

AMENDED IN ASSEMBLY JULY 2, 2002  
AMENDED IN ASSEMBLY JUNE 17, 2002  
AMENDED IN SENATE APRIL 17, 2002

**SENATE BILL**

**No. 1244**

---

---

**Introduced by Senator Figueroa  
(Coauthor: Senator Alpert)**

(Coauthors: Assembly Members Alquist, Bates, and Salinas)

January 7, 2002

---

---

An act to amend Sections 5094, 8022, 8028, and 8028.2 of, to add Sections 2570.25, 2570.26, 2570.27, 2570.28, 2570.29, 2570.30, and 2570.31 to, ~~and~~ to amend and repeal Section 805.2 of, *and to repeal Section 2570.17 of*, the Business and Professions Code, relating to professions and vocations, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

SB 1244, as amended, Figueroa. Professions and vocations.

(1) Existing law provides for the professional review of specified healing arts licentiates through a peer review process. Existing law provides for a peer review study by the Medical Board of California which is required to contract with the Institute for Medical Quality for the study. The institute is required to submit a written report of its findings and recommendations to the Medical Board of California and to the Legislature by November 1, 2002. Existing law provides for disciplinary actions by the boards and commissions within the Department of Consumer Affairs. Existing law authorizes the imposition of a requirement that a licentiate found in violation of the

licensing law pay the costs of investigation and enforcement, and provides that payment be deposited into the appropriate fund.

This bill would extend the deadline for the written report to the Legislature to November 1, 2003. The bill would also authorize the board to expend, for purposes of the peer review study, the first \$300,000 deposited into the Contingent Medical Board Fund in the 2002-03 fiscal year that are derived from licentiates' paying the costs of investigation and enforcement of the licensing laws.

Because the bill would authorize the expenditure of money in the Contingent Medical Board Fund for a new purpose, the bill would make an appropriation.

(2) Existing law provides for the licensure of occupational therapists and the certification of occupational therapy assistants by the California Board of Occupational Therapy. The board is authorized, after a hearing meeting certain requirements, to deny a license or certificate suspend or revoke the license or certificate of, or place on probation, reprimand, censure, or otherwise discipline, a licensee or certified person.

This bill would delete the provisions authorizing censure or other discipline of a licensee or certified person by the board. The bill would instead specify disciplinary methods and application, define unprofessional conduct, and authorize a holder of a license to petition the board for reinstatement or for modification of a penalty.

(3) Existing law establishes the California Board of Accountancy, in the Department of Consumer Affairs, for the purpose of licensing and regulating public accountants.

Existing law sets forth certain education requirements, and requires that the education meet certain criteria, including that it be from a university, college or other institution of learning accredited by a regional institutional agency meeting specified requirements.

This bill would require that the university, college, or institution be degree granting, and would allow it to be accredited by either a regional or national accredited agency meeting specified requirements.

(4) Existing law provides for the certification and regulation of shorthand reporters and for the regulation of shorthand reporting corporations by the Court Reporters Board. Under existing law, shorthand reporting corporations are professional corporations, governed generally under the Moscone-Knox Professional Corporations Act, that render professional services through certified shorthand reporters. Existing law authorizes the board between January 1, 2001, and July 1, 2002, to examine, evaluate, and investigate



complaints against shorthand reporting entities, as defined, for the purpose of determining the necessity to register these entities and requires the board to report its findings in this regard to the Legislature on or before July 1, 2002.

This bill would extend the board's authorization to examine, investigate, and evaluate complaints to January 1, 2004. The bill would specify that partnerships, unincorporated associations, and limited liability companies are entities for the purpose of qualifying as shorthand reporting entities. The bill would extend the board's reporting deadline to January 1, 2004.

Existing law requires an applicant for a certificate as a shorthand reporter to file an application at least 45 days before the date set for the licensing examination.

This bill would delete the 45-day deadline and instead authorize the board to set the deadline by regulation.

(5) This bill would declare that it is to take effect immediately as an urgency statute.

Vote: <sup>2</sup>/<sub>3</sub>. Appropriation: yes. Fiscal committee: yes. State-mandated local program: no.

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

1 SECTION 1. Section 805.2 of the Business and Professions  
2 Code, as added by Section 2 of Chapter 615 of the Statutes of 2001,  
3 is amended to read:  
4 805.2. (a) It is the intent of the Legislature to provide for a  
5 comprehensive study of the peer review process as it is conducted  
6 by peer review bodies defined in paragraph (1) of subdivision (a)  
7 of Section 805, in order to evaluate the continuing validity of  
8 Section 805 and Sections 809 to 809.8, inclusive, and their  
9 relevance to the conduct of peer review in California. The Medical  
10 Board of California shall contract with the Institute for Medical  
11 Quality to conduct this study, which shall include, but not be  
12 limited to, the following components:  
13 (1) A comprehensive description of the various steps of and  
14 decisionmakers in the peer review process as it is conducted by  
15 peer review bodies throughout the state, including the role of other  
16 related committees of acute care health facilities and clinics  
17 involved in the peer review process.



1 (2) A survey of peer review cases to determine the incidence of  
2 peer review by peer review bodies, and whether they are  
3 complying with the reporting requirement in Section 805.

4 (3) A description and evaluation of the roles and performance  
5 of various state agencies, including the State Department of Health  
6 Services and occupational licensing agencies that regulate healing  
7 arts professionals, in receiving, reviewing, investigating, and  
8 disclosing peer review actions, and in sanctioning peer review  
9 bodies for failure to comply with Section 805.

10 (4) An assessment of the cost of peer review to licentiates and  
11 the facilities which employ them.

12 (5) An assessment of the time consumed by the average peer  
13 review proceeding, including the hearing provided pursuant to  
14 Section 809.2, and a description of any difficulties encountered by  
15 either licentiates or facilities in assembling peer review bodies or  
16 panels to participate in peer review decisionmaking.

17 (6) An assessment of the need to amend Section 805 and  
18 Sections 809 to 809.8, inclusive, to ensure that they continue to be  
19 relevant to the actual conduct of peer review as described in  
20 paragraph (1), and to evaluate whether the current reporting  
21 requirement is yielding timely and accurate information to aid  
22 licensing boards in their responsibility to regulate and discipline  
23 healing arts practitioners when necessary, and to assure that peer  
24 review bodies function in the best interest of patient care.

25 (7) Recommendations of additional mechanisms to stimulate  
26 the appropriate reporting of peer review actions under Section  
27 805.

28 (8) Recommendations regarding the Section 809 hearing  
29 process to improve its overall effectiveness and efficiency.

30 (b) The Institute of Medical Quality shall exercise no authority  
31 over the peer review processes of peer review bodies. However,  
32 peer review bodies, health care facilities, health care clinics, and  
33 health care service plans shall cooperate with the institute and  
34 provide data, information, and case files as requested in the  
35 timeframes specified by the institute.

36 (c) The institute shall work in cooperation with and under the  
37 general oversight of the Medical Director of the Medical Board of  
38 California and shall submit a written report with its findings and  
39 recommendations to the board and the Legislature no later than  
40 November 1, 2003.



1 (d) For the purpose of carrying out this section, the board is  
2 authorized to expend the first three hundred thousand dollars  
3 (\$300,000) that is deposited in the Contingent Fund of the Medical  
4 Board of California in the 2002–03 fiscal year pursuant to Section  
5 125.3.

6 SEC. 2. Section 805.2 of the Business and Professions Code,  
7 as added by Section 4 of Chapter 614, is repealed.

8 SEC. 3. *Section 2570.17 of the Business and Professions*  
9 *Code is repealed.*

10 ~~2570.17. The board may, after a hearing in accordance with~~  
11 ~~the Administrative Procedure Act, deny a license or certificate, or~~  
12 ~~suspend or revoke the license or certificate of, or place on~~  
13 ~~probation, reprimand, censure, or otherwise discipline, a licensee~~  
14 ~~or certificated person in accordance with Section 480.~~

15 SEC. 4. Section 2570.25 is added to the Business and  
16 Professions Code, to read:

17 2570.25. (a) The board may, after a hearing, deny, suspend,  
18 revoke, or place on probation, a license, certificate, inactive  
19 license, inactive certificate, or limited permit.

20 (b) As used in this chapter, “license” includes a license,  
21 certificate, limited permit, or any other authorization to engage in  
22 practice regulated by this chapter.

23 (c) The proceedings under this section shall be conducted in  
24 accordance with Chapter 5 (commencing with Section 11500) of  
25 Part 1 of Division 3 of Title 2 of the Government Code, and the  
26 board shall have all the powers granted therein.

27 ~~SEC. 4.~~

28 SEC. 5. Section 2570.26 is added to the Business and  
29 Professions Code, to read:

30 2570.26. (a) The board may discipline a licensee by any or a  
31 combination of the following methods:

32 (1) Placing the license on probation with terms and conditions.

33 (2) Suspending the license and the right to practice  
34 occupational therapy for a period not to exceed one year.

35 (3) Revoking the license.

36 (4) Suspending or staying the disciplinary order, or portions of  
37 it, with or without conditions.

38 (5) Taking other action as the board, in its discretion, deems  
39 proper.



1 (b) The board may issue an initial license on probation, with  
2 specific terms and conditions, to any applicant who has violated  
3 any provision of this chapter or the regulations adopted pursuant  
4 to it, but who has met all other requirements for licensure.

5 ~~SEC. 5.~~

6 SEC. 6. Section 2570.27 is added to the Business and  
7 Professions Code, to read:

8 2570.27. The board may deny or discipline a licensee for any  
9 of the following:

10 (a) Unprofessional conduct, including, but not limited to, the  
11 following:

12 (1) Incompetence or gross negligence in carrying out usual  
13 occupational therapy functions.

14 (2) Repeated similar negligent acts in carrying out usual  
15 occupational therapy functions.

16 (3) A conviction of practicing medicine without a license in  
17 violation of Chapter 5 (commencing with Section 2000), in which  
18 event a certified copy of the record of conviction shall be  
19 conclusive evidence thereof.

20 (4) The use of advertising relating to occupational therapy  
21 which violates Section 17500.

22 (5) Denial of licensure, revocation, suspension, restriction, or  
23 any other disciplinary action against a licensee by another state or  
24 territory of the United States, by any other government agency, or  
25 by another California health care professional licensing board. A  
26 certified copy of the decision, order or judgment shall be  
27 conclusive evidence thereof.

28 (b) Procuring a license by fraud, misrepresentation, or mistake.

29 (c) Violating or attempting to violate, directly or indirectly, or  
30 assisting in or abetting the violation of, or conspiring to violate,  
31 any provision or term of this chapter or any regulation adopted  
32 pursuant to the chapter.

33 (d) Making or giving any false statement or information in  
34 connection with the application for issuance or renewal of a  
35 license.

36 (e) Conviction of a crime or of any offense substantially related  
37 to the qualifications, functions, or duties of a licensee, in which  
38 event the record of the conviction shall be conclusive evidence  
39 thereof.



1 (f) Impersonating an applicant or acting as proxy for an  
2 applicant in any examination required under this chapter for the  
3 issuance of a license.

4 (g) Impersonating a licensed practitioner, or permitting or  
5 allowing another unlicensed person to use a license.

6 (h) Committing any fraudulent, dishonest, or corrupt act that is  
7 substantially related to the qualifications, functions, or duties of a  
8 licensee.

9 (i) Committing any act punishable as a sexually related crime,  
10 if that act is substantially related to the qualifications, functions,  
11 or duties of a licensee, in which event a certified copy of the record  
12 of conviction shall be conclusive evidence thereof.

13 (j) Using excessive force upon or mistreating or abusing any  
14 patient. For the purposes of this subdivision, “excessive force”  
15 means force clearly in excess of that which would normally be  
16 applied in similar clinical circumstances.

17 (k) Falsifying or making grossly incorrect, grossly  
18 inconsistent, or unintelligible entries in a patient or hospital record  
19 or any other record.

20 (l) Changing the prescription of a physician and surgeon or  
21 falsifying verbal or written orders for treatment or a diagnostic  
22 regime received, whether or not that action resulted in actual  
23 patient harm.

24 (m) Failing to maintain confidentiality of patient medical  
25 information, except as disclosure is otherwise permitted or  
26 required by law.

27 (n) Delegating to an unlicensed employee or person a service  
28 that requires the knowledge, skills, abilities, or judgement of a  
29 licensee.

30 (o) Committing any act that would be grounds for denial of a  
31 license under Section 480.

32 (p) Except for good cause, the knowing failure to protect  
33 patients by failing to follow infection control guidelines of the  
34 board, thereby risking transmission of blood-borne infectious  
35 diseases from licensee to patient, from patient to patient, or from  
36 patient to licensee.

37 (1) In administering this subdivision, the board shall consider  
38 referencing the standards, regulations, and guidelines of the State  
39 Department of Health Services developed pursuant to Section  
40 1250.11 of the Health and Safety Code and the standards,



1 guidelines, and regulations pursuant to the California  
2 Occupational Safety and Health Act of 1973 (Part 1 (commencing  
3 with Section 63001) of Division 5 of the Labor Code) for  
4 preventing the transmission of HIV, hepatitis B, and other  
5 blood-borne pathogens in health care settings. As necessary to  
6 encourage appropriate consistency in the implementation of this  
7 subdivision, the board shall consult with the Medical Board of  
8 California, the Board of Podiatric Medicine, the Dental Board of  
9 California, the Board of Registered Nursing, and the Board of  
10 Vocational Nursing and Psychiatric Technicians.

11 (2) The board shall seek to ensure that licensees are informed  
12 of their responsibility to minimize the risk of transmission of  
13 blood-borne infectious diseases from health care provider to  
14 patient, from patient to patient, and from patient to health care  
15 provider, and are informed of the most recent scientifically  
16 recognized safeguards for minimizing the risks of transmission.

17 ~~SEC. 6.~~

18 *SEC. 7.* Section 2570.28 is added to the Business and  
19 Professions Code, to read:

20 2570.28. In addition to other acts constituting unprofessional  
21 conduct within the meaning of this chapter, it is unprofessional  
22 conduct for a person licensed under this chapter to do any of the  
23 following:

24 (a) Obtain or possess in violation of law, or prescribe, or, except  
25 as directed by a licensed physician and surgeon, dentist, or  
26 podiatrist, to administer to himself or herself, or furnish or  
27 administer to another, any controlled substance as defined in  
28 Division 10 (commencing with Section 11000) of the Health and  
29 Safety Code or any dangerous drug or dangerous device as defined  
30 in Section 4022.

31 (b) Use to an extent or in a manner dangerous or injurious to  
32 himself or herself, to any other person, or to the public, or that  
33 impairs his or her ability to conduct with safety to the public the  
34 practice authorized by his or her license, of any of the following:

35 (1) A controlled substance as defined in Division 10  
36 (commencing with Section 11000) of the Health and Safety Code.

37 (2) A dangerous drug or dangerous device as defined in Section  
38 4022.

39 (3) Alcoholic beverages.



1 (c) Be convicted of a criminal offense involving the  
2 prescription, consumption, or self-administration of any of the  
3 substances described in subdivisions (a) and (b) of this section, or  
4 the possession of, or falsification of a record pertaining to, the  
5 substances described in subdivision (a) of this section, in which  
6 event the record of the conviction is conclusive evidence thereof.

7 (d) Be committed or confined by a court of competent  
8 jurisdiction for intemperate use of any of the substances described  
9 in subdivisions (a) and (b) of this section, in which event the court  
10 order of commitment or confinement is prima facie evidence of the  
11 commitment or confinement.

12 (e) Falsify, or make grossly incorrect, grossly inconsistent, or  
13 unintelligible entries in any hospital or patient record, or any other  
14 record, pertaining to the substances described in subdivision (a) of  
15 this section.

16 ~~SEC. 7.~~

17 *SEC. 8.* Section 2570.29 is added to the Business and  
18 Professions Code, to read:

19 2570.29. The board shall retain jurisdiction to proceed with  
20 any investigation, action or disciplinary proceeding against a  
21 license, or to render a decision suspending or revoking a license,  
22 regardless of the expiration, lapse, or suspension of the license by  
23 operation of law, by order or decision of the board or a court of law,  
24 or by the voluntary surrender of a license by the licensee.

25 ~~SEC. 8.~~

26 *SEC. 9.* Section 2570.30 is added to the Business and  
27 Professions Code, to read:

28 2570.30. If a license is suspended, the holder may not practice  
29 occupational therapy during the term of suspension. Upon the  
30 expiration of the term of suspension, the license shall be reinstated  
31 and the holder entitled to resume practice under any remaining  
32 terms of the discipline, unless it is established to the satisfaction  
33 of the board that the holder of the license practiced in this state  
34 during the term of suspension. In this event, the board may, after  
35 a hearing on this issue alone, revoke the license.

36 ~~SEC. 9.~~

37 *SEC. 10.* Section 2570.31 is added to the Business and  
38 Professions Code, to read:

39 2570.31. (a) A holder of a license that has been revoked,  
40 suspended, or placed on probation, may petition the board for



1 reinstatement or modification of a penalty, including reduction or  
2 termination of probation, after a period not less than the applicable  
3 following minimum period has elapsed from either the effective  
4 date of the decision ordering that disciplinary action, or, if the  
5 order of the board or any portion of it was stayed, from the date the  
6 disciplinary action was actually implemented in its entirety. The  
7 minimum periods that shall elapse prior to a petition are as follows:

8 (1) For a license that was revoked for any reason other than  
9 mental or physical illness, at least three years.

10 (2) For early termination of probation scheduled for three or  
11 more years, at least two years.

12 (3) For modification of a penalty, reinstatement of a license  
13 revoked for mental or physical illness, or termination of probation  
14 scheduled for less than three years, at least one year.

15 (4) The board may, in its discretion, specify in its disciplinary  
16 order a lesser period of time, provided that the period shall not be  
17 less than one year.

18 (b) The petition submitted shall contain any information  
19 required by the board, which may include a current set of  
20 fingerprints accompanied by the fingerprinting fee.

21 (c) The board shall give notice to the Attorney General of the  
22 filing of the petition. The petitioner and the Attorney General shall  
23 be given timely notice by letter of the time and place of the hearing  
24 on the petition, and an opportunity to present both oral and  
25 documentary evidence and argument to the board. The petitioner  
26 shall at all times have the burden of proof to establish by clear and  
27 convincing evidence that he or she is entitled to the relief sought  
28 in the petition.

29 (d) The board itself shall hear the petition and the  
30 administrative law judge shall prepare a written decision setting  
31 forth the reasons supporting the decision.

32 (e) The board may grant or deny the petition, or may impose  
33 any terms and conditions that it reasonably deems appropriate as  
34 a condition of reinstatement or reduction of penalty.

35 (f) The board may refuse to consider a petition while the  
36 petitioner is under sentence for any criminal offense, including any  
37 period during which the petitioner is on court-imposed probation  
38 or parole or subject to an order of registration pursuant to Section  
39 290 of the Penal Code.



1 (g) No petition shall be considered while there is an accusation  
2 or petition to revoke probation pending against the petitioner.

3 ~~SEC. 10.~~

4 *SEC. 11.* Section 5094 of the Business and Professions Code,  
5 as added by Section 22 of Chapter 718 of the Statutes of 2001, is  
6 amended to read:

7 5094. (a) In order for education to be qualifying, it shall meet  
8 the standards described in subdivision (b) or (c) of this section.

9 (b) At a minimum, education must be from a degree-granting  
10 university, college, or other institution of learning accredited by a  
11 regional or national accrediting agency included in a list of these  
12 agencies published by the United States Secretary of Education  
13 under the requirements of the Higher Education Act of 1965 as  
14 amended (20 U.S.C. Sec. 1001 and following).

15 (c) Education from a college, university, or other institution of  
16 learning located outside the United States may be qualifying  
17 provided it is deemed by the board to be equivalent to education  
18 obtained under subdivision (b). The board may require an  
19 applicant to submit documentation of his or her education to a  
20 credentials evaluation service approved by the board for  
21 evaluation and to cause the results of this evaluation to be reported  
22 to the board in order to assess educational equivalency.

23 (d) The board shall adopt regulations specifying the criteria and  
24 procedures for approval of credential evaluation services. These  
25 regulations shall, at a minimum, require that the credential  
26 evaluation service (1) furnish evaluations directly to the board, (2)  
27 furnish evaluations written in English, (3) be a member of the  
28 American Association of Collegiate Registrars and Admission  
29 Officers, the National Association of Foreign Student Affairs, or  
30 the National Association of Credential Evaluation Services, (4) be  
31 used by accredited colleges and universities, (5) be reevaluated by  
32 the board every five years, (6) maintain a complete set of reference  
33 materials as specified by the board, (7) base evaluations only upon  
34 authentic, original transcripts and degrees and have a written  
35 procedure for identifying fraudulent transcripts, (8) include in the  
36 evaluation report, for each degree held by the applicant, the  
37 equivalent degree offered in the United States, the date the degree  
38 was granted, the institution granting the degree, an English  
39 translation of the course titles, and the semester unit equivalence  
40 for each of the courses, (9) have an appeal procedure for



1 applicants, and (10) furnish the board with information concerning  
2 the credential evaluation service that includes biographical  
3 information on evaluators and translators, three letters of  
4 references from public or private agencies, statistical information  
5 on the number of applications processed annually for the past five  
6 years, and any additional information the board may require in  
7 order to ascertain that the credential evaluation service meets the  
8 standards set forth in this subdivision and in any regulations  
9 adopted by the board.

10 ~~SEC. 10.5.~~

11 *SEC. 12.* Section 5094 of the Business and Professions Code,  
12 as added by Section 19 of Chapter 704 of the Statutes of 2001, is  
13 amended to read:

14 5094. (a) In order for education to be qualifying, education  
15 shall meet the standards described in subdivision (b) or (c) of this  
16 section.

17 (b) At a minimum, education must be from a degree-granting  
18 university, college, or other institution of learning accredited by a  
19 regional or national accrediting agency included in a list of these  
20 agencies published by the United States Secretary of Education  
21 under the requirements of the Higher Education Act of 1965 as  
22 amended (20 U.S.C. Sec. 1001 and following).

23 (c) Education from a college, university, or other institution of  
24 learning located outside the United States may be qualifying  
25 provided it is deemed by the board to be equivalent to education  
26 obtained under subdivision (b). The board may require an  
27 applicant to submit documentation of his or her education to a  
28 credentials evaluation service approved by the board for  
29 evaluation and to cause the results of this evaluation to be reported  
30 to the board in order to assess educational equivalency.

31 (d) The board shall adopt regulations specifying the criteria and  
32 procedures for approval of credential evaluation services. These  
33 regulations shall, at a minimum, require that the credential  
34 evaluation service (1) furnish evaluations directly to the board, (2)  
35 furnish evaluations written in English, (3) be a member of the  
36 American Association of Collegiate Registrars and Admission  
37 Officers, the National Association of Foreign Student Affairs, or  
38 the National Association of Credential Evaluation Services, (4) be  
39 used by accredited colleges and universities, (5) be reevaluated by  
40 the board every five years, (6) maintain a complete set of reference



1 materials as specified by the board, (7) base evaluations only upon  
2 authentic, original transcripts and degrees and have a written  
3 procedure for identifying fraudulent transcripts, (8) include in the  
4 evaluation report, for each degree held by the applicant, the  
5 equivalent degree offered in the United States, the date the degree  
6 was granted, the institution granting the degree, an English  
7 translation of the course titles, and the semester unit equivalence  
8 for each of the courses, (9) have an appeal procedure for  
9 applicants, and (10) furnish the board with information concerning  
10 the credential evaluation service that includes biographical  
11 information on evaluators and translators, three letters of  
12 references from public or private agencies, statistical information  
13 on the number of applications processed annually for the past five  
14 years, and any additional information the board may require in  
15 order to ascertain that the credential evaluation service meets the  
16 standards set forth in this subdivision and in any regulations  
17 adopted by the board.

18 ~~SEC. 11.~~

19 *SEC. 13.* Section 8022 of the Business and Professions Code  
20 is amended to read:

21 8022. (a) Each applicant for a certificate under this chapter  
22 shall file an application with the executive officer, on a form as  
23 prescribed by the board. The last date to file an application shall  
24 be a set number of days as established by the board's regulations.  
25 The application shall be accompanied by the required fee. For  
26 purposes of determining the date upon which an application is  
27 deemed filed with the executive officer, the date of postmark as  
28 affixed by the United States Postal Service, or the date certified by  
29 a bona fide private courier service on the envelope containing the  
30 application shall control.

31 (b) Nothing in this section shall be construed to limit the  
32 board's authority to seek from any applicant any other information  
33 pertinent to the background, education, and experience of the  
34 applicant that may be deemed necessary in order to evaluate the  
35 applicant's qualifications and fitness for licensure.

36 ~~SEC. 12.~~

37 *SEC. 14.* Section 8028 of the Business and Professions Code  
38 is amended to read:

39 8028. (a) For the purposes of determining the necessity for  
40 the board to register shorthand reporting entities and subject those



1 entities to its discipline and oversight, the board shall, until  
2 January 1, 2004, be authorized to examine, evaluate, and  
3 investigate complaints against shorthand reporting entities.  
4 Nothing in this subdivision shall be construed to grant the board  
5 any authority to discipline or sanction shorthand reporting entities  
6 that is not otherwise permitted by law.

7 (b) For purposes of this article, a “shorthand reporting entity”  
8 is an entity or person, including partnerships, unincorporated  
9 associations, and limited liability companies, that holds itself out  
10 as a deposition agency, offers a booking or billing service for  
11 certified shorthand reporters, or in any manner whatsoever acts as  
12 an intermediary for a person, entity, or organization that employs,  
13 hires, or engages the services of any person licensed as a certified  
14 shorthand reporter. This article does not apply to any department  
15 or agency of the state that employs hearing reporters.

16 (c) The board may examine, evaluate, and investigate  
17 complaints pursuant to subdivision (a) beginning January 1, 2001,  
18 and continuing until no later than January 1, 2004.

19 ~~SEC. 13.~~

20 *SEC. 15.* Section 8028.2 of the Business and Professions  
21 Code is amended to read:

22 8028.2. Based on the information gathered pursuant to  
23 Section 8028, the board shall, on or before January 1, 2004, submit  
24 a report to the Legislature, including recommendations on the  
25 necessity for the board to register shorthand reporting entities, as  
26 defined in subdivision (b) of Section 8028. If the report  
27 recommends the registration of shorthand reporting entities, the  
28 report shall include:

29 (a) A description of the problem that establishing the new  
30 registration requirement would address, including the specific  
31 evidence of the necessity for the state to address the problem.

32 (b) The reasons this proposed registration requirement was  
33 selected to address this problem, including the full range of  
34 alternatives considered and the reason each of these other  
35 alternatives was not selected.

36 (c) The specific public benefit or harm that would result from  
37 the establishment of the proposed registration requirements, the  
38 specific manner in which the registration requirements would  
39 achieve this public benefit, and the specific standards of



1 performance that shall be used in reviewing the subsequent  
2 operation of the shorthand reporting entities.

3 (d) The specific source or sources of revenue and funding the  
4 board will utilize to regulate the newly registered entities in order  
5 to achieve its mandate.

6 ~~SEC. 14.~~

7 *SEC. 16.* This act is an urgency statute necessary for the  
8 immediate preservation of the public peace, health, or safety  
9 within the meaning of Article IV of the Constitution and shall go  
10 into immediate effect. The facts constituting the necessity are:

11 To create necessary funding for the peer review process study,  
12 to extend reporting deadlines regarding the peer review process  
13 and regarding complaints to the Court Reporters Board prior to the  
14 expiration of those deadlines, to expand and define the California  
15 Board of Occupational Therapy's ability to enforce the provisions  
16 of its licensing law and alter its application requirements, and to  
17 change education qualification requirements as soon as possible,  
18 it is necessary that this act take effect immediately.

