

AMENDED IN ASSEMBLY AUGUST 6, 2012

AMENDED IN ASSEMBLY JULY 5, 2012

AMENDED IN ASSEMBLY JUNE 15, 2012

AMENDED IN SENATE APRIL 30, 2012

AMENDED IN SENATE APRIL 16, 2012

**SENATE BILL**

**No. 1237**

---

---

**Introduced by Senator Price**

February 23, 2012

---

---

An act to amend Sections 2006, 2450.3, 2602, 2607.5, 4001, 4003, 8000, 8005, 8027, 8030.2, 8030.5, 9812.5, 9830.5, 9832.5, 9847.5, 9849, 9851, 9853, 9860, ~~and 9862.5~~, 9863, *and 9873* of the Business and Professions Code, and to amend Sections 12529, 12529.5, and 12529.6 of the Government Code, relating to professions and vocations, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

SB 1237, as amended, Price. Professions and vocations: regulatory boards.

(1) Existing law, until January 1, 2013, declares that using a vertical enforcement and prosecution model for the Medical Board of California's investigations is in the best interests of the people of California. Under existing law, a vertical enforcement and prosecution model is described as the joint assignment of a complaint to a board investigator and to a deputy attorney general responsible for prosecuting the case if the investigation results in the filing of an accusation. Existing law requires the board to, among other things, establish and implement

a plan to locate specified staff in the same offices in order to carry out the intent of the vertical enforcement and prosecution model.

This bill would extend the operation of these provisions to January 1, 2014, and would also make a conforming change in that regard.

(2) Existing law, the Naturopathic Doctors Act, provides for the licensure and regulation of naturopathic doctors by the Naturopathic Medicine Committee within the Osteopathic Medical Board of California. Existing law repeals these provisions on January 1, 2014. Under existing law, boards scheduled for repeal are required to be evaluated by the Joint Sunset Review Committee.

This bill would make a conforming change with regard to the operation of these provisions until January 1, 2014, and the bill would also specify that this board would be subject to review by the appropriate policy committees of the Legislature.

(3) Existing law, the Physical Therapy Practice Act, provides for the licensure and regulation of physical therapists by the Physical Therapy Board of California. Existing law authorizes the board to appoint an executive officer. Existing law makes these provisions inoperative on July 1, 2013, and repealed on January 1, 2014. Under existing law, boards scheduled for repeal are required to be evaluated by the Joint Sunset Review Committee.

This bill would delete the inoperative date and would instead repeal these provisions on January 1, 2014. The bill would also specify that this board would be subject to review by the appropriate policy committees of the Legislature.

(4) Existing law, the Pharmacy Law, provides for the licensure and regulation of pharmacies, pharmacists, pharmacy technicians, wholesalers of dangerous drugs or devices, and others by the California State Board of Pharmacy. Existing law authorizes the board to appoint an executive officer. Under existing law, the board and its authority to appoint an executive officer will be repealed on January 1, 2013. Under existing law, boards scheduled for repeal are required to be evaluated by the Joint Sunset Review Committee.

This bill would extend the operation of the California State Board of Pharmacy and its authority to appoint an executive officer until January 1, 2017, and would specify that the board is subject to review by the appropriate policy committees of the Legislature.

(5) Existing law provides for the licensure and regulation of court reporters by the Court Reporters Board of California within the Department of Consumer Affairs. Existing law authorizes this board to

appoint an executive officer and committees as necessary. Existing law repeals these provisions on January 1, 2013.

This bill would extend the operation of these provisions until January 1, 2017, and would specify that the board is subject to review by the appropriate policy committees of the Legislature.

Existing law requires, until January 1, 2013, certain fees and revenues collected by the board to be deposited into the Transcript Reimbursement Fund, to be available to provide reimbursement for the cost of providing shorthand reporting services to low-income litigants in civil cases. Existing law authorizes, until January 1, 2013, low-income persons appearing pro se to apply for funds from the Transcript Reimbursement Fund, subject to specified requirements and limitations. Existing law requires the board, until January 1, 2013, to publicize the availability of the fund to prospective applicants. Existing law requires the unencumbered funds remaining in the Transcript Reimbursement Fund as of January 1, 2013, to be transferred to the Court Reporters' Fund.

This bill would extend the operation of these provisions until January 1, 2017, and would make a technical change to these provisions. By extending the operation of the Transcript Reimbursement Fund, which is a continuously appropriated fund, the bill would make an appropriation.

(6) Existing law, the Electronic and Appliance Repair Dealer Registration Law, provides for the registration and regulation of electronic and appliance service dealers and service contractors by the Bureau of Electronic and Appliance Repair, Home Furnishings, and Thermal Insulation within the Department of Consumer Affairs and makes a failure to comply with its provisions a crime. Existing law, until January 1, 2013, requires a service contractor to pay specified fees to the bureau, including a registration fee and a registration renewal fee. Existing law, until January 1, 2013, requires the Director of Consumer Affairs to gather evidence of violations of the Electronic and Appliance Repair Dealer Registration Law, and any of its regulations, by a service contractor or by any employee, partner, officer, or member of any service contractor. Existing law, until January 1, 2013, requires a service contractor to maintain specified records to be open for inspection by the director and other law enforcement officials. Existing law, until January 1, 2013, also provides for the revocation of the registration of a service contractor by the director and for the superior court to issue a restraining order or injunction against a service contractor who violates these provisions.

This bill would extend the operation of these *and other related* provisions to January 1, 2015. By extending the operation of certain of these provisions, the violation of which is a crime, this bill would impose a state-mandated local program.

(7) Existing law, until January 1, 2013, establishes the Health Quality Enforcement Section within the Department of Justice for the purpose of investigating and prosecuting proceedings against licensees and applicants within the jurisdiction of the Medical Board of California, the California Board of Podiatric Medicine, the Board of Psychology, or any committee under the jurisdiction of the Medical Board of California. Existing law, until January 1, 2013, requires all complaints against licensees of these boards to be made available to the Health Quality Enforcement Section.

This bill would extend the operation of these provisions until January 1, 2014.

(8) 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.  
State-mandated local program: yes.

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

1 SECTION 1. Section 2006 of the Business and Professions  
2 Code is amended to read:  
3 2006. (a) Any reference in this chapter to an investigation by  
4 the board shall be deemed to refer to a joint investigation conducted  
5 by employees of the Department of Justice and the board under  
6 the vertical enforcement and prosecution model, as specified in  
7 Section 12529.6 of the Government Code.  
8 (b) This section shall remain in effect until January 1, 2014,  
9 and as of that date is repealed, unless a later enacted statute, that  
10 is enacted before January 1, 2014, deletes or extends that date.  
11 SEC. 2. Section 2450.3 of the Business and Professions Code  
12 is amended to read:  
13 2450.3. There is within the jurisdiction of the Osteopathic  
14 Medical Board of California a Naturopathic Medicine Committee  
15 authorized under the Naturopathic Doctors Act (Chapter 8.2

1 (commencing with Section 3610)). This section shall become  
2 inoperative on January 1, 2014, and, as of that date is repealed,  
3 unless a later enacted statute that is enacted before January 1, 2014,  
4 deletes or extends that date. Notwithstanding any other provision  
5 of law, the repeal of this section renders the Naturopathic Medicine  
6 Committee subject to review by the appropriate policy committees  
7 of the Legislature.

8 SEC. 3. Section 2602 of the Business and Professions Code is  
9 amended to read:

10 2602. The Physical Therapy Board of California, hereafter  
11 referred to as the board, shall enforce and administer this chapter.

12 This section shall remain in effect only until January 1, 2014,  
13 and as of that date is repealed, unless a later enacted statute, that  
14 is enacted before January 1, 2014, deletes or extends that date.

15 Notwithstanding any other provision of law, the repeal of this  
16 section renders the board subject to review by the appropriate  
17 policy committees of the Legislature.

18 SEC. 4. Section 2607.5 of the Business and Professions Code  
19 is amended to read:

20 2607.5. The board may appoint a person exempt from civil  
21 service who shall be designated as an executive officer and who  
22 shall exercise the powers and perform the duties delegated by the  
23 board and vested in him or her by this chapter.

24 This section shall remain in effect only until January 1, 2014,  
25 and as of that date is repealed, unless a later enacted statute, that  
26 is enacted before January 1, 2014, deletes or extends that date.

27 SEC. 5. Section 4001 of the Business and Professions Code is  
28 amended to read:

29 4001. (a) There is in the Department of Consumer Affairs a  
30 California State Board of Pharmacy in which the administration  
31 and enforcement of this chapter is vested. The board consists of  
32 13 members.

33 (b) The Governor shall appoint seven competent pharmacists  
34 who reside in different parts of the state to serve as members of  
35 the board. The Governor shall appoint four public members, and  
36 the Senate Committee on Rules and the Speaker of the Assembly  
37 shall each appoint a public member who shall not be a licensee of  
38 the board, any other board under this division, or any board referred  
39 to in Section 1000 or 3600.

1 (c) At least five of the seven pharmacist appointees to the board  
2 shall be pharmacists who are actively engaged in the practice of  
3 pharmacy. Additionally, the membership of the board shall include  
4 at least one pharmacist representative from each of the following  
5 practice settings: an acute care hospital, an independent community  
6 pharmacy, a chain community pharmacy, and a long-term health  
7 care or skilled nursing facility. The pharmacist appointees shall  
8 also include a pharmacist who is a member of a labor union that  
9 represents pharmacists. For the purposes of this subdivision, a  
10 “chain community pharmacy” means a chain of 75 or more stores  
11 in California under the same ownership, and an “independent  
12 community pharmacy” means a pharmacy owned by a person or  
13 entity who owns no more than four pharmacies in California.

14 (d) Members of the board shall be appointed for a term of four  
15 years. No person shall serve as a member of the board for more  
16 than two consecutive terms. Each member shall hold office until  
17 the appointment and qualification of his or her successor or until  
18 one year shall have elapsed since the expiration of the term for  
19 which the member was appointed, whichever first occurs.  
20 Vacancies occurring shall be filled by appointment for the  
21 unexpired term.

22 (e) Each member of the board shall receive a per diem and  
23 expenses as provided in Section 103.

24 (f) This section shall remain in effect only until January 1, 2017,  
25 and as of that date is repealed, unless a later enacted statute, that  
26 is enacted before January 1, 2017, deletes or extends that date.  
27 Notwithstanding any other provision of law, the repeal of this  
28 section renders the board subject to review by the appropriate  
29 policy committees of the Legislature.

30 SEC. 6. Section 4003 of the Business and Professions Code is  
31 amended to read:

32 4003. (a) The board, with the approval of the director, may  
33 appoint a person exempt from civil service who shall be designated  
34 as an executive officer and who shall exercise the powers and  
35 perform the duties delegated by the board and vested in him or her  
36 by this chapter. The executive officer may or may not be a member  
37 of the board as the board may determine.

38 (b) The executive officer shall receive the compensation as  
39 established by the board with the approval of the Director of

1 Finance. The executive officer shall also be entitled to travel and  
2 other expenses necessary in the performance of his or her duties.

3 (c) The executive officer shall maintain and update in a timely  
4 fashion records containing the names, titles, qualifications, and  
5 places of business of all persons subject to this chapter.

6 (d) The executive officer shall give receipts for all money  
7 received by him or her and pay it to the department, taking its  
8 receipt therefor. Besides the duties required by this chapter, the  
9 executive officer shall perform other duties pertaining to the office  
10 as may be required of him or her by the board.

11 (e) This section shall remain in effect only until January 1, 2017,  
12 and as of that date is repealed, unless a later enacted statute, that  
13 is enacted before January 1, 2017, deletes or extends that date.

14 SEC. 7. Section 8000 of the Business and Professions Code is  
15 amended to read:

16 8000. (a) There is in the Department of Consumer Affairs a  
17 Court Reporters Board of California, which consists of five  
18 members, three of whom shall be public members and two of  
19 whom shall be holders of certificates issued under this chapter  
20 who have been actively engaged as shorthand reporters within this  
21 state for at least five years immediately preceding their  
22 appointment.

23 (b) This section shall remain in effect only until January 1, 2017,  
24 and as of that date is repealed, unless a later enacted statute, that  
25 is enacted before January 1, 2017, deletes or extends that date.

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

29 SEC. 8. Section 8005 of the Business and Professions Code is  
30 amended to read:

31 8005. The Court Reporters Board of California is charged with  
32 the executive functions necessary for effectuating the purposes of  
33 this chapter. It may appoint committees as it deems necessary or  
34 proper. The board may appoint, prescribe the duties, and fix the  
35 salary of an executive officer. Except as provided by Section 159.5,  
36 the board may also employ other employees as may be necessary,  
37 subject to civil service and other provisions of law.

38 This section shall remain in effect only until January 1, 2017,  
39 and as of that date is repealed, unless a later enacted statute, that  
40 is enacted before January 1, 2017, deletes or extends that date.

1 SEC. 9. Section 8027 of the Business and Professions Code is  
2 amended to read:

3 8027. (a) As used in this section, “school” means a court  
4 reporter training program or an institution that provides a course  
5 of instruction approved by the board and the Bureau for Private  
6 Postsecondary Education, is a public school in this state, or is  
7 accredited by the Western Association of Schools and Colleges.

8 (b) A court reporting school shall be primarily organized to train  
9 students for the practice of shorthand reporting, as defined in  
10 Sections 8016 and 8017. Its educational program shall be on the  
11 postsecondary or collegiate level. It shall be legally organized and  
12 authorized to conduct its program under all applicable laws of the  
13 state, and shall conform to and offer all components of the  
14 minimum prescribed course of study established by the board. Its  
15 records shall be kept and shall be maintained in a manner to render  
16 them safe from theft, fire, or other loss. The records shall indicate  
17 positive daily and clock-hour attendance of each student for all  
18 classes, apprenticeship and graduation reports, high school  
19 transcripts or the equivalent or self-certification of high school  
20 graduation or the equivalent, transcripts of other education, and  
21 student progress to date, including all progress and counseling  
22 reports.

23 (c) Any school intending to offer a program in court reporting  
24 shall notify the board within 30 days of the date on which it  
25 provides notice to, or seeks approval from, the State Department  
26 of Education, the Bureau for Private Postsecondary Education, the  
27 Office of the Chancellor of the California Community Colleges,  
28 or the Western Association of Schools and Colleges, whichever  
29 is applicable. The board shall review the proposed curriculum and  
30 provide the school tentative approval, or notice of denial, within  
31 60 days of receipt of the notice. The school shall apply for  
32 provisional recognition pursuant to subdivision (d) within no more  
33 than one year from the date it begins offering court reporting  
34 classes.

35 (d) The board may grant provisional recognition to a new court  
36 reporting school upon satisfactory evidence that it has met all of  
37 the provisions of subdivision (b) and this subdivision. Recognition  
38 may be granted by the board to a provisionally recognized school  
39 after it has been in continuous operation for a period of no less  
40 than three consecutive years from the date provisional recognition

1 was granted, during which period the school shall provide  
2 satisfactory evidence that at least one person has successfully  
3 completed the entire course of study established by the board and  
4 complied with the provisions of Section 8020, and has been issued  
5 a certificate to practice shorthand reporting as defined in Sections  
6 8016 and 8017. The board may, for good cause shown, extend the  
7 three-year provisional recognition period for not more than one  
8 year. Failure to meet the provisions and terms of this section shall  
9 require the board to deny recognition. Once granted, recognition  
10 may be withdrawn by the board for failure to comply with all  
11 applicable laws and regulations.

12 (e) Application for recognition of a court reporting school shall  
13 be made upon a form prescribed by the board and shall be  
14 accompanied by all evidence, statements, or documents requested.  
15 Each branch, extension center, or off-campus facility requires  
16 separate application.

17 (f) All recognized and provisionally recognized court reporting  
18 schools shall notify the board of any change in school name,  
19 address, telephone number, responsible court reporting program  
20 manager, owner of private schools, and the effective date thereof,  
21 within 30 days of the change. All of these notifications shall be  
22 made in writing.

23 (g) A school shall notify the board in writing immediately of  
24 the discontinuance or pending discontinuance of its court reporting  
25 program or any of the program's components. Within two years  
26 of the date this notice is sent to the board, the school shall  
27 discontinue its court reporting program in its entirety. The board  
28 may, for good cause shown, grant not more than two one-year  
29 extensions of this period to a school. If a student is to be enrolled  
30 after this notice is sent to the board, a school shall disclose to the  
31 student the fact of the discontinuance or pending discontinuance  
32 of its court reporting program or any of its program components.

33 (h) The board shall maintain a roster of currently recognized  
34 and provisionally recognized court reporting schools, including,  
35 but not limited to, the name, address, telephone number, and the  
36 name of the responsible court reporting program manager of each  
37 school.

38 (i) The board shall maintain statistics that display the number  
39 and passing percentage of all first-time examinees, including, but  
40 not limited to, those qualified by each recognized or provisionally

1 recognized school and those first-time examinees qualified by  
2 other methods as defined in Section 8020.

3 (j) Inspections and investigations shall be conducted by the  
4 board as necessary to carry out this section, including, but not  
5 limited to, unannounced site visits.

6 (k) All recognized and provisionally recognized schools shall  
7 print in their school or course catalog the name, address, and  
8 telephone number of the board. At a minimum, the information  
9 shall be in 8-point bold type and include the following statement:

10

11 “IN ORDER FOR A PERSON TO QUALIFY FROM A  
12 SCHOOL TO TAKE THE STATE LICENSING EXAMINATION,  
13 THE PERSON SHALL COMPLETE A PROGRAM AT A  
14 RECOGNIZED SCHOOL. FOR INFORMATION CONCERNING  
15 THE MINIMUM REQUIREMENTS THAT A COURT  
16 REPORTING PROGRAM MUST MEET IN ORDER TO BE  
17 RECOGNIZED, CONTACT: THE COURT REPORTERS  
18 BOARD OF CALIFORNIA; (ADDRESS); (TELEPHONE  
19 NUMBER).”

20

21 (l) Each court reporting school shall file with the board, not  
22 later than June 30 of each year, a current school catalog that shows  
23 all course offerings and staff, and for private schools, the owner,  
24 except that where there have been no changes to the catalog within  
25 the previous year, no catalog need be sent. In addition, each school  
26 shall also file with the board a statement certifying whether the  
27 school is in compliance with all statutes and the rules and  
28 regulations of the board, signed by the responsible court reporting  
29 program manager.

30 (m) A school offering court reporting shall not make any written  
31 or verbal claims of employment opportunities or potential earnings  
32 unless those claims are based on verified data and reflect current  
33 employment conditions.

34 (n) If a school offers a course of instruction that exceeds the  
35 board’s minimum requirements, the school shall disclose orally  
36 and in writing the board’s minimum requirements and how the  
37 course of instruction differs from those criteria. The school shall  
38 make this disclosure before a prospective student executes an  
39 agreement obligating that person to pay any money to the school

1 for the course of instruction. The school shall also make this  
2 disclosure to all students enrolled on January 1, 2002.

3 (o) Private and public schools shall provide each prospective  
4 student with all of the following and have the prospective student  
5 sign a document that shall become part of that individual's  
6 permanent record, acknowledging receipt of each item:

7 (1) A student consumer information brochure published by the  
8 board.

9 (2) A list of the school's graduation requirements, including the  
10 number of tests, the pass point of each test, the speed of each test,  
11 and the type of test, such as jury charge or literary.

12 (3) A list of requirements to qualify for the state-certified  
13 shorthand reporter licensing examination, including the number  
14 of tests, the pass point of each test, the speed of each test, and the  
15 type of test, such as jury charge or literary, if different than those  
16 requirements listed in paragraph (2).

17 (4) A copy of the school's board-approved benchmarks for  
18 satisfactory progress as identified in subdivision (u).

19 (5) A report showing the number of students from the school  
20 who qualified for each of the certified shorthand reporter licensing  
21 examinations within the preceding two years, the number of those  
22 students that passed each examination, the time, as of the date of  
23 qualification, that each student was enrolled in court reporting  
24 school, and the placement rate for all students that passed each  
25 examination.

26 (6) On and after January 1, 2005, the school shall also provide  
27 to prospective students the number of hours each currently enrolled  
28 student who has qualified to take the next licensing test, exclusive  
29 of transfer students, has attended court reporting classes.

30 (p) All enrolled students shall have the information in  
31 subdivisions (n) and (o) on file no later than June 30, 2005.

32 (q) Public schools shall provide the information in subdivisions  
33 (n) and (o) to each new student the first day he or she attends theory  
34 or machine speed class, if it was not provided previously.

35 (r) Each enrolled student shall be provided written notification  
36 of any change in qualification or graduation requirements that is  
37 being implemented due to the requirements of any one of the  
38 school's oversight agencies. This notice shall be provided to each  
39 affected student at least 30 days before the effective date of the  
40 change and shall state the new requirement and the name, address,

1 and telephone number of the agency that is requiring it of the  
2 school. Each student shall initial and date a document  
3 acknowledging receipt of that information and that document, or  
4 a copy thereof, shall be made part of the student's permanent file.

5 (s) Schools shall make available a comprehensive final  
6 examination in each academic subject to any student desiring to  
7 challenge an academic class in order to obtain credit towards  
8 certification for the state licensing examination. The points required  
9 to pass a challenge examination shall not be higher than the  
10 minimum points required of other students completing the  
11 academic class.

12 (t) An individual serving as a teacher, instructor, or reader shall  
13 meet the qualifications specified by regulation for his or her  
14 position.

15 (u) Each school shall provide a substitute teacher or instructor  
16 for any class for which the teacher or instructor is absent for two  
17 consecutive days or more.

18 (v) The board has the authority to approve or disapprove  
19 benchmarks for satisfactory progress which each school shall  
20 develop for its court reporting program. Schools shall use only  
21 board-approved benchmarks to comply with the provisions of  
22 paragraph (4) of subdivision (o) and subdivision (u).

23 (w) Each school shall counsel each student a minimum of one  
24 time within each 12-month period to identify the level of attendance  
25 and progress, and the prognosis for completing the requirements  
26 to become eligible to sit for the state licensing examination. If the  
27 student has not progressed in accordance with the board-approved  
28 benchmarks for that school, the student shall be counseled a  
29 minimum of one additional time within that same 12-month period.

30 (x) The school shall provide to the board, for each student  
31 qualifying through the school as eligible to sit for the state licensing  
32 examination, the number of hours the student attended court  
33 reporting classes, both academic and machine speed classes,  
34 including theory.

35 (y) The pass rate of first-time examination takers for each school  
36 offering court reporting shall meet or exceed the average pass rate  
37 of all first-time test takers for a majority of examinations given  
38 for the preceding three years. Failure to do so shall require the  
39 board to conduct a review of the program. In addition, the board  
40 may place the school on probation and may withdraw recognition

1 if the school continues to place below the above-described standard  
2 on the two examinations that follow the three-year period.

3 (z) A school shall not require more than one 10-minute  
4 qualifying examination, as defined in the regulations of the board,  
5 for a student to be eligible to sit for the state certification  
6 examination.

7 (aa) A school shall provide the board the actual number of hours  
8 of attendance for each applicant the school qualifies for the state  
9 licensing examination.

10 (ab) The board shall, by December 1, 2001, do the following  
11 by regulation as necessary:

12 (1) Establish the format that shall be used by schools to report  
13 tracking of all attendance hours and actual timeframes for  
14 completed coursework.

15 (2) Require schools to provide a minimum of 10 hours of live  
16 dictation class each school week for every full-time student.

17 (3) Require schools to provide students with the opportunity to  
18 read back from their stenographic notes a minimum of one time  
19 each day to his or her instructor.

20 (4) Require schools to provide students with the opportunity to  
21 practice with a school-approved speed-building audio recording,  
22 or other assigned material, a minimum of one hour per day after  
23 school hours as a homework assignment and provide the notes  
24 from this audio recording to their instructor the following day for  
25 review.

26 (5) Develop standardization of policies on the use and  
27 administration of qualifier examinations by schools.

28 (6) Define qualifier examination as follows: the qualifier  
29 examination shall consist of 4-voice testimony of 10-minute  
30 duration at 200 words per minute, graded at 97.5 percent accuracy,  
31 and in accordance with the guidelines followed by the board.  
32 Schools shall be required to date and number each qualifier and  
33 announce the date and number to the students at the time of  
34 administering the qualifier. All qualifiers shall indicate the actual  
35 dictation time of the test and the school shall catalog and maintain  
36 the qualifier for a period of not less than three years for the purpose  
37 of inspection by the board.

38 (7) Require schools to develop a program to provide students  
39 with the opportunity to interact with professional court reporters

1 to provide skill support, mentoring, or counseling that they can  
2 document at least quarterly.

3 (8) Define qualifications and educational requirements required  
4 of instructors and readers that read test material and qualifiers.

5 (ac) The board shall adopt regulations to implement the  
6 requirements of this section not later than September 1, 2002.

7 (ad) The board may recover costs for any additional expenses  
8 incurred under the enactment amending this section in the 2001–02  
9 Regular Session of the Legislature pursuant to its fee authority in  
10 Section 8031.

11 SEC. 10. Section 8030.2 of the Business and Professions Code  
12 is amended to read:

13 8030.2. (a) To provide shorthand reporting services to  
14 low-income litigants in civil cases, who are unable to otherwise  
15 afford those services, funds generated by fees received by the board  
16 pursuant to subdivision (c) of Section 8031 in excess of funds  
17 needed to support the board’s operating budget for the fiscal year  
18 in which a transfer described below is made shall be used by the  
19 board for the purpose of establishing and maintaining a Transcript  
20 Reimbursement Fund. The Transcript Reimbursement Fund shall  
21 be established by a transfer of funds from the Court Reporters’  
22 Fund in the amount of three hundred thousand dollars (\$300,000)  
23 at the beginning of each fiscal year. Notwithstanding any other  
24 provision of this article, a transfer to the Transcript Reimbursement  
25 Fund in excess of the fund balance established at the beginning of  
26 each fiscal year shall not be made by the board if the transfer will  
27 result in the reduction of the balance of the Court Reporters’ Fund  
28 to an amount less than six months’ operating budget.

29 (b) All moneys held in the Court Reporters’ Fund on the  
30 effective date of this section in excess of the board’s operating  
31 budget for the 1996–97 fiscal year shall be used as provided in  
32 subdivision (a).

33 (c) Refunds and unexpended funds that are anticipated to remain  
34 in the Transcript Reimbursement Fund at the end of the fiscal year  
35 shall be considered by the board in establishing the fee assessment  
36 pursuant to Section 8031 so that the assessment shall maintain the  
37 level of funding for the Transcript Reimbursement Fund, as  
38 specified in subdivision (a), in the following fiscal year.

39 (d) The Transcript Reimbursement Fund is hereby created in  
40 the State Treasury. Notwithstanding Section 13340 of the

1 Government Code, moneys in the Transcript Reimbursement Fund  
2 are continuously appropriated for the purposes of this chapter.

3 (e) (1) Applicants, including applicants pursuant to Section  
4 8030.5, who have been reimbursed pursuant to this chapter for  
5 services provided to litigants and who are awarded court costs or  
6 attorney’s fees by judgment or by settlement agreement shall refund  
7 the full amount of that reimbursement to the fund within 90 days  
8 of receipt of the award or settlement.

9 (2) An applicant pursuant to Section 8030.5 who has been  
10 reimbursed for services provided to litigants under this chapter  
11 shall refund the full amount reimbursed if a court orders the  
12 applicant’s fee waiver withdrawn or denied retroactively pursuant  
13 to Section 68636 of the Government Code, within 90 days of the  
14 court’s order withdrawing or denying the fee waiver.

15 (f) Subject to the limitations of this chapter, the board shall  
16 maintain the fund at a level that is sufficient to pay all qualified  
17 claims. To accomplish this objective, the board shall utilize all  
18 refunds, unexpended funds, fees, and any other moneys received  
19 by the board.

20 (g) Notwithstanding Section 16346 of the Government Code,  
21 all unencumbered funds remaining in the Transcript  
22 Reimbursement Fund as of January 1, 2017, shall be transferred  
23 to the Court Reporters’ Fund.

24 (h) This section shall remain in effect only until January 1, 2017,  
25 and as of that date is repealed, unless a later enacted statute, that  
26 is enacted before January 1, 2017, deletes or extends that date.

27 SEC. 11. Section 8030.5 of the Business and Professions Code  
28 is amended to read:

29 8030.5. (a) Notwithstanding subdivision (e) of Section 8030.4,  
30 as used in this chapter the term “applicant” also means an indigent  
31 person, as defined in subdivision (f) of Section 8030.4, appearing  
32 pro se to represent himself or herself at any stage of the case and  
33 applying to receive funds from the Transcript Reimbursement  
34 Fund established by this chapter.

35 (b) Notwithstanding Section 8030.6, total disbursements to  
36 cover the cost of providing transcripts to all applicants pursuant  
37 to this section shall not exceed thirty thousand dollars (\$30,000)  
38 annually and shall not exceed one thousand five hundred dollars  
39 (\$1,500) per case.

1 (c) The board shall provide a report to the Senate and Assembly  
2 Committees on Judiciary by March 1, 2012, that includes a  
3 summary of the expenditures and claims relating to this article,  
4 including the initial fund balance as of January 1, 2011; all funds  
5 received, including the amount of, and reason for, any refunds  
6 pursuant to subdivision (e) of Section 8030.2; all claims received,  
7 including the type of case, court involved, service for which  
8 reimbursement was sought, amount paid, and amount denied, if  
9 any, and the reason for denial; and all administrative fees. This  
10 report shall be provided using existing resources.

11 (d) The Legislature finds and declares that there are funds  
12 available for indigent pro se parties under this article only because  
13 the Transcript Reimbursement Fund has not been fully utilized in  
14 recent years by the eligible applicants for whom its use has been  
15 intended, despite the evident financial need among legal services  
16 organizations and pro bono attorneys. Accordingly, the board shall,  
17 using existing resources, undertake further efforts to publicize the  
18 availability of the Transcript Reimbursement Fund to prospective  
19 applicants, as defined in subdivision (e) of Section 8030.4, through  
20 appropriate entities serving these applicants, including the State  
21 Bar of California, the California Commission on Access to Justice,  
22 and the Legal Aid Association of California. These efforts shall  
23 be described in the report required by subdivision (c).

24 (e) This section shall remain in effect only until January 1, 2017,  
25 and as of that date is repealed, unless a later enacted statute that  
26 is enacted before January 1, 2017, deletes or extends that date.

27 SEC. 12. Section 9812.5 of the Business and Professions Code  
28 is amended to read:

29 9812.5. The director shall gather evidence of violations of this  
30 chapter and of any regulation established hereunder by any service  
31 contractor, whether registered or not, and by any employee, partner,  
32 officer, or member of any service contractor. The director shall,  
33 on his or her own initiative, conduct spot check investigations of  
34 service contractors throughout the state on a continuous basis. This  
35 section shall remain in effect only until January 1, 2015, and as of  
36 that date is repealed, unless a later enacted statute, that is enacted  
37 before January 1, 2015, deletes or extends that date.

38 SEC. 13. Section 9830.5 of the Business and Professions Code  
39 is amended to read:

1 9830.5. Each service contractor shall pay the fee required by  
2 this chapter for each place of business operated by him or her in  
3 this state and shall register with the bureau upon forms prescribed  
4 by the director. The forms shall contain sufficient information to  
5 identify the service contractor, including name, address, retail  
6 seller's permit number, if a permit is required under the Sales and  
7 Use Tax Law (Part 1 (commencing with Section 6001) of Division  
8 2 of the Revenue and Taxation Code), a copy of the certificate of  
9 qualification as filed with the Secretary of State if the service  
10 contractor is a foreign corporation, and other identifying data to  
11 be prescribed by the bureau. If the business is to be carried on  
12 under a fictitious name, that fictitious name shall be stated. If the  
13 service contractor is a partnership, identifying data shall be stated  
14 for each partner. If the service contractor is a private company that  
15 does not file an annual report on Form 10-K with the Securities  
16 and Exchange Commission, data shall be included for each of the  
17 officers and directors of the company as well as for the individual  
18 in charge of each place of the service contractor's business in the  
19 State of California, subject to any regulations the director may  
20 adopt. If the service contractor is a publicly held corporation or a  
21 private company that files an annual report on Form 10-K with  
22 the Securities and Exchange Commission, it shall be sufficient for  
23 purposes of providing data for each of the officers and directors  
24 of the corporation or company to file with the director the most  
25 recent annual report on Form 10-K that is filed with the Securities  
26 and Exchange Commission.

27 A service contractor who does not operate a place of business  
28 in this state but who sells, issues, or administers service contracts  
29 in this state, shall hold a valid registration issued by the bureau  
30 and shall pay the registration fee required by this chapter as if he  
31 or she had a place of business in this state.

32 This section shall remain in effect only until January 1, 2015,  
33 and as of that date is repealed, unless a later enacted statute, that  
34 is enacted before January 1, 2015, deletes or extends that date.

35 SEC. 14. Section 9832.5 of the Business and Professions Code  
36 is amended to read:

37 9832.5. (a) Registrations issued under this chapter shall expire  
38 no more than 12 months after the issue date. The expiration date  
39 of registrations shall be set by the director in a manner to best  
40 distribute renewal procedures throughout the year.

1 (b) To renew an unexpired registration, the service contractor  
2 shall, on or before the expiration date of the registration, apply for  
3 renewal on a form prescribed by the director, and pay the renewal  
4 fee prescribed by this chapter.

5 (c) To renew an expired registration, the service contractor shall  
6 apply for renewal on a form prescribed by the director, pay the  
7 renewal fee in effect on the last regular renewal date, and pay all  
8 accrued and unpaid delinquency and renewal fees.

9 (d) Renewal is effective on the date that the application is filed,  
10 the renewal fee is paid, and all delinquency fees are paid.

11 (e) For purposes of implementing the distribution of the renewal  
12 of registrations throughout the year, the director may extend, by  
13 not more than six months, the date fixed by law for renewal of a  
14 registration, except that, in that event, any renewal fee that may  
15 be involved shall be prorated in such a manner that no person shall  
16 be required to pay a greater or lesser fee than would have been  
17 required had the change in renewal dates not occurred.

18 (f) This section shall remain in effect only until January 1, 2015,  
19 and as of that date is repealed, unless a later enacted statute, which  
20 is enacted before January 1, 2015, deletes or extends that date.

21 SEC. 15. Section 9847.5 of the Business and Professions Code  
22 is amended to read:

23 9847.5. Each service contractor shall maintain those records  
24 as are required by the regulations adopted to carry out the  
25 provisions of this chapter for a period of at least three years. These  
26 records shall be open for reasonable inspection by the director or  
27 other law enforcement officials.

28 This section shall remain in effect only until January 1, 2015,  
29 and as of that date is repealed, unless a later enacted statute, that  
30 is enacted before January 1, 2015, deletes or extends that date.

31 SEC. 16. Section 9849 of the Business and Professions Code,  
32 as amended by Section 49 of Chapter 354 of the Statutes of 2007,  
33 is amended to read:

34 9849. The expiration of a valid registration shall not deprive  
35 the director of jurisdiction to proceed with any investigation or  
36 hearing on a cease and desist order against a service dealer or  
37 service contractor or to render a decision to suspend, revoke, or  
38 place on probation a registration.

1 This section shall remain in effect only until January 1, 2015,  
2 and as of that date is repealed, unless a later enacted statute, that  
3 is enacted before January 1, 2015, deletes or extends that date.

4 SEC. 17. Section 9849 of the Business and Professions Code,  
5 as amended by Section 50 of Chapter 354 of the Statutes of 2007,  
6 is amended to read:

7 9849. The expiration of a valid registration shall not deprive  
8 the director of jurisdiction to proceed with any investigation or  
9 hearing on a cease and desist order against a service dealer or to  
10 render a decision to suspend, revoke, or place on probation a  
11 registration.

12 This section shall become operative on January 1, 2015.

13 SEC. 18. Section 9851 of the Business and Professions Code,  
14 as amended by Section 51 of Chapter 354 of the Statutes of 2007,  
15 is amended to read:

16 9851. The superior court in and for the county wherein any  
17 person carries on, or attempts to carry on, business as a service  
18 dealer or service contractor in violation of the provisions of this  
19 chapter, or any regulation thereunder, shall, on application of the  
20 director, issue an injunction or other appropriate order restraining  
21 that conduct.

22 The proceedings under this section shall be governed by Chapter  
23 3 (commencing with Section 525) of Title 7 of Part 2 of the Code  
24 of Civil Procedure, except that the director shall not be required  
25 to allege facts necessary to show or tending to show lack of an  
26 adequate remedy at law or irreparable injury.

27 This section shall remain in effect only until January 1, 2015,  
28 and as of that date is repealed, unless a later enacted statute, that  
29 is enacted before January 1, 2015, deletes or extends that date.

30 SEC. 19. Section 9851 of the Business and Professions Code,  
31 as amended by Section 52 of Chapter 354 of the Statutes of 2007,  
32 is amended to read:

33 9851. The superior court in and for the county wherein any  
34 person carries on, or attempts to carry on, business as a service  
35 dealer in violation of the provisions of this chapter, or any  
36 regulation thereunder, shall, on application of the director, issue  
37 an injunction or other appropriate order restraining that conduct.

38 The proceedings under this section shall be governed by Chapter  
39 3 (commencing with Section 525) of Title 7 of Part 2 of the Code  
40 of Civil Procedure, except that the director shall not be required

1 to allege facts necessary to show or tending to show lack of an  
2 adequate remedy at law or irreparable injury.

3 This section shall become operative on January 1, 2015.

4 SEC. 20. Section 9853 of the Business and Professions Code,  
5 as amended by Section 53 of Chapter 354 of the Statutes of 2007,  
6 is amended to read:

7 9853. A plea or verdict of guilty or a conviction following a  
8 plea of nolo contendere made to a charge substantially related to  
9 the qualifications, functions, and duties of a service dealer or  
10 service contractor is deemed to be a conviction within the meaning  
11 of this article. The director may suspend, revoke, or place on  
12 probation a registration, or may deny registration, when the time  
13 for appeal has elapsed, or the judgment of conviction has been  
14 affirmed on appeal or when an order granting probation is made  
15 suspending the imposition of sentence, irrespective of a subsequent  
16 order under Section 1203.4 of the Penal Code, allowing that person  
17 to withdraw his or her plea of guilty and to enter a plea of not  
18 guilty, or setting aside the verdict of guilty, or dismissing the  
19 accusation, information, or indictment.

20 This section shall remain in effect only until January 1, 2015,  
21 and as of that date is repealed, unless a later enacted statute, that  
22 is enacted before January 1, 2015, deletes or extends that date.

23 SEC. 21. Section 9853 of the Business and Professions Code,  
24 as amended by Section 54 of Chapter 354 of the Statutes of 2007,  
25 is amended to read:

26 9853. A plea or verdict of guilty or a conviction following a  
27 plea of nolo contendere made to a charge substantially related to  
28 the qualifications, functions, and duties of a service dealer is  
29 deemed to be a conviction within the meaning of this article. The  
30 director may suspend, revoke, or place on probation a registration,  
31 or may deny registration, when the time for appeal has elapsed, or  
32 the judgment of conviction has been affirmed on appeal or when  
33 an order granting probation is made suspending the imposition of  
34 sentence, irrespective of a subsequent order under Section 1203.4  
35 of the Penal Code allowing that person to withdraw his or her plea  
36 of guilty and to enter a plea of not guilty, or setting aside the verdict  
37 of guilty, or dismissing the accusation, information, or indictment.

38 This section shall become operative on January 1, 2015.

1 SEC. 22. Section 9860 of the Business and Professions Code,  
2 as amended by Section 58 of Chapter 354 of the Statutes of 2007,  
3 is amended to read:

4 9860. The director shall establish procedures for accepting  
5 complaints from the public against any service dealer or service  
6 contractor.

7 This section shall remain in effect only until January 1, 2015,  
8 and as of that date is repealed, unless a later enacted statute, that  
9 is enacted before January 1, 2015, deletes or extends that date.

10 SEC. 23. Section 9860 of the Business and Professions Code,  
11 as amended by Section 59 of Chapter 354 of the Statutes of 2007,  
12 is amended to read:

13 9860. The director shall establish procedures for accepting  
14 complaints from the public against any service dealer.

15 This section shall become operative on January 1, 2015.

16 *SEC. 24. Section 9862.5 of the Business and Professions Code*  
17 *is amended to read:*

18 9862.5. If a complaint indicates a possible violation of this  
19 chapter or of the regulations adopted pursuant to this chapter, the  
20 director may advise the service contractor of the contents of the  
21 complaint and, if the service contractor is so advised, the director  
22 shall make a summary investigation of the facts after the service  
23 dealer has had reasonable opportunity to reply thereto.

24 This section shall remain in effect only until January 1, ~~2013~~  
25 ~~2015~~, and as of that date is repealed, unless a later enacted statute,  
26 that is enacted before January 1, ~~2013~~ ~~2015~~, deletes or extends  
27 that date.

28 ~~SEC. 24.~~

29 *SEC. 25.* Section 9863 of the Business and Professions Code,  
30 as amended by Section 61 of Chapter 354 of the Statutes of 2007,  
31 is amended to read:

32 9863. If, upon summary investigation, it appears probable to  
33 the director that a violation of this chapter, or the regulations  
34 thereunder, has occurred, the director, in his or her discretion, may  
35 suggest measures that in the director's judgment would compensate  
36 the complainant for the damages he or she has suffered as a result  
37 of the alleged violation. If the service dealer or service contractor  
38 accepts the director's suggestions and performs accordingly, the  
39 director shall give that fact due consideration in any subsequent  
40 disciplinary proceeding. If the service dealer or service contractor

1 declines to abide by the suggestions of the director, the director  
2 may investigate further and may institute disciplinary proceedings  
3 in accordance with the provisions of this chapter.

4 This section shall remain in effect only until January 1, 2015,  
5 and as of that date is repealed, unless a later enacted statute, that  
6 is enacted before January 1, 2015, deletes or extends that date.

7 ~~SEC. 25.~~

8 *SEC. 26.* Section 9863 of the Business and Professions Code,  
9 as amended by Section 62 of Chapter 354 of the Statutes of 2007,  
10 is amended to read:

11 9863. If, upon summary investigation, it appears probable to  
12 the director that a violation of this chapter, or the regulations  
13 thereunder, has occurred, the director, in his or her discretion, may  
14 suggest measures that in the director's judgment would compensate  
15 the complainant for the damages he or she has suffered as a result  
16 of the alleged violation. If the service dealer accepts the director's  
17 suggestions and performs accordingly, the director shall give that  
18 fact due consideration in any subsequent disciplinary proceeding.  
19 If the service dealer declines to abide by the suggestions of the  
20 director, the director may investigate further and may institute  
21 disciplinary proceedings in accordance with the provisions of this  
22 chapter.

23 This section shall become operative on January 1, 2015.

24 *SEC. 27.* Section 9873 of the Business and Professions Code,  
25 as amended by Section 63 of Chapter 354 of the Statutes of 2007,  
26 is amended to read:

27 9873. The fees prescribed by this chapter shall be set by the  
28 director by regulation, according to the following schedule:

29 (a) (1) The initial registration fee for an electronic repair  
30 industry service dealer or for an appliance repair industry service  
31 dealer is not more than one hundred sixty-five dollars (\$165) for  
32 each place of business in this state. The initial registration fee for  
33 a service contractor is not more than seventy-five dollars (\$75) for  
34 each place of business in this state.

35 (2) The initial registration fee for a person who engages in  
36 business as both an electronic repair industry service dealer and  
37 an appliance repair industry service dealer is not more than three  
38 hundred twenty-five dollars (\$325) for each place of business in  
39 this state. The initial registration fee for a person who is a service  
40 contractor and engages in business as either an electronic repair

1 industry service dealer or an appliance repair industry service  
2 dealer is not more than two hundred forty dollars (\$240) for each  
3 place of business in this state.

4 (3) The initial registration fee for a person who engages in both  
5 the electronic repair industry and the appliance repair industry as  
6 a service dealer and is a service contractor is not more than four  
7 hundred dollars (\$400) for each place of business in this state.

8 (4) On or after January 1, 2000, the initial registration fee for a  
9 service contractor described in subdivision (e) of Section 12741  
10 of the Insurance Code shall be set by the director in an amount not  
11 to exceed the actual and direct costs associated with the regulation  
12 of those service contractors, but in no event more than fifty  
13 thousand dollars (\$50,000).

14 A service dealer or service contractor who does not operate a  
15 place of business in this state, but engages in the electronic repair  
16 industry, the appliance repair industry, or sells, issues, or  
17 administers service contracts in this state shall pay the registration  
18 fee specified herein as if he or she had a place of business in this  
19 state.

20 (b) (1) The annual registration renewal fee for an electronic  
21 repair industry service dealer or for an appliance repair industry  
22 service dealer is not more than one hundred sixty-five dollars  
23 (\$165) for each place of business in this state, if renewed prior to  
24 its expiration date. The annual registration renewal fee for a service  
25 contractor is seventy-five dollars (\$75) for each place of business  
26 in this state, if renewed prior to its expiration date.

27 (2) The annual renewal fee for a service dealer who engages in  
28 the business as both an electronic repair industry service dealer  
29 and an appliance repair industry service dealer is not more than  
30 three hundred dollars (\$300) for each place of business in this  
31 state.

32 (3) The annual renewal fee for a service dealer who engages in  
33 the electronic repair industry and the appliance repair industry and  
34 is a service contractor is not more than three hundred seventy-five  
35 dollars (\$375) for each place of business in this state.

36 (4) It is the intent of the Legislature that the amount of the  
37 annual registration renewal fee for a service contractor described  
38 in subdivision (e) of Section 12741 of the Insurance Code shall be  
39 evaluated and set by the Legislature.

1 A service dealer or service contractor who does not operate a  
2 place of business in this state, but who engages in the electronic  
3 repair industry, the appliance repair industry, or sells or issues  
4 service contracts in this state shall pay the registration fee specified  
5 herein as if he or she had a place of business in this state.

6 (c) The delinquency fee is an amount equal to 50 percent of the  
7 renewal fee for a license in effect on the date of renewal of the  
8 license, except as otherwise provided in Section 163.5.

9 This section shall remain in effect only until January 1, ~~2013~~  
10 2015, and as of that date is repealed, unless a later enacted statute,  
11 which is enacted before January 1, ~~2013~~ 2015, deletes or extends  
12 that date.

13 *SEC. 28. Section 9873 of the Business and Professions Code,*  
14 *as amended by Section 64 of Chapter 354 of the Statutes of 2007,*  
15 *is amended to read:*

16 9873. The fees prescribed by this chapter shall be set by the  
17 director by regulation, according to the following schedule:

18 (a) The initial registration fee for an electronic repair industry  
19 service dealer or for an appliance repair industry service dealer is  
20 not more than one hundred sixty-five dollars (\$165) for each place  
21 of business in this state. The initial registration fee for a person  
22 who engages in business as both an electronic repair industry  
23 service dealer and an appliance repair industry service dealer is  
24 not more than three hundred twenty-five dollars (\$325).

25 (b) The annual registration renewal fee for an electronic repair  
26 industry service dealer or for an appliance repair industry service  
27 dealer is not more than one hundred sixty-five dollars (\$165) for  
28 each place of business in this state, if renewed prior to its expiration  
29 date. The annual renewal fee for a service dealer who engages in  
30 the business as both an electronic repair industry service dealer  
31 and an appliance repair industry service dealer is not more than  
32 three hundred dollars (\$300).

33 (c) The delinquency fee is an amount equal to 50 percent of the  
34 renewal fee for a license in effect on the date of renewal of the  
35 license, except as otherwise provided in Section 163.5.

36 This section shall become operative on January 1, ~~2013~~ 2015.

37 ~~SEC. 26.~~

38 *SEC. 29. Section 12529 of the Government Code, as amended*  
39 *by Section 8 of Chapter 505 of the Statutes of 2009, is amended*  
40 *to read:*

1 12529. (a) There is in the Department of Justice the Health  
2 Quality Enforcement Section. The primary responsibility of the  
3 section is to investigate and prosecute proceedings against licensees  
4 and applicants within the jurisdiction of the Medical Board of  
5 California, the California Board of Podiatric Medicine, the Board  
6 of Psychology, or any committee under the jurisdiction of the  
7 Medical Board of California.

8 (b) The Attorney General shall appoint a Senior Assistant  
9 Attorney General of the Health Quality Enforcement Section. The  
10 Senior Assistant Attorney General of the Health Quality  
11 Enforcement Section shall be an attorney in good standing licensed  
12 to practice in the State of California, experienced in prosecutorial  
13 or administrative disciplinary proceedings and competent in the  
14 management and supervision of attorneys performing those  
15 functions.

16 (c) The Attorney General shall ensure that the Health Quality  
17 Enforcement Section is staffed with a sufficient number of  
18 experienced and able employees that are capable of handling the  
19 most complex and varied types of disciplinary actions against the  
20 licensees of the board.

21 (d) Funding for the Health Quality Enforcement Section shall  
22 be budgeted in consultation with the Attorney General from the  
23 special funds financing the operations of the Medical Board of  
24 California, the California Board of Podiatric Medicine, the Board  
25 of Psychology, and the committees under the jurisdiction of the  
26 Medical Board of California, with the intent that the expenses be  
27 proportionally shared as to services rendered.

28 (e) This section shall remain in effect only until January 1, 2014,  
29 and as of that date is repealed, unless a later enacted statute, that  
30 is enacted before January 1, 2014, deletes or extends that date.

31 ~~SEC. 27.~~

32 *SEC. 30.* Section 12529 of the Government Code, as amended  
33 by Section 9 of Chapter 505 of the Statutes of 2009, is amended  
34 to read:

35 12529. (a) There is in the Department of Justice the Health  
36 Quality Enforcement Section. The primary responsibility of the  
37 section is to prosecute proceedings against licensees and applicants  
38 within the jurisdiction of the Medical Board of California, the  
39 California Board of Podiatric Medicine, the Board of Psychology,  
40 or any committee under the jurisdiction of the Medical Board of

1 California, and to provide ongoing review of the investigative  
2 activities conducted in support of those prosecutions, as provided  
3 in subdivision (b) of Section 12529.5.

4 (b) The Attorney General shall appoint a Senior Assistant  
5 Attorney General of the Health Quality Enforcement Section. The  
6 Senior Assistant Attorney General of the Health Quality  
7 Enforcement Section shall be an attorney in good standing licensed  
8 to practice in the State of California, experienced in prosecutorial  
9 or administrative disciplinary proceedings and competent in the  
10 management and supervision of attorneys performing those  
11 functions.

12 (c) The Attorney General shall ensure that the Health Quality  
13 Enforcement Section is staffed with a sufficient number of  
14 experienced and able employees that are capable of handling the  
15 most complex and varied types of disciplinary actions against the  
16 licensees of the board.

17 (d) Funding for the Health Quality Enforcement Section shall  
18 be budgeted in consultation with the Attorney General from the  
19 special funds financing the operations of the Medical Board of  
20 California, the California Board of Podiatric Medicine, the Board  
21 of Psychology, and the committees under the jurisdiction of the  
22 Medical Board of California, with the intent that the expenses be  
23 proportionally shared as to services rendered.

24 (e) This section shall become operative January 1, 2014.

25 ~~SEC. 28.~~

26 *SEC. 31.* Section 12529.5 of the Government Code, as amended  
27 by Section 10 of Chapter 505 of the Statutes of 2009, is amended  
28 to read:

29 12529.5. (a) All complaints or relevant information concerning  
30 licensees that are within the jurisdiction of the Medical Board of  
31 California, the California Board of Podiatric Medicine, or the  
32 Board of Psychology shall be made available to the Health Quality  
33 Enforcement Section.

34 (b) The Senior Assistant Attorney General of the Health Quality  
35 Enforcement Section shall assign attorneys to work on location at  
36 the intake unit of the boards described in subdivision (d) of Section  
37 12529 to assist in evaluating and screening complaints and to assist  
38 in developing uniform standards and procedures for processing  
39 complaints.

1 (c) The Senior Assistant Attorney General or his or her deputy  
2 attorneys general shall assist the boards or committees in designing  
3 and providing initial and in-service training programs for staff of  
4 the boards or committees, including, but not limited to, information  
5 collection and investigation.

6 (d) The determination to bring a disciplinary proceeding against  
7 a licensee of the boards shall be made by the executive officer of  
8 the boards or committees as appropriate in consultation with the  
9 senior assistant.

10 (e) This section shall remain in effect only until January 1, 2014,  
11 and as of that date is repealed, unless a later enacted statute, that  
12 is enacted before January 1, 2014, deletes or extends that date.

13 ~~SEC. 29.~~

14 *SEC. 32.* Section 12529.5 of the Government Code, as amended  
15 by Section 11 of Chapter 505 of the Statutes of 2009, is amended  
16 to read:

17 12529.5. (a) All complaints or relevant information concerning  
18 licensees that are within the jurisdiction of the Medical Board of  
19 California, the California Board of Podiatric Medicine, or the  
20 Board of Psychology shall be made available to the Health Quality  
21 Enforcement Section.

22 (b) The Senior Assistant Attorney General of the Health Quality  
23 Enforcement Section shall assign attorneys to assist the boards in  
24 intake and investigations and to direct discipline-related  
25 prosecutions. Attorneys shall be assigned to work closely with  
26 each major intake and investigatory unit of the boards, to assist in  
27 the evaluation and screening of complaints from receipt through  
28 disposition and to assist in developing uniform standards and  
29 procedures for the handling of complaints and investigations.

30 A deputy attorney general of the Health Quality Enforcement  
31 Section shall frequently be available on location at each of the  
32 working offices at the major investigation centers of the boards,  
33 to provide consultation and related services and engage in case  
34 review with the boards' investigative, medical advisory, and intake  
35 staff. The Senior Assistant Attorney General and deputy attorneys  
36 general working at his or her direction shall consult as appropriate  
37 with the investigators of the boards, medical advisors, and  
38 executive staff in the investigation and prosecution of disciplinary  
39 cases.

1 (c) The Senior Assistant Attorney General or his or her deputy  
2 attorneys general shall assist the boards or committees in designing  
3 and providing initial and in-service training programs for staff of  
4 the boards or committees, including, but not limited to, information  
5 collection and investigation.

6 (d) The determination to bring a disciplinary proceeding against  
7 a licensee of the boards shall be made by the executive officer of  
8 the boards or committees as appropriate in consultation with the  
9 senior assistant.

10 (e) This section shall become operative January 1, 2014.

11 ~~SEC. 30.~~

12 *SEC. 33.* Section 12529.6 of the Government Code is amended  
13 to read:

14 12529.6. (a) The Legislature finds and declares that the  
15 Medical Board of California, by ensuring the quality and safety  
16 of medical care, performs one of the most critical functions of state  
17 government. Because of the critical importance of the board's  
18 public health and safety function, the complexity of cases involving  
19 alleged misconduct by physicians and surgeons, and the evidentiary  
20 burden in the board's disciplinary cases, the Legislature finds and  
21 declares that using a vertical enforcement and prosecution model  
22 for those investigations is in the best interests of the people of  
23 California.

24 (b) Notwithstanding any other provision of law, as of January  
25 1, 2006, each complaint that is referred to a district office of the  
26 board for investigation shall be simultaneously and jointly assigned  
27 to an investigator and to the deputy attorney general in the Health  
28 Quality Enforcement Section responsible for prosecuting the case  
29 if the investigation results in the filing of an accusation. The joint  
30 assignment of the investigator and the deputy attorney general  
31 shall exist for the duration of the disciplinary matter. During the  
32 assignment, the investigator so assigned shall, under the direction  
33 but not the supervision of the deputy attorney general, be  
34 responsible for obtaining the evidence required to permit the  
35 Attorney General to advise the board on legal matters such as  
36 whether the board should file a formal accusation, dismiss the  
37 complaint for a lack of evidence required to meet the applicable  
38 burden of proof, or take other appropriate legal action.

39 (c) The Medical Board of California, the Department of  
40 Consumer Affairs, and the Office of the Attorney General shall,

1 if necessary, enter into an interagency agreement to implement  
2 this section.

3 (d) This section does not affect the requirements of Section  
4 12529.5 as applied to the Medical Board of California where  
5 complaints that have not been assigned to a field office for  
6 investigation are concerned.

7 (e) It is the intent of the Legislature to enhance the vertical  
8 enforcement and prosecution model as set forth in subdivision (a).  
9 The Medical Board of California shall do all of the following:

10 (1) Increase its computer capabilities and compatibilities with  
11 the Health Quality Enforcement Section in order to share case  
12 information.

13 (2) Establish and implement a plan to locate its enforcement  
14 staff and the staff of the Health Quality Enforcement Section in  
15 the same offices, as appropriate, in order to carry out the intent of  
16 the vertical enforcement and prosecution model.

17 (3) Establish and implement a plan to assist in team building  
18 between its enforcement staff and the staff of the Health Quality  
19 Enforcement Section in order to ensure a common and consistent  
20 knowledge base.

21 (f) This section shall remain in effect only until January 1, 2014,  
22 and as of that date is repealed, unless a later enacted statute, that  
23 is enacted before January 1, 2014, deletes or extends that date.

24 ~~SEC. 31.~~

25 *SEC. 34.* No reimbursement is required by this act pursuant to  
26 Section 6 of Article XIII B of the California Constitution because  
27 the only costs that may be incurred by a local agency or school  
28 district will be incurred because this act creates a new crime or  
29 infraction, eliminates a crime or infraction, or changes the penalty  
30 for a crime or infraction, within the meaning of Section 17556 of  
31 the Government Code, or changes the definition of a crime within  
32 the meaning of Section 6 of Article XIII B of the California  
33 Constitution.