for the licensure and regulation of contractors by the Contractors' State License Board within the Department of Consumer Affairs. That law also prescribes various fees to be paid by licensees and applicants for licensure, and requires fees and civil penalties received under that law to

be deposited in the Contractors' License Fund, which is a continuously appropriated fund as it pertains to fees collected by the board.

This bill would raise specified fees and would require the board to establish criteria for the approval of expedited processing of applications, as specified. By increasing fees deposited into a continuously appropriated fund, this bill would make an appropriation.

~~(8)~~*(7)* Existing law provides for the licensure and regulation of shorthand reporters by the Court Reporters Board of California within the Department of Consumer Affairs. That law authorizes the board, by resolution, to establish a fee for the renewal of a certificate issued by the board, and prohibits the fee from exceeding $125, as specified. Under existing law, all fees and revenues received by the board are deposited into the Court Reporters' Fund, which is a continuously appropriated fund as it pertains to fees collected by the board.

This bill would raise that fee limit to $250. By authorizing an increase in a fee deposited into a continuously appropriated fund, this bill would make an appropriation.

~~(9)~~*(8)* Existing law provides for the licensure and regulation of structural pest control operators and registered companies by the Structural Pest Control Board, which is within the Department of Consumer Affairs, and requires a licensee to pay a specified license fee. Existing law makes any violation of those provisions punishable as a misdemeanor. Existing law places certain requirements on a registered company or licensee with regards to wood destroying pests or organisms, including that a registered company or licensee is prohibited from commencing work on a contract until an inspection has been made by a licensed Branch 3 field representative or operator, that the address of each property inspected or upon which work was completed is required to be reported to the board, as specified, and that a written inspection report be prepared and delivered to the person requesting the inspection or his or her agent. Existing law requires the original inspection report to be submitted to the board upon demand. Existing law requires that written report to contain certain information, including a foundation diagram or sketch of the structure or portions of the structure inspected, and requires the report, and any contract entered into, to expressly state if a guarantee for the work is made, and if so, the terms and time period of the guarantee. Existing law establishes the Structural Pest Control Fund, which is a continuously appropriated fund as it pertains to fees collected by the board.

This bill would require the operator who is conducting the inspection prior to the commencement of work to be employed by a registered company, except as specified. The bill would not require the address of an inspection report prepared for use by an attorney for litigation to be reported to the board or assessed a filing fee. The bill would require instead that the written inspection report be prepared and delivered to the person requesting it, the property owner, or the property owner's designated agent, as specified. The bill would allow an inspection report to be a complete, limited, supplemental, or reinspection report, as defined. The bill would require all inspection reports to be submitted to the board and maintained with field notes, activity forms, and notices of completion until one year after the guarantee expires if the guarantee extends beyond 3 years. The bill would require the inspection report to clearly list the infested or infected wood members or parts of the structure identified in the required diagram or sketch. By placing new requirements on a registered company or licensee, this bill would expand an existing crime and would, therefore, impose a state-mandated local program.

Existing law requires a registered company to prepare a notice of work completed to give to the owner of the property when the work is completed.

This bill would make this provision only applicable to work relating to wood destroying pests and organisms.

~~(10)~~*(9)* The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority Appropriation: yes Fiscal Committee: yes Local Program: yes

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

SECTION 1. It is the intent of the Legislature to enact future legislation that would establish a Dental Corps Scholarship Program within the Health Professions Education Foundation to increase the supply of dentists serving in medically underserved areas.

~~SEC. 2.Section 1636.4 of the Business and Professions Code is amended to read:~~

~~1636.4.(a)The Legislature recognizes the need to ensure that graduates of foreign dental schools who have received an education that is equivalent to that of accredited institutions in the United States and that adequately prepares their students for the practice of dentistry shall be subject to the same licensure requirements as graduates of approved dental schools or colleges. It is the purpose of this section to provide for the evaluation of foreign dental schools and the approval of those foreign dental schools that provide an education that is equivalent to that of similar accredited institutions in the United States and that adequately prepare their students for the practice of dentistry.~~

~~(b)The board shall be responsible for the approval of foreign dental schools based on standards established pursuant to subdivision (c). The board may contract with outside consultants or a national professional organization to survey and evaluate foreign dental schools. The consultant or organization shall report to the board regarding its findings in the survey and evaluation. The board may, in lieu of conducting its own survey and evaluation of a foreign dental school, accept the findings of any commission or accreditation agency approved by the board if the findings meet the standards of subdivision (c) and adopt those findings as the board's own. This subdivision shall not apply to foreign dental schools seeking board approval that are under review by the board on January 1, 2017.~~

~~(c)Any foreign dental school that wishes to be approved pursuant to this section shall make application to the board for this approval, which shall be based upon a finding by the board that the educational program of the foreign dental school is equivalent to that of similar accredited institutions in the United States and adequately prepares its students for the practice of dentistry. Curriculum, faculty qualifications, student attendance, plant and facilities, and other relevant factors shall be reviewed and evaluated. The board shall identify by rule the standards and review procedures and methodology to be used in the approval process consistent with this subdivision. The board shall not grant approval if deficiencies found are of such magnitude as to prevent the students in the school from receiving an educational base suitable for the practice of dentistry.~~

~~(d)Periodic surveys and evaluations of all approved schools may be made to ensure continued compliance with this section. Approval shall include provisional and full approval. The provisional form of approval shall be for a period determined by the board, not to exceed three years, and shall be granted to an institution, in accordance with rules established by the board, to provide reasonable time for the school seeking permanent approval to overcome deficiencies found by the board. Prior to the expiration~~

~~of a provisional approval and before the full approval is granted, the school shall be required to submit evidence that deficiencies noted at the time of initial application have been remedied. A school granted full approval shall provide evidence of continued compliance with this section. In the event that the board denies approval or reapproval, the board shall give the school a specific listing of the deficiencies that caused the denial and the requirements for remedying the deficiencies, and shall permit the school, upon request, to demonstrate by satisfactory evidence, within 90 days, that it has remedied the deficiencies listed by the board.~~

~~(e)A school shall pay a registration fee established by rule of the board, not to exceed one thousand dollars ($1,000), at the time of application for approval and shall pay all reasonable costs and expenses incurred for conducting the approval survey.~~

~~(f)The board shall renew approval upon receipt of a renewal application, accompanied by a fee not to exceed five hundred dollars ($500). Each fully approved institution shall submit a renewal application every seven years. Any approval that is not renewed shall automatically expire.~~

~~SEC. 3.~~*SEC. 2.* Section 2423 of the Business and Professions Code is amended to read:

2423.(a) Notwithstanding Section 2422:

(1) All physician and surgeon's certificates and certificates to practice midwifery shall expire at 12 midnight on the last day of the birth month of the licensee during the second year of a two-year term if not renewed.

(2) Registrations of dispensing opticians will expire at midnight on the last day of the month in which the license was issued during the second year of a two-year term if not renewed.

(b) The board shall establish by regulation procedures for the administration of a birth date renewal program, including, but not limited to, the establishment of a system of staggered license expiration dates such that a relatively equal number of licenses expire monthly.

(c) To renew an unexpired license, the licensee shall, on or before the dates on which it would otherwise expire, apply for renewal on a form prescribed by the licensing authority and pay the prescribed renewal fee.

~~SEC. 4.~~*SEC. 3.* Section 2460 of the Business and Professions Code is amended to read:

2460.(a) There is created within the Department of Consumer Affairs a California Board of Podiatric Medicine.

(b) This section shall remain in effect only until January 1, 2017, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2017, deletes or extends that date. Notwithstanding any other provision of law, the repeal of this section renders the California Board of Podiatric Medicine subject to review by the appropriate policy committees of the Legislature.

~~SEC. 5.~~*SEC. 4.* Section 2461 of the Business and Professions Code is amended to read:

2461. As used in this article:

(a) "Board" means the California Board of Podiatric Medicine.

(b) "Podiatric licensing authority" refers to any officer, board, commission, committee, or department of another state that may issue a license to practice podiatric medicine.

~~SEC. 6.~~*SEC. 5.* Section 2475 of the Business and Professions Code is amended to read:

2475. Unless otherwise provided by law, no postgraduate trainee, intern, resident postdoctoral fellow, or instructor may engage in the practice of podiatric medicine, or receive compensation therefor, or offer to engage in the practice of podiatric medicine unless he or she holds a valid, unrevoked, and unsuspended certificate to practice podiatric medicine issued by the board. However, a graduate of an approved college or school of podiatric medicine upon whom the degree doctor of podiatric medicine has been conferred, who is issued a resident's license, which may be renewed annually for up to eight years for this purpose by the board, and who is enrolled in a postgraduate training program approved by the board, may engage in the practice of podiatric medicine whenever and wherever required as a part of that program and may receive compensation for that practice under the following conditions:

(a) A graduate with a resident's license in an approved internship, residency, or fellowship program may participate in training rotations outside the scope of podiatric medicine, under the supervision of a physician and surgeon who holds a medical doctor or doctor of osteopathy degree wherever and whenever required as a part of the training program, and may receive compensation for that practice. If the graduate fails to receive a license to practice podiatric medicine under this chapter within three years from the commencement of the postgraduate training, all privileges and exemptions under this section shall automatically cease.

(b) Hospitals functioning as a part of the teaching program of an approved college or school of podiatric medicine in this state may exchange instructors or resident or assistant resident doctors of podiatric medicine with another approved college or school of podiatric medicine not located in this state, or those hospitals may appoint a graduate of an approved school as such a resident for purposes of postgraduate training. Those instructors and residents may practice and be compensated as provided in this section, but that practice and compensation shall be for a period not to exceed two years.

~~SEC. 7.~~*SEC. 6.* Section 2479 of the Business and Professions Code is amended to read:

2479. The board shall issue a certificate to practice podiatric medicine to each applicant who meets the requirements of this chapter. Every applicant for a certificate to practice podiatric medicine shall comply with the provisions of Article 4 (commencing with Section 2080) which are not specifically applicable to applicants for a physician's and surgeon's certificate, in addition to the provisions of this article.

~~SEC. 8.~~*SEC. 7.* Section 2486 of the Business and Professions Code is amended to read:

2486. The board shall issue a certificate to practice podiatric medicine if the applicant has submitted directly to the board from the credentialing organizations verification that he or she meets all of the following requirements:

(a) The applicant has graduated from an approved school or college of podiatric medicine and meets the requirements of Section 2483.

(b) The applicant, within the past 10 years, has passed parts I, II, and III of the examination administered by the National Board of Podiatric Medical Examiners of the United States or has passed a written examination that is recognized by the board to be the equivalent in content to the examination administered by the National Board of Podiatric Medical Examiners of the United States.

(c) The applicant has satisfactorily completed the postgraduate training required by Section 2484.

(d) The applicant has passed within the past 10 years any oral and practical examination that may be required of all applicants by the board to ascertain clinical competence.

(e) The applicant has committed no acts or crimes constituting grounds for denial of a certificate under Division 1.5 (commencing with Section 475).

(f) The board determines that no disciplinary action has been taken against the applicant by any podiatric licensing authority and that the applicant has not been the subject of adverse judgments or settlements resulting from the practice of podiatric medicine that the board determines constitutes evidence of a pattern of negligence or incompetence.

(g) A disciplinary databank report regarding the applicant is received by the board from the Federation of Podiatric Medical Boards.

~~SEC. 9.~~*SEC. 8.* Section 2488 of the Business and Professions Code is amended to read:

2488. Notwithstanding any other law, the board shall issue a certificate to practice podiatric medicine by credentialing if the applicant has submitted directly to the board from the credentialing organizations verification that he or she is licensed as a doctor of podiatric medicine in any other state and meets all of the following requirements:

(a) The applicant has graduated from an approved school or college of podiatric medicine.

(b) The applicant, within the past 10 years, has passed either part III of the examination administered by the National Board of Podiatric Medical Examiners of the United States or a written examination that is recognized by the board to be the equivalent in content to the examination administered by the National Board of Podiatric Medical Examiners of the United States.

(c) The applicant has satisfactorily completed a postgraduate training program approved by the Council on Podiatric Medical Education.

(d) The applicant, within the past 10 years, has passed any oral and practical examination that may be required of all applicants by the board to ascertain clinical competence.

(e) The applicant has committed no acts or crimes constituting grounds for denial of a certificate under Division 1.5 (commencing with Section 475).

(f) The board determines that no disciplinary action has been taken against the applicant by any podiatric licensing authority and that the applicant has not been the subject of adverse judgments or settlements resulting from the practice of podiatric medicine that the board determines constitutes evidence of a pattern of negligence or incompetence.

(g) A disciplinary databank report regarding the applicant is received by the board from the Federation of Podiatric Medical Boards.

~~SEC. 10.~~*SEC. 9.* Section 2492 of the Business and Professions Code is amended to read:

2492.(a) The board shall examine every applicant for a certificate to practice podiatric medicine to ensure a minimum of entry-level competence at the time and place designated by the board in its discretion, but at least twice a year.

(b) Unless the applicant meets the requirements of Section 2486, applicants shall be required to have taken and passed the examination administered by the National Board of Podiatric Medical Examiners.

(c) The board may appoint qualified persons to give the whole or any portion of any examination as provided in this article, who shall be designated as examination

commissioners. The board may fix the compensation of those persons subject to the provisions of applicable state laws and regulations.

(d) The provisions of Article 9 (commencing with Section 2170) shall apply to examinations administered by the board except where those provisions are in conflict with or inconsistent with the provisions of this article.

~~SEC. 11.~~*SEC. 10.* Section 2499 of the Business and Professions Code is amended to read:

2499. There is in the State Treasury the Board of Podiatric Medicine Fund. Notwithstanding Section 2445, the board shall report to the Controller at the beginning of each calendar month for the month preceding the amount and source of all revenue received by the board, pursuant to this chapter, and shall pay the entire amount thereof to the Treasurer for deposit into the fund. All revenue received by the board from fees authorized to be charged relating to the practice of podiatric medicine shall be deposited in the fund as provided in this section, and shall be used to carry out the provisions of this chapter relating to the regulation of the practice of podiatric medicine.

~~SEC. 12.~~*SEC. 11.* Section 2499.7 is added to the Business and Professions Code, to read:

2499.7(a) Certificates to practice podiatric medicine shall expire at 12 midnight on the last day of the birth month of the licensee during the second year of a two-year term.

(b) To renew an unexpired certificate, the licensee, on or before the date on which the certificate would otherwise expire, shall apply for renewal on a form prescribed by the board and pay the prescribed renewal fee.

~~SEC. 13.~~*SEC. 12.* Section 2733 of the Business and Professions Code is amended to read:

2733(a)(1)(A) Upon approval of an application filed pursuant to subdivision (b) of Section 2732.1, and upon the payment of the fee prescribed by subdivision (k) of Section 2815, the board may issue a temporary license to practice professional nursing, and a temporary certificate to practice as a certified public health nurse for a period of six months from the date of issuance.

(B) Upon approval of an application filed pursuant to subdivision (b) of Section 2732.1, and upon the payment of the fee prescribed by subdivision (d) of Section 2838.2, the board may issue a temporary certificate to practice as a certified clinical nurse specialist for a period of six months from the date of issuance.

(C) Upon approval of an application filed pursuant to subdivision (b) of Section 2732.1, and upon the payment of the fee prescribed by subdivision (e) of Section 2815.5, the board may issue a temporary certificate to practice as a certified nurse-midwife for a period of six months from the date of issuance.

(D) Upon approval of an application filed pursuant to subdivision (b) of Section 2732.1, and upon the payment of the fee prescribed by subdivision (d) of Section 2830.7, the board may issue a temporary certificate to practice as a certified nurse anesthetist for a period of six months from the date of issuance.

(E) Upon approval of an application filed pursuant to subdivision (b) of Section 2732.1, and upon the payment of the fee prescribed by subdivision (p) of Section 2815, the board may issue a temporary certificate to practice as a certified nurse practitioner for a period of six months from the date of issuance.

(2) A temporary license or temporary certificate shall terminate upon notice thereof by certified mail, return receipt requested, if it is issued by mistake or if the application for permanent licensure is denied.

(b) Upon written application, the board may reissue a temporary license or temporary certificate to any person who has applied for a regular renewable license pursuant to subdivision (b) of Section 2732.1 and who, in the judgment of the board has been excusably delayed in completing his or her application for or the minimum requirements for a regular renewable license, but the board may not reissue a temporary license or temporary certificate more than twice to any one person.

~~SEC. 14.~~*SEC. 13.* Section 2746.51 of the Business and Professions Code is amended to read:

2746.51.(a) Neither this chapter nor any other provision of law shall be construed to prohibit a certified nurse-midwife from furnishing or ordering drugs or devices, including controlled substances classified in Schedule II, III, IV, or V under the California Uniform Controlled Substances Act (Division 10 (commencing with Section 11000) of the Health and Safety Code), when all of the following apply:

(1) The drugs or devices are furnished or ordered incidentally to the provision of any of the following:

(A) Family planning services, as defined in Section 14503 of the Welfare and Institutions Code.

(B) Routine health care or perinatal care, as defined in subdivision (d) of Section 123485 of the Health and Safety Code.

(C) Care rendered, consistent with the certified nurse-midwife's educational preparation or for which clinical competency has been established and maintained, to persons within a facility specified in subdivision (a), (b), (c), (d), (i), or (j) of Section 1206 of the Health and Safety Code, a clinic as specified in Section 1204 of the Health and Safety Code, a general acute care hospital as defined in subdivision (a) of Section 1250 of the Health and Safety Code, a licensed birth center as defined in Section 1204.3 of the Health and Safety Code, or a special hospital specified as a maternity hospital in subdivision (f) of Section 1250 of the Health and Safety Code.

(2) The drugs or devices are furnished or ordered by a certified nurse-midwife in accordance with standardized procedures or protocols. For purposes of this section, standardized procedure means a document, including protocols, developed and approved by the supervising physician and surgeon, the certified nurse-midwife, and the facility administrator or his or her designee. The standardized procedure covering the furnishing or ordering of drugs or devices shall specify all of the following:

(A) Which certified nurse-midwife may furnish or order drugs or devices.

(B) Which drugs or devices may be furnished or ordered and under what circumstances.

(C) The extent of physician and surgeon supervision.

(D) The method of periodic review of the certified nurse-midwife's competence, including peer review, and review of the provisions of the standardized procedure.

(3) If Schedule II or III controlled substances, as defined in Sections 11055 and 11056 of the Health and Safety Code, are furnished or ordered by a certified nurse-midwife, the controlled substances shall be furnished or ordered in accordance with a patient-specific protocol approved by the treating or supervising physician and surgeon. For Schedule II controlled substance protocols, the provision for furnishing

the Schedule II controlled substance shall address the diagnosis of the illness, injury, or condition for which the Schedule II controlled substance is to be furnished.

(4) The furnishing or ordering of drugs or devices by a certified nurse-midwife occurs under physician and surgeon supervision. For purposes of this section, no physician and surgeon shall supervise more than four certified nurse-midwives at one time. Physician and surgeon supervision shall not be construed to require the physical presence of the physician, but does include all of the following:

(A) Collaboration on the development of the standardized procedure or protocol.

(B) Approval of the standardized procedure or protocol.

(C) Availability by telephonic contact at the time of patient examination by the certified nurse-midwife.

(b)(1) The furnishing or ordering of drugs or devices by a certified nurse-midwife is conditional on the issuance by the board of a number to the applicant who has successfully completed the requirements of paragraph (2). The number shall be included on all transmittals of orders for drugs or devices by the certified nurse-midwife. The board shall maintain a list of the certified nurse-midwives that it has certified pursuant to this paragraph and the number it has issued to each one. The board shall make the list available to the California State Board of Pharmacy upon its request. Every certified nurse-midwife who is authorized pursuant to this section to furnish or issue a drug order for a controlled substance shall register with the United States Drug Enforcement Administration.

(2) The board has certified in accordance with paragraph (1) that the certified nurse-midwife has satisfactorily completed a course in pharmacology covering the drugs or devices to be furnished or ordered under this section. The board shall establish the requirements for satisfactory completion of this paragraph. The board may charge the applicant a fee to cover all necessary costs to implement this section, that shall be not less than four hundred dollars ($400) nor more than one thousand five hundred dollars ($1,500) for an initial application, nor less than one hundred fifty dollars ($150) nor more than one thousand dollars ($1,000) for an application for renewal. The board may charge a penalty fee for failure to renew a furnishing number within the prescribed time that shall be not less than seventy-five dollars ($75) nor more than five hundred dollars ($500).

(3) A physician and surgeon may determine the extent of supervision necessary pursuant to this section in the furnishing or ordering of drugs and devices.

(4) A copy of the standardized procedure or protocol relating to the furnishing or ordering of controlled substances by a certified nurse-midwife shall be provided upon request to any licensed pharmacist who is uncertain of the authority of the certified nurse-midwife to perform these functions.

(5) Certified nurse-midwives who are certified by the board and hold an active furnishing number, who are currently authorized through standardized procedures or protocols to furnish Schedule II controlled substances, and who are registered with the United States Drug Enforcement Administration shall provide documentation of continuing education specific to the use of Schedule II controlled substances in settings other than a hospital based on standards developed by the board.

(c) Drugs or devices furnished or ordered by a certified nurse-midwife may include Schedule II controlled substances under the California Uniform Controlled Substances Act (Division 10 (commencing with Section 11000) of the Health and Safety Code) under the following conditions:

(1) The drugs and devices are furnished or ordered in accordance with requirements referenced in paragraphs (2) to (4), inclusive, of subdivision (a) and in paragraphs (1) to (3), inclusive, of subdivision (b).

(2) When Schedule II controlled substances, as defined in Section 11055 of the Health and Safety Code, are furnished or ordered by a certified nurse-midwife, the controlled substances shall be furnished or ordered in accordance with a patient-specific protocol approved by the treating or supervising physician and surgeon.

(d) Furnishing of drugs or devices by a certified nurse-midwife means the act of making a pharmaceutical agent or agents available to the patient in strict accordance with a standardized procedure or protocol. Use of the term "furnishing" in this section shall include the following:

(1) The ordering of a drug or device in accordance with the standardized procedure or protocol.

(2) Transmitting an order of a supervising physician and surgeon.

(e) "Drug order" or "order" for purposes of this section means an order for medication or for a drug or device that is dispensed to or for an ultimate user, issued by a certified nurse-midwife as an individual practitioner, within the meaning of Section 1306.03 of Title 21 of the Code of Federal Regulations. Notwithstanding any other provision of law, (1) a drug order issued pursuant to this section shall be treated in the same manner as a prescription of the supervising physician; (2) all references to "prescription" in this code and the Health and Safety Code shall include drug orders issued by certified nurse-midwives; and (3) the signature of a certified nurse-midwife on a drug order issued in accordance with this section shall be deemed to be the signature of a prescriber for purposes of this code and the Health and Safety Code.

~~SEC. 15.~~*SEC. 14.* Section 2786.5 of the Business and Professions Code is amended to read:

2786.5.(a) An institution of higher education or a private postsecondary school of nursing approved by the board pursuant to subdivision (b) of Section 2786 shall remit to the board for deposit in the Board of Registered Nursing Fund the following fees, in accordance with the following schedule:

(1) The fee for approval of a school of nursing shall be fixed by the board at not less than forty thousand dollars ($40,000) nor more than eighty thousand dollars ($80,000).

(2) The fee for continuing approval of a nursing program established after January 1, 2013, shall be fixed by the board at not less than fifteen thousand dollars ($15,000) nor more than thirty thousand dollars ($30,000).

(3) The processing fee for authorization of a substantive change to an approval of a school of nursing shall be fixed by the board at not less than two thousand five hundred dollars ($2,500) nor more than five thousand dollars ($5,000).

(b) If the board determines that the annual cost of providing oversight and review of a school of nursing, as required by this article, is less than the amount of any fees required to be paid by that institution pursuant to this article, the board may decrease the fees applicable to that institution to an amount that is proportional to the board's costs associated with that institution.

~~SEC. 16.~~*SEC. 15.* Section 2811 of the Business and Professions Code is amended to read:

2811.(a) Each person holding a regular renewable license under this chapter, whether in an active or inactive status, shall apply for a renewal of his license and pay the biennial renewal fee required by this chapter each two years on or before the last

day of the month following the month in which his birthday occurs, beginning with the second birthday following the date on which the license was issued, whereupon the board shall renew the license.

(b) Each such license not renewed in accordance with this section shall expire but may within a period of eight years thereafter be reinstated upon payment of the fee required by this chapter and upon submission of such proof of the applicant's qualifications as may be required by the board, except that during such eight-year period no examination shall be required as a condition for the reinstatement of any such expired license which has lapsed solely by reason of nonpayment of the renewal fee. After the expiration of such eight-year period the board may require as a condition of reinstatement that the applicant pass such examination as it deems necessary to determine his present fitness to resume the practice of professional nursing.

(c) A license in an inactive status may be restored to an active status if the licensee meets the continuing education standards of Section 2811.5.

~~SEC. 17.~~*SEC. 16.* Section 2811.5 of the Business and Professions Code is amended to read:

2811.5.(a) Each person renewing his or her license under Section 2811 shall submit proof satisfactory to the board that, during the preceding two-year period, he or she has been informed of the developments in the registered nurse field or in any special area of practice engaged in by the licensee, occurring since the last renewal thereof, either by pursuing a course or courses of continuing education in the registered nurse field or relevant to the practice of the licensee, and approved by the board, or by other means deemed equivalent by the board.

(b) For purposes of this section, the board shall, by regulation, establish standards for continuing education. The standards shall be established in a manner to ensure that a variety of alternative forms of continuing education are available to licensees, including, but not limited to, academic studies, in-service education, institutes, seminars, lectures, conferences, workshops, extension studies, and home study programs. The standards shall take cognizance of specialized areas of practice, and content shall be relevant to the practice of nursing and shall be related to the scientific knowledge or technical skills required for the practice of nursing or be related to direct or indirect patient or client care. The continuing education standards established by the board shall not exceed 30 hours of direct participation in a course or courses approved by the board, or its equivalent in the units of measure adopted by the board.

(c) The board shall audit continuing education providers at least once every five years to ensure adherence to regulatory requirements, and shall withhold or rescind approval from any provider that is in violation of the regulatory requirements.

(d) The board shall encourage continuing education in spousal or partner abuse detection and treatment. In the event the board establishes a requirement for continuing education coursework in spousal or partner abuse detection or treatment, that requirement shall be met by each licensee within no more than four years from the date the requirement is imposed.

(e) In establishing standards for continuing education, the board shall consider including a course in the special care needs of individuals and their families facing end-of-life issues, including, but not limited to, all of the following:

(1) Pain and symptom management.

(2) The psycho-social dynamics of death.

(3) Dying and bereavement.

(4) Hospice care.

(f) In establishing standards for continuing education, the board may include a course on pain management.

(g) This section shall not apply to licensees during the first two years immediately following their initial licensure in California or any other governmental jurisdiction.

(h) The board may, in accordance with the intent of this section, make exceptions from continuing education requirements for licensees residing in another state or country, or for reasons of health, military service, or other good cause.

~~SEC. 18.~~*SEC. 17.* Section 2815 of the Business and Professions Code is amended to read:

2815. Subject to the provisions of Section 128.5, the amount of the fees prescribed by this chapter in connection with the issuance of licenses for registered nurses under its provisions is that fixed by the following schedule:

(a)(1) The fee to be paid upon the filing by a graduate of an approved school of nursing in this state of an application for a licensure by examination shall be fixed by the board at not less than three hundred dollars ($300) nor more than one thousand dollars ($1,000).

(2) The fee to be paid upon the filing by a graduate of a school of nursing in another state, district, or territory of the United States of an application for a licensure by examination shall be fixed by the board at not less than three hundred fifty dollars ($350) nor more than one thousand dollars ($1,000).

(3) The fee to be paid upon the filing by a graduate of a school of nursing in another country of an application for a licensure by examination shall be fixed by the board at not less than seven hundred fifty dollars ($750) nor more than one thousand five hundred dollars ($1,500).

(4) The fee to be paid upon the filing of an application for licensure by a repeat examination shall be fixed by the board at not less than two hundred fifty dollars ($250) and not more than one thousand dollars ($1,000).

(b) The fee to be paid for taking each examination shall be the actual cost to purchase an examination from a vendor approved by the board.

(c)(1) The fee to be paid for application by a person who is licensed or registered as a nurse in another state, district, or territory of the United States for licensure by endorsement shall be fixed by the board at not less than three hundred fifty dollars ($350) nor more than one thousand dollars ($1,000).

(2) The fee to be paid for application by a person who is licensed or registered as a nurse in another country for licensure by endorsement shall be fixed by the board at not less than seven hundred fifty dollars ($750) nor more than one thousand five hundred dollars ($1,500).

(d)(1) The biennial fee to be paid upon the filing of an application for renewal of the license shall be not less than one hundred eighty dollars ($180) nor more than seven hundred fifty dollars ($750). In addition, an assessment of ten dollars ($10) shall be collected and credited to the Registered Nurse Education Fund, pursuant to Section 2815.1.

(2) The fee to be paid upon the filing of an application for reinstatement pursuant to subdivision (b) of Section 2811 shall be not less than three hundred fifty dollars ($350) nor more than one thousand dollars ($1,000).

(e) The penalty fee for failure to renew a license within the prescribed time shall be fixed by the board at not more than 50 percent of the regular renewal fee, but not less than ninety dollars ($90) nor more than three hundred seventy-five dollars ($375).

(f) The fee to be paid for approval of a continuing education provider shall be fixed by the board at not less than five hundred dollars ($500) nor more than one thousand dollars ($1,000).

(g) The biennial fee to be paid upon the filing of an application for renewal of provider approval shall be fixed by the board at not less than seven hundred fifty dollars ($750) nor more than one thousand dollars ($1,000).

(h) The penalty fee for failure to renew provider approval within the prescribed time shall be fixed at not more than 50 percent of the regular renewal fee, but not less than one hundred twenty-five dollars ($125) nor more than five hundred dollars ($500).

(i) The penalty for submitting insufficient funds or fictitious check, draft or order on any bank or depository for payment of any fee to the board shall be fixed at not less than fifteen dollars ($15) nor more than thirty dollars ($30).

(j) The fee to be paid for an interim permit shall be fixed by the board at not less than one hundred dollars ($100) nor more than two hundred fifty dollars ($250).

(k) The fee to be paid for a temporary license shall be fixed by the board at not less than one hundred dollars ($100) nor more than two hundred fifty dollars ($250).

(l) The fee to be paid for processing endorsement papers to other states shall be fixed by the board at not less than one hundred dollars ($100) nor more than two hundred dollars ($200).

(m) The fee to be paid for a certified copy of a school transcript shall be fixed by the board at not less than fifty dollars ($50) nor more than one hundred dollars ($100).

(n)(1) The fee to be paid for a duplicate pocket license shall be fixed by the board at not less than fifty dollars ($50) nor more than seventy-five dollars ($75).

(2) The fee to be paid for a duplicate wall certificate shall be fixed by the board at not less than sixty dollars ($60) nor more than one hundred dollars ($100).

(o)(1) The fee to be paid by a registered nurse for an evaluation of his or her qualifications to use the title "nurse practitioner" shall be fixed by the board at not less than five hundred dollars ($500) nor more than one thousand five hundred dollars ($1,500).

(2) The fee to be paid by a registered nurse for a temporary certificate to practice as a nurse practitioner shall be fixed by the board at not less than one hundred fifty dollars ($150) nor more than five hundred dollars ($500).

(3) The fee to be paid upon the filing of an application for renewal of a certificate to practice as a nurse practitioner shall be not less than one hundred fifty dollars ($150) nor more than one thousand dollars ($1,000).

(4) The penalty fee for failure to renew a certificate to practice as a nurse practitioner within the prescribed time shall be not less than seventy-five dollars ($75) nor more than five hundred dollars ($500).

(p) The fee to be paid by a registered nurse for listing as a "psychiatric mental health nurse" shall be fixed by the board at not less than three hundred fifty dollars ($350) nor more than seven hundred fifty dollars ($750).

(q) The fee to be paid for duplicate National Council Licensure Examination for registered nurses (NCLEX-RN) examination results shall be not less than sixty dollars ($60) nor more than one hundred dollars ($100).

(r) The fee to be paid for a letter certifying a license shall be not less than twenty dollars ($20) nor more than thirty dollars ($30).

No further fee shall be required for a license or a renewal thereof other than as prescribed by this chapter.

~~SEC. 19.~~*SEC. 18.* Section 2815.5 of the Business and Professions Code is amended to read:

2815.5. The amount of the fees prescribed by this chapter in connection with the issuance of certificates as nurse-midwives is that fixed by the following schedule:

(a) The fee to be paid upon the filing of an application for a certificate shall be fixed by the board at not less than five hundred dollars ($500) nor more than one thousand five hundred dollars ($1,500).

(b) The biennial fee to be paid upon the application for a renewal of a certificate shall be fixed by the board at not less than one hundred fifty dollars ($150) nor more than one thousand dollars ($1,000).

(c) The penalty fee for failure to renew a certificate within the prescribed time shall be 50 percent of the renewal fee in effect on the date of the renewal of the license, but not less than seventy-five dollars ($75) nor more than five hundred dollars ($500).

(d) The fee to be paid upon the filing of an application for the nurse-midwife equivalency examination shall be fixed by the board at not less than one hundred dollars ($100) nor more than two hundred dollars ($200).

(e) The fee to be paid for a temporary certificate shall be fixed by the board at not less than one hundred fifty dollars ($150) nor more than five hundred dollars ($500).

~~SEC. 20.~~*SEC. 19.* Section 2816 of the Business and Professions Code is amended to read:

2816. The nonrefundable fee to be paid by a registered nurse for an evaluation of his or her qualifications to use the title "public health nurse" shall be equal to the fees set out in subdivision (o) of Section 2815. The fee to be paid upon the application for renewal of the certificate to practice as a public health nurse shall be fixed by the board at not less than one hundred twenty-five dollars ($125) and not more than five hundred dollars ($500). All fees payable under this section shall be collected by and paid to the Registered Nursing Fund. It is the intention of the Legislature that the costs of carrying out the purposes of this article shall be covered by the revenue collected pursuant to this section.

~~SEC. 21.~~*SEC. 20.* Section 2830.7 of the Business and Professions Code is amended to read:

2830.7. The amount of the fees prescribed by this chapter in connection with the issuance of certificates as nurse anesthetists is that fixed by the following schedule:

(a) The fee to be paid upon the filing of an application for a certificate shall be fixed by the board at not less than five hundred dollars ($500) nor more than one thousand five hundred dollars ($1,500).

(b) The biennial fee to be paid upon the application for a renewal of a certificate shall be fixed by the board at not less than one hundred fifty dollars ($150) nor more than one thousand dollars ($1,000).

(c) The penalty fee for failure to renew a certificate within the prescribed time shall be 50 percent of the renewal fee in effect on the date of the renewal of the license, but not less than seventy-five dollars ($75) nor more than five hundred dollars ($500).

(d) The fee to be paid for a temporary certificate shall be fixed by the board at not less than one hundred fifty dollars ($150) nor more than five hundred dollars ($500).

~~SEC. 22.~~*SEC. 21.* Section 2836.3 of the Business and Professions Code is amended to read:

2836.3.(a) The furnishing of drugs or devices by nurse practitioners is conditional on issuance by the board of a number to the nurse applicant who has successfully

completed the requirements of subdivision (g) of Section 2836.1. The number shall be included on all transmittals of orders for drugs or devices by the nurse practitioner. The board shall make the list of numbers issued available to the Board of Pharmacy. The board may charge the applicant a fee to cover all necessary costs to implement this section, that shall be not less than four hundred dollars ($400) nor more than one thousand five hundred dollars ($1,500) for an initial application, nor less than one hundred fifty dollars ($150) nor more than one thousand dollars ($1,000) for an application for renewal. The board may charge a penalty fee for failure to renew a furnishing number within the prescribed time that shall be not less than seventy-five dollars ($75) nor more than five hundred dollars ($500).

(b) The number shall be renewable at the time of the applicant's registered nurse license renewal.

(c) The board may revoke, suspend, or deny issuance of the numbers for incompetence or gross negligence in the performance of functions specified in Sections 2836.1 and 2836.2.

~~SEC. 23.~~*SEC. 22.* Section 2838.2 of the Business and Professions Code is amended to read:

2838.2.(a) A clinical nurse specialist is a registered nurse with advanced education, who participates in expert clinical practice, education, research, consultation, and clinical leadership as the major components of his or her role.

(b) The board may establish categories of clinical nurse specialists and the standards required to be met for nurses to hold themselves out as clinical nurse specialists in each category. The standards shall take into account the types of advanced levels of nursing practice that are or may be performed and the clinical and didactic education, experience, or both needed to practice safety at those levels. In setting the standards, the board shall consult with clinical nurse specialists, physicians and surgeons appointed by the Medical Board with expertise with clinical nurse specialists, and health care organizations that utilize clinical nurse specialists.

(c) A registered nurse who meets one of the following requirements may apply to become a clinical nurse specialist:

(1) Possession of a master's degree in a clinical field of nursing.

(2) Possession of a master's degree in a clinical field related to nursing with course work in the components referred to in subdivision (a).

(3) On or before July 1, 1998, meets the following requirements:

(A) Current licensure as a registered nurse.

(B) Performs the role of a clinical nurse specialist as described in subdivision (a).

(C) Meets any other criteria established by the board.

(d)(1) A nonrefundable fee of not less than five hundred dollars ($500), but not to exceed one thousand five hundred dollars ($1,500) shall be paid by a registered nurse applying to be a clinical nurse specialist for the evaluation of his or her qualifications to use the title "clinical nurse specialist."

(2) The fee to be paid for a temporary certificate to practice as a clinical nurse specialist shall be not less than thirty dollars ($30) nor more than fifty dollars ($50).

(3) A biennial renewal fee shall be paid upon submission of an application to renew the clinical nurse specialist certificate and shall be established by the board at no less than one hundred fifty dollars ($150) and no more than one thousand dollars ($1,000).

(4) The penalty fee for failure to renew a certificate within the prescribed time shall be 50 percent of the renewal fee in effect on the date of the renewal of the

license, but not less than seventy-five dollars ($75) nor more than five hundred dollars ($500).

(5) The fees authorized by this subdivision shall not exceed the amount necessary to cover the costs to the board to administer this section.

~~SEC. 24.~~*SEC. 23.* Section 4128.2 of the Business and Professions Code is amended to read:

4128.2.(a) In addition to the pharmacy license requirement described in Section 4110, a centralized hospital packaging pharmacy shall obtain a specialty license from the board prior to engaging in the functions described in Section 4128.

(b) An applicant seeking a specialty license pursuant to this article shall apply to the board on forms established by the board.

(c) Before issuing the specialty license, the board shall inspect the pharmacy and ensure that the pharmacy is in compliance with this article and regulations established by the board.

(d) A license to perform the functions described in Section 4128 may only be issued to a pharmacy that is licensed by the board as a hospital pharmacy.

(e) A license issued pursuant to this article shall be renewed annually and is not transferrable.

(f) An applicant seeking renewal of a specialty license shall apply to the board on forms established by the board.

(g) A license to perform the functions described in Section 4128 shall not be renewed until the pharmacy has been inspected by the board and found to be in compliance with this article and regulations established by the board.

~~SEC. 25.~~*SEC. 24.* Section 4400 of the Business and Professions Code is amended to read:

4400. The amount of fees and penalties prescribed by this chapter, except as otherwise provided, is that fixed by the board according to the following schedule:

(a) The fee for a nongovernmental pharmacy license shall be four hundred dollars ($400) and may be increased to five hundred twenty dollars ($520). The fee for the issuance of a temporary nongovernmental pharmacy permit shall be two hundred fifty dollars ($250) and may be increased to three hundred twenty-five dollars ($325).

(b) The fee for a nongovernmental pharmacy license annual renewal shall be two hundred fifty dollars ($250) and may be increased to three hundred twenty-five dollars ($325).

(c) The fee for the pharmacist application and examination shall be two hundred dollars ($200) and may be increased to two hundred sixty dollars ($260).

(d) The fee for regrading an examination shall be ninety dollars ($90) and may be increased to one hundred fifteen dollars ($115). If an error in grading is found and the applicant passes the examination, the regrading fee shall be refunded.

(e) The fee for a pharmacist license and biennial renewal shall be one hundred fifty dollars ($150) and may be increased to one hundred ninety-five dollars ($195).

(f) The fee for a nongovernmental wholesaler or third-party logistics provider license and annual renewal shall be seven hundred eighty dollars ($780) and may be decreased to no less than six hundred dollars ($600). The application fee for any additional location after licensure of the first 20 locations shall be three hundred dollars ($300) and may be decreased to no less than two hundred twenty-five dollars ($225). A temporary license fee shall be seven hundred fifteen dollars ($715) and may be decreased to no less than five hundred fifty dollars ($550).

(g) The fee for a hypodermic license and renewal shall be one hundred twenty-five dollars ($125) and may be increased to one hundred sixty-five dollars ($165).

(h) (1) The fee for application, investigation, and issuance of a license as a designated representative pursuant to Section 4053, or as a designated representative-3PL pursuant to Section 4053.1, shall be three hundred thirty dollars ($330) and may be decreased to no less than two hundred fifty-five dollars ($255).

(2) The fee for the annual renewal of a license as a designated representative or designated representative-3PL shall be one hundred ninety-five dollars ($195) and may be decreased to no less than one hundred fifty dollars ($150).

(i) (1) The fee for the application, investigation, and issuance of a license as a designated representative for a veterinary food-animal drug retailer pursuant to Section 4053 shall be three hundred thirty dollars ($330) and may be decreased to no less than two hundred fifty-five dollars ($255).

(2) The fee for the annual renewal of a license as a designated representative for a veterinary food-animal drug retailer shall be one hundred ninety-five dollars ($195) and may be decreased to no less than one hundred fifty dollars ($150).

(j)(1) The application fee for a nonresident wholesaler or third-party logistics provider license issued pursuant to Section 4161 shall be seven hundred eighty dollars ($780) and may be decreased to no less than six hundred dollars ($600).

(2) For nonresident wholesalers or third-party logistics providers that have 21 or more facilities operating nationwide the application fees for the first 20 locations shall be seven hundred eighty dollars ($780) and may be decreased to no less than six hundred dollars ($600). The application fee for any additional location after licensure of the first 20 locations shall be three hundred dollars ($300) and may be decreased to no less than two hundred twenty-five dollars ($225). A temporary license fee shall be seven hundred fifteen dollars ($715) and may be decreased to no less than five hundred fifty dollars ($550).

(3) The annual renewal fee for a nonresident wholesaler license or third-party logistics provider license issued pursuant to Section 4161 shall be seven hundred eighty dollars ($780) and may be decreased to no less than six hundred dollars ($600).

(k) The fee for evaluation of continuing education courses for accreditation shall be set by the board at an amount not to exceed forty dollars ($40) per course hour.

(l) The fee for an intern pharmacist license shall be ninety dollars ($90) and may be increased to one hundred fifteen dollars ($115). The fee for transfer of intern hours or verification of licensure to another state shall be twenty-five dollars ($25) and may be increased to thirty dollars ($30).

(m) The board may waive or refund the additional fee for the issuance of a license where the license is issued less than 45 days before the next regular renewal date.

(n) The fee for the reissuance of any license, or renewal thereof, that has been lost or destroyed or reissued due to a name change shall be thirty-five dollars ($35) and may be increased to forty-five dollars ($45).

(o) The fee for the reissuance of any license, or renewal thereof, that must be reissued because of a change in the information, shall be one hundred dollars ($100) and may be increased to one hundred thirty dollars ($130).

(p) It is the intent of the Legislature that, in setting fees pursuant to this section, the board shall seek to maintain a reserve in the Pharmacy Board Contingent Fund equal to approximately one year's operating expenditures.

(q) The fee for any applicant for a nongovernmental clinic license shall be four hundred dollars ($400) and may be increased to five hundred twenty dollars ($520) for each license. The annual fee for renewal of the license shall be two hundred fifty dollars

($250) and may be increased to three hundred twenty-five dollars ($325) for each license.

(r) The fee for the issuance of a pharmacy technician license shall be eighty dollars ($80) and may be increased to one hundred five dollars ($105). The fee for renewal of a pharmacy technician license shall be one hundred dollars ($100) and may be increased to one hundred thirty dollars ($130).

(s) The fee for a veterinary food-animal drug retailer license shall be four hundred five dollars ($405) and may be increased to four hundred twenty-five dollars ($425). The annual renewal fee for a veterinary food-animal drug retailer license shall be two hundred fifty dollars ($250) and may be increased to three hundred twenty-five dollars ($325).

(t) The fee for issuance of a retired license pursuant to Section 4200.5 shall be thirty-five dollars ($35) and may be increased to forty-five dollars ($45).

(u) The fee for issuance or renewal of a nongovernmental sterile compounding pharmacy license shall be six hundred dollars ($600) and may be increased to seven hundred eighty dollars ($780). The fee for a temporary license shall be five hundred fifty dollars ($550) and may be increased to seven hundred fifteen dollars ($715).

(v) The fee for the issuance or renewal of a nonresident sterile compounding pharmacy license shall be seven hundred eighty dollars ($780). In addition to paying that application fee, the nonresident sterile compounding pharmacy shall deposit, when submitting the application, a reasonable amount, as determined by the board, necessary to cover the board's estimated cost of performing the inspection required by Section 4127.2. If the required deposit is not submitted with the application, the application shall be deemed to be incomplete. If the actual cost of the inspection exceeds the amount deposited, the board shall provide to the applicant a written invoice for the remaining amount and shall not take action on the application until the full amount has been paid to the board. If the amount deposited exceeds the amount of actual and necessary costs incurred, the board shall remit the difference to the applicant.

(w) This section shall become inoperative on July 1, 2017, and as of January 1, 2018, is repealed.

~~SEC. 26.~~*SEC. 25.* Section 4400 is added to the Business and Professions Code, to read:

4400. The amount of fees and penalties prescribed by this chapter, except as otherwise provided, is that fixed by the board according to the following schedule:

(a) The fee for a nongovernmental pharmacy license shall be five hundred twenty dollars ($520) and may be increased to five hundred seventy dollars ($570). The fee for the issuance of a temporary nongovernmental pharmacy permit shall be two hundred fifty dollars ($250) and may be increased to three hundred twenty-five dollars ($325).

(b) The fee for a nongovernmental pharmacy license annual renewal shall be six hundred sixty-five dollars ($665) and may be increased to nine hundred thirty dollars ($930).

(c) The fee for the pharmacist application and examination shall be two hundred sixty dollars ($260) and may be increased to two hundred eighty-five dollars ($285).

(d) The fee for regrading an examination shall be ninety dollars ($90) and may be increased to one hundred fifteen dollars ($115). If an error in grading is found and the applicant passes the examination, the regrading fee shall be refunded.

(e) The fee for a pharmacist license shall be one hundred ninety-five dollars ($195) and may be increased to two hundred fifteen dollars ($215). The fee for a pharmacist

biennial renewal shall be three hundred sixty dollars ($360) and may be increased to five hundred five dollars ($505).

(f) The fee for a nongovernmental wholesaler or third-party logistics provider license and annual renewal shall be seven hundred eighty dollars ($780) and may be increased to eight hundred twenty dollars ($820). The application fee for any additional location after licensure of the first 20 locations shall be three hundred dollars ($300) and may be decreased to no less than two hundred twenty-five dollars ($225). A temporary license fee shall be seven hundred fifteen dollars ($715) and may be decreased to no less than five hundred fifty dollars ($550).

(g) The fee for a hypodermic license shall be one hundred seventy dollars ($170) and may be increased to two hundred forty dollars ($240). The fee for a hypodermic license renewal shall be two hundred dollars ($200) and may be increased to two hundred eighty dollars ($280).

(h)(1) The fee for application, investigation, and issuance of a license as a designated representative pursuant to Section 4053, or as a designated representative-3PL pursuant to Section 4053.1, shall be one hundred fifty dollars ($150) and may be increased to two hundred ten dollars ($210).

(2) The fee for the annual renewal of a license as a designated representative or designated representative-3PL shall be two hundred fifteen dollars ($215) and may be increased to three hundred dollars ($300).

(i)(1) The fee for the application, investigation, and issuance of a license as a designated representative for a veterinary food-animal drug retailer pursuant to Section 4053 shall be one hundred fifty dollars ($150) and may be increased to two hundred ten dollars ($210).

(2) The fee for the annual renewal of a license as a designated representative for a veterinary food-animal drug retailer shall be two hundred fifteen dollars ($215) and may be increased to three hundred dollars ($300).

(j)(1) The application fee for a nonresident wholesaler or third-party logistics provider license issued pursuant to Section 4161 shall be seven hundred eighty dollars ($780) and may be increased to eight hundred twenty dollars ($820).

(2) For nonresident wholesalers or third-party logistics providers that have 21 or more facilities operating nationwide the application fees for the first 20 locations shall be seven hundred eighty dollars ($780) and may be increased to eight hundred twenty dollars ($820). The application fee for any additional location after licensure of the first 20 locations shall be three hundred dollars ($300) and may be decreased to no less than two hundred twenty-five dollars ($225). A temporary license fee shall be seven hundred fifteen dollars ($715) and may be decreased to no less than five hundred fifty dollars ($550).

(3) The annual renewal fee for a nonresident wholesaler license or third-party logistics provider license issued pursuant to Section 4161 shall be seven hundred eighty dollars ($780) and may be increased to eight hundred twenty dollars ($820).

(k) The fee for evaluation of continuing education courses for accreditation shall be set by the board at an amount not to exceed forty dollars ($40) per course hour.

(l) The fee for an intern pharmacist license shall be one hundred sixty-five dollars ($165) and may be increased to two hundred thirty dollars ($230). The fee for transfer of intern hours or verification of licensure to another state shall be twenty-five dollars ($25) and may be increased to thirty dollars ($30).

(m) The board may waive or refund the additional fee for the issuance of a license where the license is issued less than 45 days before the next regular renewal date.

(n) The fee for the reissuance of any license, or renewal thereof, that has been lost or destroyed or reissued due to a name change shall be thirty-five dollars ($35) and may be increased to forty-five dollars ($45).

(o) The fee for the reissuance of any license, or renewal thereof, that must be reissued because of a change in the information, shall be one hundred dollars ($100) and may be increased to one hundred thirty dollars ($130).

(p) It is the intent of the Legislature that, in setting fees pursuant to this section, the board shall seek to maintain a reserve in the Pharmacy Board Contingent Fund equal to approximately one year's operating expenditures.

(q) The fee for any applicant for a nongovernmental clinic license shall be five hundred twenty dollars ($520) for each license and may be increased to five hundred seventy dollars ($570). The annual fee for renewal of the license shall be three hundred twenty-five dollars ($325) for each license and may be increased to three hundred sixty dollars ($360).

(r) The fee for the issuance of a pharmacy technician license shall be one hundred forty dollars ($140) and may be increased to one hundred ninety-five dollars ($195). The fee for renewal of a pharmacy technician license shall be one hundred forty dollars ($140) and may be increased to one hundred ninety-five dollars ($195).

(s) The fee for a veterinary food-animal drug retailer license shall be four hundred thirty-five dollars ($435) and may be increased to six hundred ten dollars ($610). The annual renewal fee for a veterinary food-animal drug retailer license shall be three hundred thirty dollars ($330) and may be increased to four hundred sixty dollars ($460).

(t) The fee for issuance of a retired license pursuant to Section 4200.5 shall be thirty-five dollars ($35) and may be increased to forty-five dollars ($45).

(u) The fee for issuance of a nongovernmental sterile compounding pharmacy license shall be one thousand six hundred forty-five dollars ($1,645) and may be increased to two thousand three hundred five dollars ($2,305). The fee for a temporary license shall be five hundred fifty dollars ($550) and may be increased to seven hundred fifteen dollars ($715). The annual renewal fee of the license shall be one thousand three hundred twenty-five dollars ($1,325) and may be increased to one thousand eight hundred fifty-five dollars ($1,855).

(v) The fee for the issuance of a nonresident sterile compounding pharmacy license shall be two thousand three hundred eighty dollars ($2,380) and may be increased to three thousand three hundred thirty-five dollars ($3,335). The annual renewal of the license shall be two thousand two hundred seventy dollars ($2,270) and may be increased to three thousand one hundred eighty dollars ($3,180). In addition to paying that application fee, the nonresident sterile compounding pharmacy shall deposit, when submitting the application, a reasonable amount, as determined by the board, necessary to cover the board's estimated cost of performing the inspection required by Section 4127.2. If the required deposit is not submitted with the application, the application shall be deemed to be incomplete. If the actual cost of the inspection exceeds the amount deposited, the board shall provide to the applicant a written invoice for the remaining amount and shall not take action on the application until the full amount has been paid to the board. If the amount deposited exceeds the amount of actual and necessary costs incurred, the board shall remit the difference to the applicant.

(w) The fee for the issuance of a centralized hospital packaging license shall be eight hundred twenty dollars ($820) and may be increased to one thousand one hundred fifty dollars ($1,150). The annual renewal of the license shall be eight hundred five dollars ($805) and may be increased to one thousand one hundred twenty-five dollars ($1,125).

(x) This section shall become operative on July 1, 2017.

~~SEC. 27.Chapter 15 (commencing with Section 4999) of Division 2 of the Business and Professions Code is repealed.~~

SEC. 26. Section 4999 of the Business and Professions Code is amended to read:

4999. ~~(a)Any~~ *"Telephone medical advice service" means any* business entity that employs, or contracts or subcontracts, directly or indirectly, with, the full-time equivalent of five or more persons functioning as health care professionals, whose primary function is to provide telephone medical advice, that provides telephone medical advice services to a patient at a California ~~address shall be registered with the Telephone Medical Advice Services Bureau.~~

~~(b)~~A *address. "Telephone medical advice service" does not include a* medical group that operates in multiple locations in California ~~shall not be required to register pursuant to this section~~ if no more than five full-time equivalent persons at any one location perform telephone medical advice services and those persons limit the telephone medical advice services to patients being treated at that location.

~~(c)Protection of the public shall be the highest priority for the bureau in exercising its registration, regulatory, and disciplinary functions. Whenever the protection of the public is inconsistent with other interests sought to be promoted, the protection of the public shall be paramount.~~

SEC. 27. Section 4999.1 of the Business and Professions Code is repealed.

~~4999.1. Application for registration as a telephone medical advice service shall be made on a form prescribed by the department, accompanied by the fee prescribed pursuant to Section 4999.5. The department shall make application forms available. Applications shall contain all of the following:~~

~~(a)The signature of the individual owner of the telephone medical advice service, or of all of the partners if the service is a partnership, or of the president or secretary if the service is a corporation. The signature shall be accompanied by a resolution or other written communication identifying the individual whose signature is on the form as owner, partner, president, or secretary.~~

~~(b)The name under which the person applying for the telephone medical advice service proposes to do business.~~

~~(c)The physical address, mailing address, and telephone number of the business entity.~~

~~(d)The designation, including the name and physical address, of an agent for service of process in California.~~

~~(e)A list of all health care professionals providing medical advice services that are required to be licensed, registered, or certified pursuant to this chapter. This list shall be submitted to the department on a form to be prescribed by the department and shall include, but not be limited to, the name, state of licensure, type of license, and license number.~~

~~(f)The department shall be notified within 30 days of any change of name, physical location, mailing address, or telephone number of any business, owner, partner, corporate officer, or agent for service of process in California, together with copies of all resolutions or other written communications that substantiate these changes.~~

SEC. 28. Section 4999.2 of the Business and Professions Code is amended to read:

4999.2. ~~(a)In order to obtain and maintain a registration, a~~ *A* telephone medical advice service shall ~~comply~~ *be responsible for complying* with the ~~requirements~~

~~established by the department. Those requirements shall include, but shall not be limited to, all of the following:~~ *following requirements:*

~~(1)(A)~~

(a)(1) Ensuring that all health care professionals who provide medical advice services are appropriately licensed, certified, or registered as a physician and surgeon pursuant to Chapter 5 (commencing with Section 2000) or the Osteopathic Initiative Act, as a dentist, dental hygienist, dental hygienist in alternative practice, or dental hygienist in extended functions pursuant to Chapter 4 (commencing with Section 1600), as an occupational therapist pursuant to Chapter 5.6 (commencing with Section 2570), as a registered nurse pursuant to Chapter 6 (commencing with Section 2700), as a psychologist pursuant to Chapter 6.6 (commencing with Section 2900), as a naturopathic doctor pursuant to Chapter 8.2 (commencing with Section 3610), as a marriage and family therapist pursuant to Chapter 13 (commencing with Section 4980), as a licensed clinical social worker pursuant to Chapter 14 (commencing with Section 4991), as a licensed professional clinical counselor pursuant to Chapter 16 (commencing with Section 4999.10), as an optometrist pursuant to Chapter 7 (commencing with Section 3000), or as a chiropractor pursuant to the Chiropractic Initiative Act, and operating consistent with the laws governing their respective scopes of practice in the state within which they provide telephone medical advice services, except as provided in ~~paragraph (2).~~ *subdivision (b).*

~~(B)~~

(2) Ensuring that all health care professionals who provide telephone medical advice services from an out-of-state location, as identified in ~~subparagraph (A),~~ *paragraph (1),* are licensed, registered, or certified in the state within which they are providing the telephone medical advice services and are operating consistent with the laws governing their respective scopes of practice.

~~(2)~~

(b) Ensuring that the telephone medical advice provided is consistent with good professional practice.

~~(3)~~

(c) Maintaining records of telephone medical advice services, including records of complaints, provided to patients in California for a period of at least five years.

~~(4)~~

(d) Ensuring that no staff member uses a title or designation when speaking to an enrollee, subscriber, or consumer that may cause a reasonable person to believe that the staff member is a licensed, certified, or registered health care professional described in ~~subparagraph (A) of paragraph (1),~~ *paragraph (1) of subdivision (a),* unless the staff member is a licensed, certified, or registered professional.

~~(5)~~

(e) Complying with all directions and requests for information made by the department.

~~(6)~~

(f) Notifying the department within 30 days of any change of name, physical location, mailing address, or telephone number of any business, owner, partner, corporate officer, or agent for service of process in California, together with copies of all resolutions or other written communications that substantiate these changes.

~~(7)Submitting quarterly reports, on a form prescribed by the department, to the department within 30 days of the end of each calendar quarter.~~

~~(b)To the extent permitted by Article VII of the California Constitution, the department may contract with a private nonprofit accrediting agency to evaluate the~~

~~qualifications of applicants for registration pursuant to this chapter and to make recommendations to the department.~~

SEC. 29. Section 4999.3 of the Business and Professions Code is repealed.

~~4999.3. (a)The department may suspend, revoke, or otherwise discipline a registrant or deny an application for registration as a telephone medical advice service based on any of the following:~~

~~(1)Incompetence, gross negligence, or repeated similar negligent acts performed by the registrant or any employee of the registrant.~~

~~(2)An act of dishonesty or fraud by the registrant or any employee of the registrant.~~

~~(3)The commission of any act, or being convicted of a crime, that constitutes grounds for denial or revocation of licensure pursuant to any provision of this division.~~

~~(b)The proceedings shall be conducted in accordance with Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code, and the department shall have all powers granted therein.~~

~~(c)Copies of any complaint against a telephone medical advice service shall be forwarded to the Department of Managed Health Care.~~

~~(d)The department shall forward a copy of any complaint submitted to the department pursuant to this chapter to the entity that issued the license to the licensee involved in the advice provided to the patient.~~

SEC. 30. Section 4999.4 of the Business and Professions Code is repealed.

~~4999.4.(a)Every registration issued to a telephone medical advice service shall expire 24 months after the initial date of issuance.~~

~~(b)To renew an unexpired registration, the registrant shall, before the time at which the registration would otherwise expire, pay the renewal fee authorized by Section 4999.5.~~

~~(c)An expired registration may be renewed at any time within three years after its expiration upon the filing of an application for renewal on a form prescribed by the bureau and the payment of all fees authorized by Section 4999.5. A registration that is not renewed within three years following its expiration shall not be renewed, restored, or reinstated thereafter, and the delinquent registration shall be canceled immediately upon expiration of the three-year period.~~

SEC. 31. Section 4999.5 of the Business and Professions Code is repealed.

~~4999.5. The department may set fees for registration and renewal as a telephone medical advice service sufficient to pay the costs of administration of this chapter.~~

SEC. 32. Section 4999.5 is added to the Business and Professions Code, to read:

4999.5. The respective healing arts licensing boards shall be responsible for enforcing this chapter and any other laws and regulations affecting California licensed health care professionals providing telephone medical advice services.

SEC. 33. Section 4999.6 of the Business and Professions Code is repealed.

~~4999.6. The department may adopt, amend, or repeal any rules and regulations that are reasonably necessary to carry out this chapter. A telephone medical advice services provider who provides telephone medical advice to a significant total number of charity or medically indigent patients may, at the discretion of the director, be exempt from the~~

~~fee requirements imposed by this chapter. However, those providers shall comply with all other provisions of this chapter.~~

~~SEC. 28.~~*SEC. 34.* Section 7137 of the Business and Professions Code is amended to read:

7137. The board shall set fees by regulation. These fees shall not exceed the following schedule:

(a)(1) The application fee for an original license in a single classification shall not be more than three hundred sixty dollars ($360).

(2) The application fee for each additional classification applied for in connection with an original license shall not be more than seventy-five dollars ($75).

(3) The application fee for each additional classification pursuant to Section 7059 shall not be more than three hundred dollars ($300).

(4) The application fee to replace a responsible managing officer, responsible managing manager, responsible managing member, or responsible managing employee pursuant to Section 7068.2 shall not be more than three hundred dollars ($300).

(5) The application fee to add personnel, other than a qualifying individual, to an existing license shall not be more than one hundred fifty dollars ($150).

(b) The fee for rescheduling an examination for an applicant who has applied for an original license, additional classification, a change of responsible managing officer, responsible managing manager, responsible managing member, or responsible managing employee, or for an asbestos certification or hazardous substance removal certification, shall not be more than sixty dollars ($60).

(c) The fee for scheduling or rescheduling an examination for a licensee who is required to take the examination as a condition of probation shall not be more than sixty dollars ($60).

(d) The initial license fee for an active or inactive license shall not be more than two hundred twenty dollars ($220).

(e) (1) The renewal fee for an active license shall not be more than four hundred thirty dollars ($430).

(2) The renewal fee for an inactive license shall not be more than two hundred twenty dollars ($220).

(f) The delinquency fee is an amount equal to 50 percent of the renewal fee, if the license is renewed after its expiration.

(g) The registration fee for a home improvement salesperson shall not be more than ninety dollars ($90).

(h) The renewal fee for a home improvement salesperson registration shall not be more than ninety dollars ($90).

(i) The application fee for an asbestos certification examination shall not be more than ninety dollars ($90).

(j) The application fee for a hazardous substance removal or remedial action certification examination shall not be more than ninety dollars ($90).

(k) In addition to any other fees charged to C-10 and C-7 contractors, the board may charge a fee not to exceed twenty dollars ($20), which shall be used by the board to enforce provisions of the Labor Code related to electrician certification.

(l) The board shall, by regulation, establish criteria for the approval of expedited processing of applications. Approved expedited processing of applications for licensure or registration, as required by other provisions of law, shall not be subject to this subdivision.

~~SEC. 29.~~*SEC. 35.* Section 7153.3 of the Business and Professions Code is amended to read:

7153.3.(a) To renew a home improvement salesperson registration, which has not expired, the registrant shall before the time at which the registration would otherwise expire, apply for renewal on a form prescribed by the registrar and pay a renewal fee prescribed by this chapter. Renewal of an unexpired registration shall continue the registration in effect for the two-year period following the expiration date of the registration, when it shall expire if it is not again renewed.

(b) An application for renewal of registration is delinquent if the application is not postmarked or received via electronic transmission as authorized by Section 7156.6 by the date on which the registration would otherwise expire. A registration may, however, still be renewed at any time within three years after its expiration upon the filing of an application for renewal on a form prescribed by the registrar and the payment of the renewal fee prescribed by this chapter and a delinquent renewal penalty equal to 50 percent of the renewal fee. If a registration is not renewed within three years, the person shall make a new application for registration pursuant to Section 7153.1.

(c) The registrar may refuse to renew a registration for failure by the registrant to complete the application for renewal of registration. If a registrant fails to return the application rejected for insufficiency or incompleteness within 90 days from the original date of rejection, the application and fee shall be deemed abandoned. Any application abandoned may not be reinstated. However, the person may file a new application for registration pursuant to Section 7153.1.

The registrar may review and accept the petition of a person who disputes the abandonment of his or her renewal application upon a showing of good cause. This petition shall be received within 90 days of the date the application for renewal is deemed abandoned.

~~SEC. 30.~~*SEC. 36.* Section 8031 of the Business and Professions Code is amended to read:

8031. The amount of the fees required by this chapter is that fixed by the board in accordance with the following schedule:

(a) The fee for filing an application for each examination shall be no more than forty dollars ($40).

(b) The fee for examination and reexamination for the written or practical part of the examination shall be in an amount fixed by the board, which shall be equal to the actual cost of preparing, administering, grading, and analyzing the examination, but shall not exceed seventy-five dollars ($75) for each separate part, for each administration.

(c) The initial certificate fee is an amount equal to the renewal fee in effect on the last regular renewal date before the date on which the certificate is issued, except that, if the certificate will expire less than 180 days after its issuance, then the fee is 50 percent of the renewal fee in effect on the last regular renewal date before the date on which the certificate is issued, or fifty dollars ($50), whichever is greater. The board may, by appropriate regulation, provide for the waiver or refund of the initial certificate fee where the certificate is issued less than 45 days before the date on which it will expire.

(d) By a resolution adopted by the board, a renewal fee may be established in such amounts and at such times as the board may deem appropriate to meet its operational expenses and funding responsibilities as set forth in this chapter. The renewal fee shall not be more than two hundred fifty dollars ($250) nor less than ten dollars ($10) annually, with the following exception:

Any person who is employed full time by the State of California as a hearing reporter and who does not otherwise render shorthand reporting services for a fee shall be exempt from licensure while in state employment and shall not be subject to the renewal fee provisions of this subdivision until 30 days after leaving state employment. The renewal fee shall, in addition to the amount fixed by this subdivision, include any unpaid fees required by this section plus any delinquency fee.

(e) The duplicate certificate fee shall be no greater than ten dollars ($10).

(f) The penalty for failure to notify the board of a change of name or address as required by Section 8024.6 shall be no greater than fifty dollars ($50).

~~SEC. 31.~~*SEC. 37.* Section 8516 of the Business and Professions Code is amended to read:

8516.(a) This section, and Section 8519, apply only to wood destroying pests or organisms.

(b) A registered company or licensee shall not commence work on a contract, or sign, issue, or deliver any documents expressing an opinion or statement relating to the absence or presence of wood destroying pests or organisms until an inspection has been made by a licensed Branch 3 field representative or operator employed by a registered company, except as provided in Section 8519.5. The address of each property inspected or upon which work is completed shall be reported on a form prescribed by the board and shall be filed with the board no later than 10 business days after the commencement of an inspection or upon completed work.

Every property inspected pursuant to this subdivision or Section 8518 shall be assessed a filing fee pursuant to Section 8674.

Failure of a registered company to report and file with the board the address of any property inspected or work completed pursuant to Section 8518 or this section is grounds for disciplinary action and shall subject the registered company to a fine of not more than two thousand five hundred dollars ($2,500). The address of an inspection report prepared for use by an attorney for litigation purposes shall not be required to be reported to the board and shall not be assessed a filing fee.

A written inspection report conforming to this section and a form approved by the board shall be prepared and delivered to the person requesting the inspection and the property owner, or to the property owner's designated agent, within 10 business days from the start of the inspection, except that an inspection report prepared for use by an attorney for litigation purposes is not required to be reported to the board or the property owner. An inspection report may be a complete, limited, supplemental, or reinspection report, as defined by Section 1993 of Title 16 of the California Code of Regulations. The report shall be delivered before work is commenced on any property. The registered company shall retain for three years all inspection reports, field notes, and activity forms.

Reports shall be made available for inspection and reproduction to the executive officer of the board or his or her duly authorized representative during business hours. All inspection reports or copies thereof shall be submitted to the board upon demand within two business days. The following shall be set forth in the report:

(1) The start date of the inspection and the name of the licensed field representative or operator making the inspection.

(2) The name and address of the person or firm ordering the report.

(3) The name and address of the property owner and any person who is a party in interest.

(4) The address or location of the property.

(5) A general description of the building or premises inspected.

(6) A foundation diagram or sketch of the structure or structures or portions of the structure or structures inspected, including the approximate location of any infested or infected areas evident, and the parts of the structure where conditions that would ordinarily subject those parts to attack by wood destroying pests or organisms exist. Reporting of the infested or infected wood members, or parts of the structure identified, shall be listed in the inspection report to clearly identify them, as is typical in standard construction components, including, but not limited to, siding, studs, rafters, floor joists, fascia, subfloor, sheathing, and trim boards.

(7) Information regarding the substructure, foundation walls and footings, porches, patios and steps, air vents, abutments, attic spaces, roof framing that includes the eaves, rafters, fascias, exposed timbers, exposed sheathing, ceiling joists, and attic walls, or other parts subject to attack by wood destroying pests or organisms. Conditions usually deemed likely to lead to infestation or infection, such as earth-wood contacts, excessive cellulose debris, faulty grade levels, excessive moisture conditions, evidence of roof leaks, and insufficient ventilation are to be reported.

(8) One of the following statements, as appropriate, printed in bold type:

(A) The exterior surface of the roof was not inspected. If you want the water tightness of the roof determined, you should contact a roofing contractor who is licensed by the Contractors' State License Board.

(B) The exterior surface of the roof was inspected to determine whether or not wood destroying pests or organisms are present.

(9) Indication or description of any areas that are inaccessible or not inspected with recommendation for further inspection if practicable. If, after the report has been made in compliance with this section, authority is given later to open inaccessible areas, a supplemental report on conditions in these areas shall be made.

(10) Recommendations for corrective measures.

(11) Information regarding the pesticide or pesticides to be used for their control or prevention as set forth in subdivision (a) of Section 8538.

(12) The inspection report shall clearly disclose that if requested by the person ordering the original report, a reinspection of the structure will be performed if an estimate or bid for making repairs was given with the original inspection report, or thereafter.

An estimate or bid shall be given separately allocating the costs to perform each and every recommendation for corrective measures as specified in subdivision (c) with the original inspection report if the person who ordered the original inspection report so requests, and if the registered company is regularly in the business of performing each corrective measure.

If no estimate or bid was given with the original inspection report, or thereafter, then the registered company shall not be required to perform a reinspection.

A reinspection shall be an inspection of those items previously listed on an original report to determine if the recommendations have been completed. Each reinspection shall be reported on an original inspection report form and shall be labeled "Reinspection." Each reinspection shall also identify the original report by date.

After four months from an original inspection, all inspections shall be original inspections and not reinspections.

Any reinspection shall be performed for not more than the price of the registered company's original inspection price and shall be completed within 10 business days after a reinspection has been ordered.

(13) The inspection report shall contain the following statement, printed in boldface type:

"NOTICE: Reports on this structure prepared by various registered companies should list the same findings (i.e. termite infestations, termite damage, fungus damage, etc.). However, recommendations to correct these findings may vary from company to company. You have a right to seek a second opinion from another company."

(c) At the time a report is ordered, the registered company or licensee shall inform the person or entity ordering the report, that a separate report is available pursuant to this subdivision. If a separate report is requested at the time the inspection report is ordered, the registered company or licensee shall separately identify on the report each recommendation for corrective measures as follows:

(1) The infestation or infection that is evident.

(2) The conditions that are present that are deemed likely to lead to infestation or infection.

If a registered company or licensee fails to inform as required by this subdivision and a dispute arises, or if any other dispute arises as to whether this subdivision has been complied with, a separate report shall be provided within 24 hours of the request but, in no event, later than the next business day, and at no additional cost.

(d) When a corrective condition is identified, either as paragraph (1) or (2) of subdivision (c), and the property owner or the property owner's designated agent chooses not to correct those conditions, the registered company or licensee shall not be liable for damages resulting from a failure to correct those conditions or subject to any disciplinary action by the board. Nothing in this subdivision, however, shall relieve a registered company or a licensee of any liability resulting from negligence, fraud, dishonest dealing, other violations pursuant to this chapter, or contractual obligations between the registered company or licensee and the responsible parties.

(e) The inspection report form prescribed by the board shall separately identify the infestation or infection that is evident and the conditions that are present that are deemed likely to lead to infestation or infection. If a separate form is requested, the form shall explain the infestation or infection that is evident and the conditions that are present that are deemed likely to lead to infestation or infection and the difference between those conditions. In no event, however, shall conditions deemed likely to lead to infestation or infection be characterized as actual "defects" or as actual "active" infestations or infections or in need of correction as a precondition to issuing a certification pursuant to Section 8519.

(f) The report and any contract entered into shall also state specifically when any guarantee for the work is made, and if so, the specific terms of the guarantee and the period of time for which the guarantee shall be in effect. If a guarantee extends beyond three years, the registered company shall maintain all original inspection reports, field notes, activity forms, and notices of completion for the duration of the guarantee period and for one year after the guarantee expires.

(g) For purposes of this section, "control service agreement" means an agreement, including extended warranties, to have a licensee conduct over a period of time regular inspections and other activities related to the control or eradication of wood destroying pests and organisms. Under a control service agreement a registered company shall refer to the original report and contract in a manner as to identify them clearly, and the report shall be assumed to be a true report of conditions as originally issued, except it may be modified after a control service inspection. A registered company is not required to issue a report as outlined in paragraphs (1) to (11), inclusive, of subdivision (b) after

each control service inspection. If after control service inspection, no modification of the original report is made in writing, then it will be assumed that conditions are as originally reported. A control service contract shall state specifically the particular wood destroying pests or organisms and the portions of the buildings or structures covered by the contract.

(h) A registered company or licensee may enter into and maintain a control service agreement provided the following requirements are met:

(1) The control service agreement shall be in writing, signed by both parties, and shall specifically include the following:

(A) The wood destroying pests and organisms covered by the control service agreement.

(B) Any wood destroying pest or organism that is not covered must be specifically listed.

(C) The type and manner of treatment to be used to correct the infestations or infections.

(D) The structures or buildings, or portions thereof, covered by the agreement, including a statement specifying whether the coverage for purposes of periodic inspections is limited or full. Any exclusions from those described in the original report must be specifically listed.

(E) A reference to the original inspection report.

(F) The frequency of the inspections to be provided, the fee to be charged for each renewal, and the duration of the agreement.

(G) Whether the fee includes structural repairs.

(H) If the services provided are guaranteed, and, if so, the terms of the guarantee.

(I) A statement that all corrections of infestations or infections covered by the control service agreement shall be completed within six months of discovery, unless otherwise agreed to in writing by both parties.

(2) The original inspection report, the control service agreement, and completion report shall be maintained for three years after the cancellation of the control service agreement.

(3) Inspections made pursuant to a control service agreement shall be conducted by a Branch 3 licensee. Section 8506.1 does not modify this provision.

(4) A full inspection of the property covered by the control service agreement shall be conducted and a report filed pursuant to subdivision (b) at least once every three years from the date that the agreement was entered into, unless the consumer cancels the contract within three years from the date the agreement was entered into.

(5) Under a control service agreement, a written report shall be required for the correction of any infestation or infection unless all of the following conditions are met:

(A) The infestation or infection has been previously reported.

(B) The infestation or infection is covered by the control service agreement.

(C) There is no additional charge for correcting the infestation or infection.

(D) Correction of the infestation or infection takes place within 45 days of its discovery.

(E) Correction of the infestation or infection does not include fumigation.

(6) All notice requirements pursuant to Section 8538 shall apply to all pesticide treatments conducted under control service agreements.

(i) All work recommended by a registered company, where an estimate or bid for making repairs was given with the original inspection report, or thereafter, shall be

recorded on this report or a separate work agreement and shall specify a price for each recommendation. This information shall be provided to the person requesting the inspection, and shall be retained by the registered company with the inspection report copy for three years.

~~SEC. 32.~~*SEC. 38.* Section 8518 of the Business and Professions Code is amended to read:

8518.(a) When a registered company completes work under a contract, it shall prepare, on a form prescribed by the board, a notice of work completed and not completed, and shall furnish that notice to the owner of the property or the owner's agent within 10 business days after completing the work. The notice shall include a statement of the cost of the completed work and estimated cost of work not completed.

(b) The address of each property inspected or upon which work was completed shall be reported on a form prescribed by the board and shall be filed with the board no later than 10 business days after completed work.

(c) A filing fee shall be assessed pursuant to Section 8674 for every property upon which work is completed.

(d) Failure of a registered company to report and file with the board the address of any property upon which work was completed pursuant to subdivision (b) of Section 8516 or this section is grounds for disciplinary action and shall subject the registered company to a fine of not more than two thousand five hundred dollars ($2,500).

(e) The registered company shall retain for three years all original notices of work completed, work not completed, and activity forms.

(f) Notices of work completed and not completed shall be made available for inspection and reproduction to the executive officer of the board or his or her duly authorized representative during business hours. Original notices of work completed or not completed or copies thereof shall be submitted to the board upon request within two business days.

(g) This section shall only apply to work relating to wood destroying pests or organisms.

~~SEC. 33.Section 1348.8 of the Health and Safety Code is repealed.~~

~~SEC. 34.Section 10279 of the Insurance Code is repealed.~~

SEC. 39. Section 1348.8 of the Health and Safety Code is amended to read:

1348.8.(a) A health care service plan that provides, operates, or contracts for telephone medical advice services to its enrollees and subscribers shall do all of the following:

(1) Ensure that the in-state or out-of-state telephone medical advice service ~~is registered pursuant to~~ *complies with the requirements of* Chapter 15 (commencing with Section 4999) of Division 2 of the Business and Professions Code.

(2) Ensure that the staff providing telephone medical advice services for the in-state or out-of-state telephone medical advice service are licensed as follows:

(A) For full service health care service plans, the staff hold a valid California license as a registered nurse or a valid license in the state within which they provide telephone medical advice services as a physician and surgeon or physician assistant, and are operating in compliance with the laws governing their respective scopes of practice.

(B) (i) For specialized health care service plans providing, operating, or contracting with a telephone medical advice service in California, the staff shall

be appropriately licensed, registered, or certified as a dentist pursuant to Chapter 4 (commencing with Section 1600) of Division 2 of the Business and Professions Code, as a dental hygienist pursuant to Article 7 (commencing with Section 1740) of Chapter 4 of Division 2 of the Business and Professions Code, as a physician and surgeon pursuant to Chapter 5 (commencing with Section 2000) of Division 2 of the Business and Professions Code or the Osteopathic Initiative Act, as a registered nurse pursuant to Chapter 6 (commencing with Section 2700) of Division 2 of the Business and Professions Code, as a psychologist pursuant to Chapter 6.6 (commencing with Section 2900) of Division 2 of the Business and Professions Code, as an optometrist pursuant to Chapter 7 (commencing with Section 3000) of Division 2 of the Business and Professions Code, as a marriage and family therapist pursuant to Chapter 13 (commencing with Section 4980) of Division 2 of the Business and Professions Code, as a licensed clinical social worker pursuant to Chapter 14 (commencing with Section 4991) of Division 2 of the Business and Professions Code, as a professional clinical counselor pursuant to Chapter 16 (commencing with Section 4999.10) of Division 2 of the Business and Professions Code, or as a chiropractor pursuant to the Chiropractic Initiative Act, and operating in compliance with the laws governing their respective scopes of practice.

(ii) For specialized health care service plans providing, operating, or contracting with an out-of-state telephone medical advice service, the staff shall be health care professionals, as identified in clause (i), who are licensed, registered, or certified in the state within which they are providing the telephone medical advice services and are operating in compliance with the laws governing their respective scopes of practice. All registered nurses providing telephone medical advice services to both in-state and out-of-state business entities registered pursuant to this chapter shall be licensed pursuant to Chapter 6 (commencing with Section 2700) of Division 2 of the Business and Professions Code.

(3) Ensure that every full service health care service plan provides for a physician and surgeon who is available on an on-call basis at all times the service is advertised to be available to enrollees and subscribers.

(4) Ensure that staff members handling enrollee or subscriber calls, who are not licensed, certified, or registered as required by paragraph (2), do not provide telephone medical advice. Those staff members may ask questions on behalf of a staff member who is licensed, certified, or registered as required by paragraph (2), in order to help ascertain the condition of an enrollee or subscriber so that the enrollee or subscriber can be referred to licensed staff. However, under no circumstances shall those staff members use the answers to those questions in an attempt to assess, evaluate, advise, or make any decision regarding the condition of an enrollee or subscriber or determine when an enrollee or subscriber needs to be seen by a licensed medical professional.

(5) Ensure that no staff member uses a title or designation when speaking to an enrollee or subscriber that may cause a reasonable person to believe that the staff member is a licensed, certified, or registered professional described in Section 4999.2 of the Business and Professions Code unless the staff member is a licensed, certified, or registered professional.

(6) Ensure that the in-state or out-of-state telephone medical advice service designates an agent for service of process in California and files this designation with the director.

(7) Requires that the in-state or out-of-state telephone medical advice service makes and maintains records for a period of five years after the telephone medical advice services are provided, including, but not limited to, oral or written transcripts of all medical advice conversations with the health care service plan's enrollees or subscribers in California and copies of all complaints. If the records of telephone medical advice services are kept out of state, the health care service plan shall, upon the request of the director, provide the records to the director within 10 days of the request.

(8) Ensure that the telephone medical advice services are provided consistent with good professional practice.

(b) The director shall forward to the Department of Consumer Affairs, within 30 days of the end of each calendar quarter, data regarding complaints filed with the department concerning telephone medical advice services.

(c) For purposes of this section, "telephone medical advice" means a telephonic communication between a patient and a health care professional in which the health care professional's primary function is to provide to the patient a telephonic response to the patient's questions regarding his or her or a family member's medical care or treatment. "Telephone medical advice" includes assessment, evaluation, or advice provided to patients or their family members.

SEC. 40. Section 10279 of the Insurance Code is amended to read:

10279.(a) Every disability insurer that provides group or individual policies of disability, or both, that provides, operates, or contracts for, telephone medical advice services to its insureds shall do all of the following:

(1) Ensure that the in-state or out-of-state telephone medical advice service ~~is registered pursuant to~~ *complies with the requirements of* Chapter 15 (commencing with Section 4999) of Division 2 of the Business and Professions Code.

(2) Ensure that the staff providing telephone medical advice services for the in-state or out-of-state telephone medical advice service hold a valid California license as a registered nurse or a valid license in the state within which they provide telephone medical advice services as a physician and surgeon or physician assistant and are operating consistent with the laws governing their respective scopes of practice.

(3) Ensure that a physician and surgeon is available on an on-call basis at all times the service is advertised to be available to enrollees and subscribers.

(4) Ensure that the in-state or out-of-state telephone medical advice service designates an agent for service of process in California and files this designation with the commissioner.

(5) Require that the in-state or out-of-state telephone medical advice service makes and maintains records for a period of five years after the telephone medical advice services are provided, including, but not limited to, oral or written transcripts of all medical advice conversations with the disability insurer's insureds in California and copies of all complaints. If the records of telephone medical advice services are kept out of state, the insurer shall, upon the request of the director, provide the records to the director within 10 days of the request.

(6) Ensure that the telephone medical advice services are provided consistent with good professional practice.

(b) The commissioner shall forward to the Department of Consumer Affairs, within 30 days of the end of each calendar quarter, data regarding complaints filed with the department concerning telephone medical advice services.

~~SEC. 35.~~*SEC. 41.* No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.

AGENDA ITEM III – Report of the Executive Officer

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Agenda Description: Report on:

A. CRB Budget Report
B. Transcript Reimbursement Fund
C. Exams

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Support Documents:

Attachment 1, Item A – Budget Report, FM 08 Projection 2015-16
Attachment 2, Item A – Fund Condition Analysis for Fund 0771, CRB
Attachment 3, Item B – Fund Condition Analysis for Fund 0410, TRF
Attachment 4, Item C – Historical Examination Pass Rates
Attachment 5, Item C – March 2016 Dictation Exam Statistics

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Fiscal Impact: None.

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Report Originator: Yvonne Fenner, 5/12/2016

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Recommended Board Action: (Informational)

COURT REPORTERS OF CALIFORNIA
BUDGET REPORT
FY 2015-16 EXPENDITURE PROJECTION
FM 09
Updated 4/27/2016

	FY 2014-15				FY 2015-16		
OBJECT DESCRIPTION	ACTUAL EXPENDITURES (MONTH 13)	PRIOR YEAR EXPENDITURES FM 09	Governor's Budget 2015-16	CURRENT YEAR EXPENDITURES FM 09	PERCENT SPENT	PROJECTIONS TO YEAR END	UNENCUMBERED BALANCE
PERSONNEL SERVICES							
Civil Service - Perm	242,350	181,269	225,000	166,541	75%	**223,030**	1,970
Statutory Exempt (EO)	87,511	64,395	84,000	66,006	75%	**88,008**	(4,008)
Temp Help (907)	2,581	1,526	11,000	12,597	90%	**13,953**	(2,953)
Board Member Per Diem	3,700	2,600	8,000	1,600	42%	**3,800**	4,200
Overtime	9,357	6,392	6,000	6,441	75%	**8,588**	(2,588)
Staff Benefits	193,154	144,092	151,000	141,331	75%	187,365	(36,365)
TOTALS, PERSONNEL SVC	538,653	**400,274**	485,000	**394,516**	75%	**524,744**	(39,744)
OPERATING EXPENSE AND EQUIPMENT							
General Expense	4,716	1,822	0	(3,382)	139%	**(2,441)**	2,441
Fingerprint Reports	686	490	9,000	260	71%	**364**	8,636
Minor Equipment	1,251		3,000	0	0%	**3,000**	0
Printing (General)	1,230	1,174	0	1,132	75%	**1,509**	(1,509)
Communication	4,774	3,285	1,000	2,748	67%	**4,122**	(3,122)
Postage (General)	11,317	6,560	6,000	6,394	58%	**11,031**	(5,031)
Travel In State	19,382	15,034	23,000	16,844	75%	**22,459**	541
Training	0	0	2,000	0		**0**	2,000
Facilities Operations	43,690	43,395	29,000	43,403	99%	**43,698**	(14,698)
C & P Services - Interdept.	0	0	84,000	0		**0**	84,000
C & P Services - External (General)	0	0	27,000	3,452	75%	**4,603**	22,397
DEPARTMENTAL SERVICES:							
OIS Pro Rata	71,740	63,426	107,000	80,250	75%	**107,000**	0
Indirect Distributed	57,025	41,304	54,000	40,500	75%	**54,000**	0
IA with OPES	38,226	38,226	0	47,938		**47,938**	(47,938)
DOI-ProRata Internal	1,779	1,290	1,000	750	75%	**1,000**	0
Communication Pro	2,063	1,260	1,000	2,250	225%	**1,000**	0
PPRD Pro Rata	1,995	1,380	2,000	0	0%	**2,000**	0
INTERAGENCY SERVICES:							
Consolidated Data Center	59	27	3,000	29	29%	**100**	2,900
Data Processing	2,538	1,538	2,000	0	0%	**2,000**	0
Central Admin Svc-ProRata	36,375	27,281	47,000	35,173	75%	**47,000**	0
EXAM EXPENSES:							
Exam Rent - Non State	25,934	36,972	0	48,100	100%	**48,100**	(48,100)
Administrative - Ext	14,160	14,160	0	7,080		**7,080**	(7,080)
C/P Svcs-External Expert Examiners	19,749	14,702	39,000	12,620	74%	**16,952**	22,048
ENFORCEMENT:							
Attorney General	47,055	25,078	167,000	15,322	53%	**28,749**	138,251
Office Admin. Hearings	10,395	240	16,000	3,285	33%	**10,000**	6,000
Court Reporters Service	100		0	175		**175**	(175)
Evidence/Witness Fees	5,000	3,500	26,000	900		**2,000**	24,000
Major Equipment	0		0			**0**	0
Other Items of Expense	0	0	1,000	0		**1,000**	0
TOTALS, OE&E	421,239	342,144	650,000	365,223	79%	464,439	185,561
TOTAL EXPENSE	959,892	742,418	1,135,000	759,739	77%	989,183	145,817
Sched. Reimb. - Fingerprints	(490)		(17,000)	(343)		**(429)**	(16,571)
Sched. Reimb. - External/Private/Grant	(940)		(1,000)	(470)		**(627)**	(373)
Unsched. Reimb. - Inves Cost Recovery	(6,738)		0	(5,771)		**(7,697)**	7,697
NET APPROPRIATION	951,724	742,418	1,117,000	753,155	77%	**980,430**	**136,570**
					SURPLUS/(DEFICIT):		**12.2%**

0771 - Court Reporters Board
Analysis of Fund Condition

(Dollars in Thousands)

Updated
5/4/2016

2016-17 Governor's Budget			ACTUALS PY 2014-15	Budget Act CY 2015-16	Gov's Budget BY 2016-17
BEGINNING BALANCE			$ 1,133	$ 1,134	$ 950
Prior Year Adjustment			$ 3	$ -	$ -
Adjusted Beginning Balance			$ 1,136	$ 1,134	$ 950
REVENUES AND TRANSFERS					
Revenues:					
4129200	125600	Other regulatory fees	$ 10	$ -	$ -
4129400	125700	Other regulatory licenses and permits	$ 38	$ 39	$ 39
4127400	125800	Renewal fees	$ 881	$ 875	$ 869
	125900	Delinquent fees	$ 19	$ 18	$ 18
	150300	Income from surplus money investments	$ 3	$ 3	$ 2
	161400	Miscellaneous revenues	$ -	$ -	$ -
Totals, Revenues			$ 951	$ 935	$ 928
Totals, Resources			$ 2,087	$ 2,069	$ 1,878
EXPENDITURES					
Disbursements:					
1110 Program Expenditures (State Operations)			$ 952	$ 1,117	$ -
1111 Program Expenditures (State Operations)			$ -	$ -	$ 1,186
8880 Financial Information System for California (State Operat			$ 1	$ 2	$ 1
Total Disbursements			$ 953	$ 1,119	$ 1,187
FUND BALANCE					
Reserve for economic uncertainties			$ 1,134	$ 950	$ 691
Months in Reserve			12.2	9.6	6.8

NOTES:

A. ASSUMES WORKLOAD AND REVENUE PROJECTIONS ARE REALIZED IN BY+1 AND ON-GOING.
B. ASSUMES APPROPRIATION GROWTH OF 2% PER YEAR BEGINNING IN BY+1.
C. ASSUMES INTEREST RATE AT 0.3%.

0410 - Transcript Reimbursement Fund
Analysis of Fund Condition

(Dollars in Thousands)

Updated
5/4/2016

2016-17 Governor's Budget	Actuals PY 2014-15	Budget Act CY 2015-16	Gov's Budget BY 2016-17
BEGINNING BALANCE	$ 422	$ 209	$ 109
Prior Year Adjustment	$ 1	$ -	$ -
Adjusted Beginning Balance	$ 423	$ 209	$ 109
REVENUES AND TRANSFERS			
Revenues:			
125600 Other regulatory fees	$ -	$ -	$ -
125700 Other regulatory licenses and permits	$ -	$ -	$ -
125800 Renewal fees	$ -	$ -	$ -
125900 Delinquent fees	$ -	$ -	$ -
141200 Sales of documents	$ -	$ -	$ -
142500 Miscellaneous services to the public	$ -	$ -	$ -
150300 Income from surplus money investments	$ 1	$ 1	$ 1
160400 Sale of fixed assets	$ -	$ -	$ -
161000 Escheat of unclaimed checks and warrants	$ -	$ -	$ -
161400 Miscellaneous revenues	$ -	$ -	$ -
Totals, Revenues	$ 1	$ 1	$ 1
Transfers from Other Funds			
F00771			
Court Reporters Fund per B&P Code Section 8030.2	$ -	$ -	$ -
Totals, Revenues and Transfers	$ 1	$ 1	$ 1
Totals, Resources	$ 424	$ 210	$ 110
EXPENDITURES			
Disbursements:			
0840 State Controller (State Operations)	$ -	$ -	
1110 Program Expenditures (State Operations)	$ 215	$ 100	$ -
1111 Program Expenditures (State Operations)			$ 100
8880 Financial Information System for California (State Operations)		$ 1	$ -
Total Disbursements	$ 215	$ 101	$ 100
FUND BALANCE			
Reserve for economic uncertainties	$ 209	$ 109	$ 10
Months in Reserve	24.8	13.1	1.2

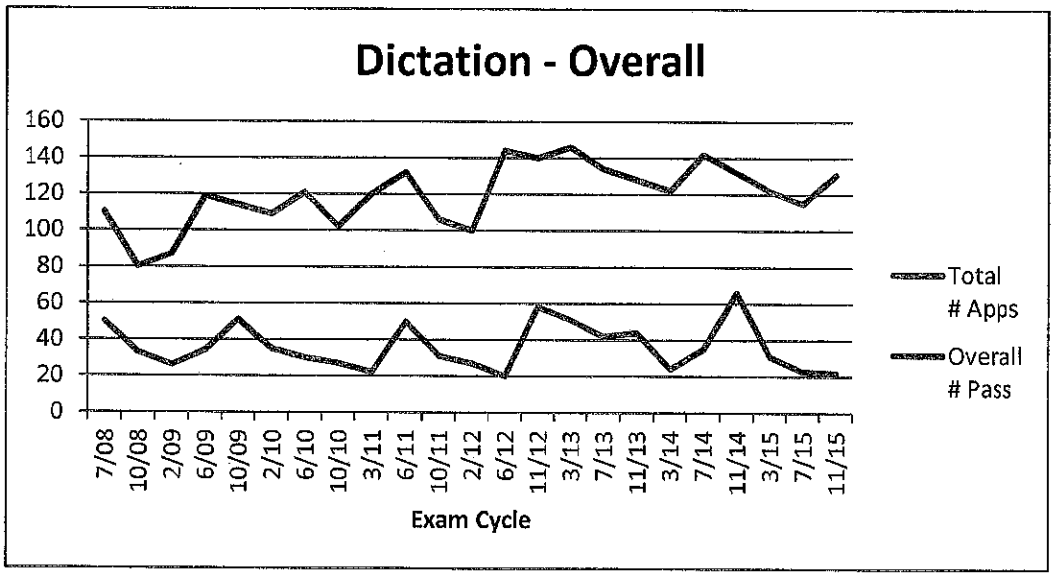
NOTES:

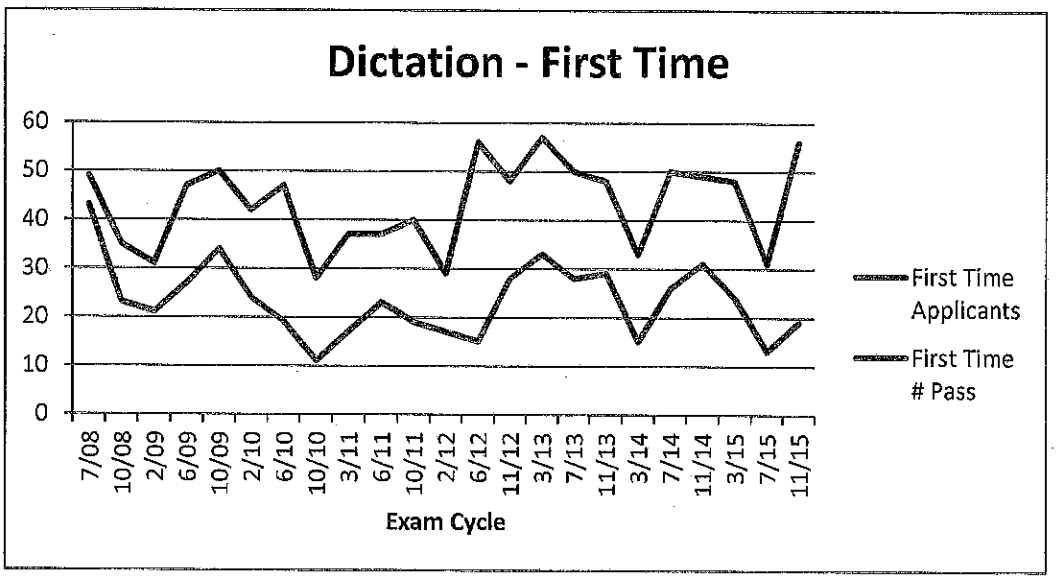
A. ASSUMES WORKLOAD AND REVENUE PROJECTIONS ARE REALIZED IN BY+1 AND ON-GOING.
B. ASSUMES APPROPRIATION GROWTH OF 2% PER YEAR BEGINNING IN BY+1.
C. ASSUMES INTEREST RATE AT 0.3%.

Dictation Exam

Exam Cycle	Total # Apps	Overall # Pass	Overall % Pass	First Time Applicants	First Time # Pass	First Time % Pass
Jul 2008	110	50	45.45%	49	43	87.76%
Oct 2008	80	33	41.25%	35	23	65.71%
Feb 2009	87	26	29.89%	31	21	67.74%
Jun 2009	119	34	28.57%	47	27	57.45%
Oct 2009	114	51	44.74%	50	34	68.00%
Feb 2010	109	35	32.11%	42	24	57.14%
Jun 2010	121	30	24.79%	47	19	40.43%
Oct 2010	102	27	26.47%	28	11	39.29%
Mar 2011	120	22	18.33%	37	17	45.95%
Jun 2011	132	50	37.88%	37	23	62.16%
Oct 2011	106	31	29.25%	40	19	47.50%
Feb 2012	100	27	27.00%	29	17	58.62%
Jun 2012	144	20	13.89%	56	15	26.79%
Nov 2012	140	58	41.40%	48	28	58.33%
Mar 2013	146	51	34.90%	57	33	57.90%
Jul 2013	134	42	31.30%	50	28	56.00%
Nov 2013	128	44	34.40%	48	29	60.40%
Mar 2014	122	24	19.70%	33	15	45.50%
Jul 2014	142	35	24.60%	50	26	52.00%
Nov 2014	132	66	50.0%	49	31	63.3%
March 2015	122	31	25.4%	48	24	50.0%
July 2015	115	23	20.0%	31	13	41.9%
Nov 2015	131	22	16.8%	56	19	33.9%

Dictation Exam

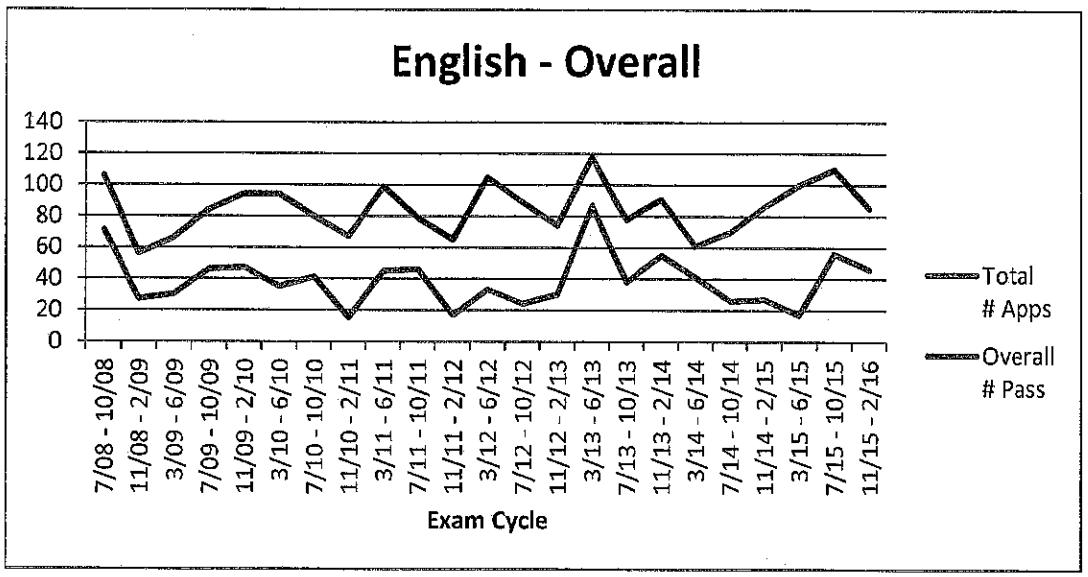


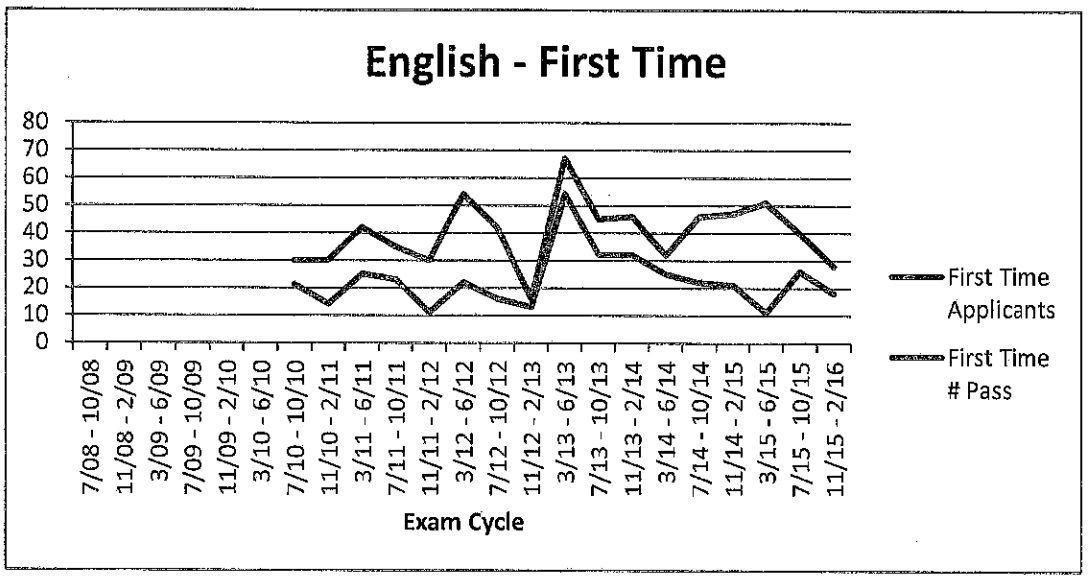


English Exam

Exam Cycle	Total # Apps	Overall # Pass	Overall % Pass	First Time Applicants	First Time # Pass	First Time % Pass
Jul 2008 - Oct 2008	106	71	65.7%			
Nov 2008 - Feb 2009	56	27	48.2%			
Mar 2009 - Jun 2009	66	30	45.5%			
Jul 2009 - Oct 2009	84	46	54.8%			
Nov 2009 - Feb 2010	94	47	50.0%			
Mar 2010 - Jun 2010	94	35	37.2%			
Jul 2010 - Oct 2010	80	41	51.3%	30	21	70.0%
Nov 2010 - Feb 2011	67	15	22.4%	30	14	46.7%
Mar 2011 - Jun 2011	99	45	45.5%	42	25	59.5%
Jul 2011 - Oct 2011	79	46	58.2%	35	23	65.7%
Nov 2011 - Feb 2012	65	17	26.2%	30	11	36.7%
Mar 2012 - Jun 2012	105	33	31.4%	54	22	40.7%
Jul 2012 - Oct 2012	89	24	27.0%	42	16	38.1%
Nov 2012 - Feb 2013	74	30	40.5%	16	13	81.3%
Mar 2013 - Jun 2013	118	87	73.7%	67	54	80.6%
Jul 2013 - Oct 2013	78	38	48.7%	45	32	71.1%
Nov 2013 - Feb 2014	91	55	60.4%	46	32	69.6%
Mar 2014 - Jun 2014	61	41	67.2%	32	25	78.1%
Jul 2014 - Oct 2014	70	26	37.1%	46	22	47.8%
Nov 2014 - Feb 2015	86	27	31.4%	47	21	44.7%
Mar 2015 - June 2015	100	17	17.0%	51	11	21.6%
Jul 2015 - Oct 2015	110	56	50.9%	40	26	65.0%
Nov 2015 - Feb 2016	85	46	54.1%	28	18	64.3%

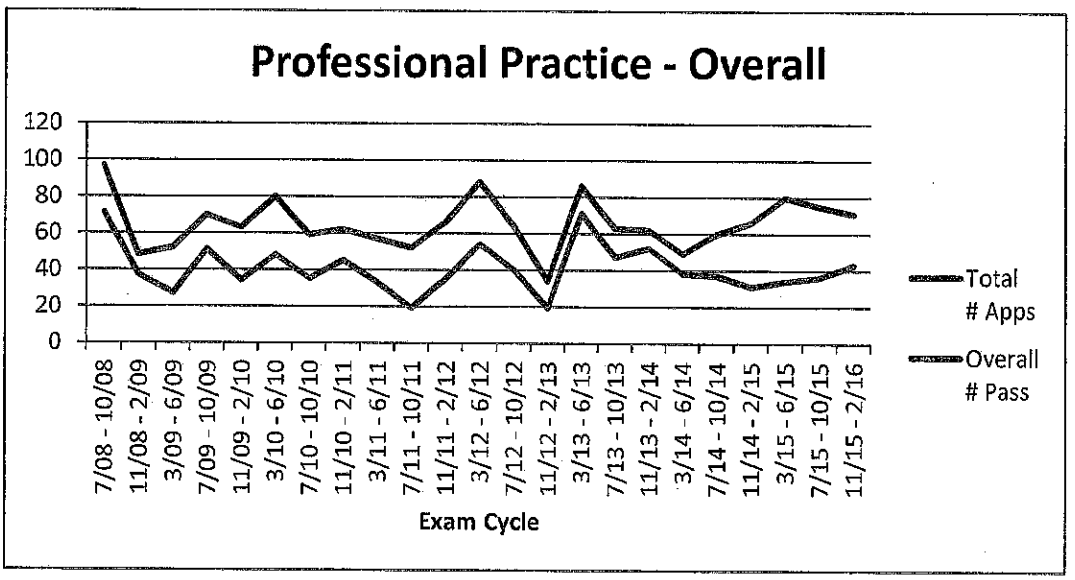
English Exam





Professional Practice Exam

Exam Cycle	Total # Apps	Overall # Pass	Overall % Pass	First Time Applicants	First Time # Pass	First Time % Pass
Jul 2008 - Oct 2008	97	71	73.2%			
Nov 2008 - Feb 2009	48	37	77.1%			
Mar 2009 - Jun 2009	52	27	51.9%			
Jul 2009 - Oct 2009	70	51	72.9%			
Nov 2009 - Feb 2010	63	34	54.0%			
Mar 2010 - Jun 2010	80	48	60.0%			
Jul 2010 - Oct 2010	59	35	59.3%	30	21	70.0%
Nov 2010 - Feb 2011	62	45	72.6%	37	33	89.2%
Mar 2011 - Jun 2011	57	33	57.9%	36	28	77.8%
Jul 2011 - Oct 2011	52	19	36.5%	30	14	46.7%
Nov 2011 - Feb 2012	66	35	53.0%	29	17	58.6%
Mar 2012 - Jun 2012	88	54	61.4%	55	34	61.8%
Jul 2012 - Oct 2012	64	40	62.5%	46	30	65.2%
Nov 2012 - Feb 2013	34	19	55.9%	13	10	76.9%
Mar 2013 - Jun 2013	86	71	82.6%	67	59	88.1%
Jul 2013 - Oct 2013	63	47	74.6%	40	33	82.5%
Nov 2013 - Feb 2014	62	52	83.9%	44	40	90.9%
Mar 2014 - Jun 2014	49	38	77.6%	35	29	82.9%
Jul 2014 - Oct 2014	60	37	61.7%	47	34	72.3%
Nov 2014 - Feb 2015	66	31	47.0%	49	27	55.1%
Mar 2015 - June 2015	80	34	42.5%	51	24	47.1%
Jul 2015 - Oct 2015	75	36	48.0%	39	23	59.0%
Nov 2015 - Feb 2016	71	43	60.6%	34	22	64.7%


Professional Practice - Overall
120
100
80
60
40
20
0
7/08 - 10/08
11/08 - 2/09
3/09 - 6/09
7/09 - 10/09
11/09 - 2/10
3/10 - 6/10
7/10 - 10/10
11/10 - 2/11
3/11 - 6/11
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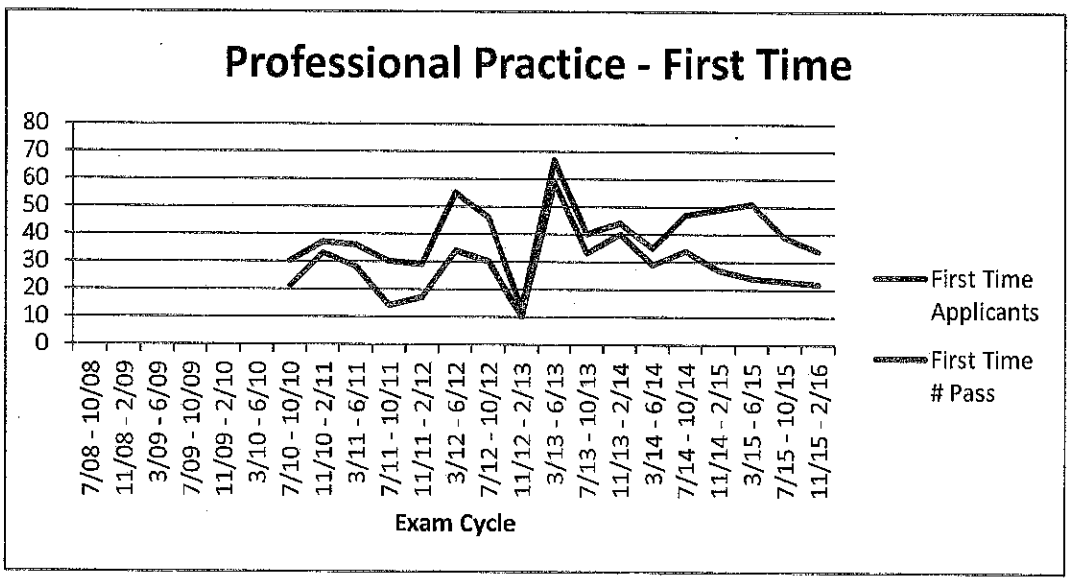
7/12 - 10/12
11/12 - 2/13
3/13 - 6/13
7/13 - 10/13
11/13 - 2/14
3/14 - 6/14
7/14 - 10/14
11/14 - 2/15
3/15 - 6/15
7/15 - 10/15
11/15 - 2/16
Exam Cycle
Total # Apps
Overall # Pass


Professional Practice - First Time
80
70
60
50
40
30
20
10
0
7/08 - 10/08
11/08 - 2/09
3/09 - 6/09
7/09 - 10/09
11/09 - 2/10
3/10 - 6/10
7/10 - 10/10
11/10 - 2/11
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11/13 - 2/14
3/14 - 6/14
7/14 - 10/14
11/14 - 2/15
3/15 - 6/15
7/15 - 10/15
11/15 - 2/16
Exam Cycle
First Time Applicants
First Time # Pass

Court Reporters Board
Dictation Examination Statistics - March 2016

School Name	Total # Apps	Overall # Pass	Overall % Pass	First Time Applicants	First Time # Pass	First Time % Pass
Argonaut	9	0	0.0%	5	0	0.0%
Bryan University	15	3	20.0%	3	3	100.0%
Bryan College (CLOSED)	3	1	33.3%	n/a	n/a	n/a
Cerritos (CLOSED)	1	0	0.0%	n/a	n/a	n/a
College of Marin	5	0	0.0%	0	0	n/a
Cypress	2	1	50.0%	0	0	n/a
Downey	22	0	0.0%	3	0	0.0%
Golden State	5	0	0.0%	1	0	0.0%
Humphreys	2	0	0.0%	0	0	n/a
Sage - Moreno Valley	12	2	16.7%	2	2	100.0%
Sage - San Diego (CLOSED)	2	0	0.0%	n/a	n/a	n/a
Sierra Valley	10	1	10.0%	1	1	100.0%
South Coast	25	3	12.0%	7	1	14.3%
Taft	2	0	0.0%	0	0	n/a
Tri-Community	6	0	0.0%	1	0	0.0%
West Valley	1	0	0.0%	0	0	n/a
School Total	122	11	9.0%	23	7	30.4%
Five Plus	6	0	0.0%	n/a	n/a	n/a
Out of State	0	0	n/a	0	0	n/a
RPR (Online School - 0)	1	1	100.0%	1	1	100.0%
State Hearing Reporter	0	0	n/a	0	0	n/a
Working Reporter	4	1	25.0%	1	0	0.0%
TOTAL	133	13	9.8%	25	8	32.0%

AGENDA ITEM IV – Online Skills Exam

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Agenda Description: Update on proposal to administer the skills portion of the license exam online via a third-party vendor.

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Brief Summary:

At the April 8, 2016 meeting, the Board considered a proposal to administer the skills portion of the license exam online via a third-party vendor. The proposed vendor gave a presentation and answered questions from the Board and audience.

The Board also heard from Tracy Montez of DCA's Office of Professional Examination Services (OPES) regarding the advisability of having OPES conduct an audit of the vendor to ensure the legal defensibility of the skills portion of the license exam.

The Board ultimately voted to go forward with the OPES audit and to establish a task force to create policies and procedures for an online skills test. Toni O'Neill and Elizabeth Lasensky agreed to co-chair the task force.

When the OPES audit and the policies and procedures are complete, the proposal will come back before the Board for further consideration.

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Report Originator: Yvonne Fenner, 5/4/2016

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Recommended Board Action: Informational only

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AGENDA ITEM V – Strategic Plan

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Agenda Description: Update on Action Plan Accomplishments

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Brief Summary:

At its June 26, 2015 meeting, the Board approved an Action Plan for the 2015-2018 Strategic Plan. The Action Plan Timeline is used as a tool to update the Board on the progress of achieving the strategic plan goals.

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Support Documents:

Attachment – Action Plan Timeline

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Fiscal Impact: None

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Report Originator: Yvonne Fenner, 5/4/2016

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Recommended Board Action: Staff requests feedback on Action Plan.

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Court Reporters Board of California
2015-2018 Action Plan Timeline

Attachment
Agenda Item V

Action Items	Target Date	Status
Perform new occupational analysis to confirm that tested knowledge, skills and abilities are relevant to the industry	June 2017	In budget approval process
Conduct exam development workshops to produce a robust bank of test questions to safeguard the integrity of the exam	Dec 2018	Contract with OPES with 2016 calendar
Research realtime captioning standards and assess industry practices for the Board to evaluate the need for consumer protection	Sept 2018	
Educate the Governor's Office on the importance of mandatory continuing education	Dec 2016	Talking points to CCRA. Bill vetoed.
Identify entities providing court reporting services in California that are violating applicable laws and take correction action to effect compliance.	Dec 2018	
Conduct cross-training to protect the continuity and timeliness of the consumer complaint process	Dec 2016	
Educate stakeholders (such as courts, the general public and legal community) on the Board's complaint process to prevent or proactively address consumer harm	Sept 2018	Comm plan
Expand compliance and education for licensees to prevent enforcement issues.	Dec 2018	Best Practice Pointers – Developed ten
Support schools' recruitment efforts to preserve the integrity and continuity of the court reporter workforce for consumer protection	Sept 2018	Comm plan
Increase court reporter school site visits to more effectively monitor compliance with applicable laws and regulations	Dec 2018	Contract with reviewer
Launch a strategic awareness campaign in collaboration with external stakeholders (such as state bar, industry associations, law libraries, self-help centers, court Web sites, schools and legal non-profits) to educate consumers about the Board's services and standards	Dec 2018	Comm plan
Cross-train staff to protect continuity of effective and efficient service	Jan 2017	
Investigate and implement strategies to increase Web site use to maximize efficiency in addressing consumer information requests	Sept 2016	Comm plan

AGENDA ITEM VI – Sunset Review

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Agenda Description: Status update on Sunset Review

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Brief Summary:

The Board submitted its written responses to the issues raised in the sunset review background paper and at the sunset review hearing on April 11th, 2016. A hearing on AB 2192 (then Bonilla, now Salas), which contains language to extend the Board and executive officer position to January 1, 2021, was held on April 12th. The bill was passed on consent and referred to Assembly Committee on Appropriations where it is currently being held on Suspense.

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Fiscal Impact: None

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Report Originator: Yvonne Fenner, 5/18/2016

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Recommended Board Action: Staff recommends the Board review the draft response to sunset review issues and provide feedback to finalize response.

AGENDA ITEM VII – Scope of Practice Regulation
Title 16, California Code of Regulations, section 2403(b)(3)

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Agenda Description: Update on Scope of Practice regulation

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Brief Summary:

On May 10, 2016, the Office of Administrative Law (OAL) approved the modification to the Scope of Practice regulation. The change will become effective on July 1, 2016. The Board is required to post OAL's Notice of Approval, STD Form 400 with the Secretary of State stamp, Order of Adoption, and the Final Statement of Reasons within 15 days.

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Report Originator: Yvonne Fenner, 5/19/2016

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Recommended Board Action: (Informational)

AGENDA ITEM VIII – PRESENTATION ON HOLDING *OF NORTH CAROLINA STATE BOARD OF DENTAL EXAMINERS v. FEDERAL TRADE COMMISSION* CASE

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Agenda Description: Presentation by staff counsel

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Brief Summary:

In February 2015, the U.S. Supreme Court ruled that the North Carolina State Board of Dental Examiners had violated antitrust laws when it issued a cease and desist order to non-dentists performing teeth-whitening services. This decision has far-reaching implications which the Legal Affairs Office of DCA has been exploring with the Attorney General's Office. Staff counsel will update the Board further.

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Report Originator: Yvonne Fenner, 5/9/2016

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Recommended Board Action: Informational only

AGENDA ITEM IX – Public Comment for Items Not on the Agenda

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Public members are encouraged to provide their name and organization (if any). The Board cannot discuss any item not listed on this agenda, but can consider items presented for future board agendas.

AGENDA ITEM X – Closed Session

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Agenda Description:

Pending Litigation pursuant to Government Code section 11126(e)(1)(C)(i)

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Fiscal Impact: None

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Report Originator: Yvonne Fenner, 5/12/2016

AGENDA ITEM XI – Future Meeting Dates

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Agenda Description: Proposed Meeting Dates

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Support Documents:

Attachment – 2016 Board Calendar

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Current scheduled activities:

CSR Dictation Exam:
July 15, 2016 – Los Angeles

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Recommended Board Action: Information exchange

Attachment
Agenda Item XI

A YEAR-AT-A-GLANCE CALENDAR 2016
COURT REPORTERS BOARD OF CALIFORNIA

JANUARY 2016

S	M	T	W	Th	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

FEBRUARY 2016

S	M	T	W	Th	F	S
	1	2	3	4	5	6 TH-SAC
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29					

MARCH 2016

S	M	T	W	Th	F	S
		1	2	3	4	5
6	7	8	9	10 TH-LA	11 Exam-LA	12
13	14	15	16	17	18 Workshop	19
20	21	22	23	24	25	26
27	28	29	30	31		

APRIL 2016

S	M	T	W	Th	F	S
					1	2
3	4	5	6	7	8 BD-SAC	9
10	11	12	13	14	15	16
17	18	19	20	21	22 Workshop	23
24	25	26	27	28	29	30

MAY 2016

S	M	T	W	Th	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26 BD-SAC	27	28
29	30	31				

JUNE 2016

S	M	T	W	Th	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

JULY 2016

S	M	T	W	Th	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15 Exam-LA	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

AUGUST 2016

S	M	T	W	Th	F	S
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7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

SEPTEMBER 2016

S	M	T	W	Th	F	S
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4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

OCTOBER 2016

S	M	T	W	Th	F	S
						1
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9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	29	29
30	31					

NOVEMBER 2016

S	M	T	W	Th	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

DECEMBER 2016

S	M	T	W	Th	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

ACTIVITY

- BD - Board Meeting or Activity
- Exam - Dictation Exam
- Workshop - Exam Workshop
- TF - Task Force Meeting
- TH - Town Hall Meeting
- Shaded Dates - Board Office Is Closed

CITY

LA-LOS ANGELES	SAC-SACRAMENTO
SD-SAN DIEGO	SF-SAN FRANCISCO

GENERAL LOCATION

NC-NORTHERN CALIFORNIA

SC-SOUTHERN CALIFORNIA