

AMENDED IN SENATE APRIL 6, 2015

SENATE BILL

No. 270

Introduced by Senator Mendoza

February 19, 2015

~~An act to amend Sections 8000 and 8005 of the Business and Professions Code, relating to court reporters. An act to add Section 8041 to the Business and Professions Code, relating to court reporters.~~

LEGISLATIVE COUNSEL'S DIGEST

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

~~Existing law provides for the certification and regulation of shorthand reporters and for the regulation of shorthand reporting corporations. Existing law establishes a corporations by the Court Reporters Board of California, which is responsible for regulating the practice of those engaged in shorthand reporting. Existing law charges the Court Reporters Board with the executive functions necessary to effectuate the purposes of the provisions regulating the shorthand reporting profession. Under existing law, the provisions establishing the board and specifying its executive functions will become inoperative on January 1, 2017. California.~~

~~This bill would extend the operation of the above-described provisions relating to the Court Reporters Board until January 1, 2023.~~

~~Under existing law, a shorthand reporting corporation is a corporation authorized to render professional services, as defined, as long as that corporation and all of its shareholders, officers, directors, and employees rendering professional services who are certified shorthand reporters are in compliance with specified provisions of law. Existing law defines a foreign professional corporation as a corporation~~

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

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

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

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

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

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: ~~no~~-yes.

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

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

3 8041. (a) *In addition to any other authority or remedy, the*
4 *board may bring a civil action in a superior court to enjoin any*
5 *person, corporation, or corporation organized under the laws of*
6 *a state of the United States other than this state, from rendering*
7 *court reporter services in this state without ever being issued a*
8 *license by the board or authorization to render court reporter*
9 *services in this state by satisfying the requirements of this article.*
10 *The board may request the Attorney General to bring an action*
11 *pursuant to this subdivision.*

12 (b) *If a civil action is brought pursuant to subdivision (a), the*
13 *court, in addition to any other remedy authorized by law, shall*
14 *impose a penalty of not less than ____ dollars (\$____) and no*
15 *more than ____ dollars (\$____) per day against the person or*
16 *corporation rendering services without a license or authorization,*
17 *and the court may also order restitution and the return of any*
18 *payments made to the person or corporation.*

19 (c) *In an action brought pursuant to subdivision (a), the court*
20 *may also enjoin a person or corporation from taking any action*
21 *that would otherwise constitute a violation of any statute or*
22 *regulation of the board pertaining to impartiality, including, but*
23 *not limited to, Section 2475 of Title 16 of the Code of Regulations,*
24 *and the court may impose a penalty of up to ____ dollars (\$____)*
25 *and restitution for any acts undertaken by any person or*
26 *corporation rendering court reporter services in this state. In*
27 *determining the amount of the penalty, the court shall take into*
28 *consideration the frequency of the violations and the impact of*
29 *those violations, including a violation of Section 2475 of Title 16*
30 *of the Code of Regulations.*

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

37 (e) *It shall be a misdemeanor for any person or corporation to*
38 *knowingly render court reporter services in this state without ever*

1 *being issued a license by the board or being authorized to render*
 2 *court reporter services in this state pursuant to this article.*

3 *(f) The court shall award reasonable investigation and*
 4 *enforcement costs to the board or Attorney General responsible*
 5 *for filing an action pursuant to subdivision (a) and may also award*
 6 *a portion of any unallocated penalties collected pursuant to*
 7 *subdivision (c) to be used for future investigation and enforcement*
 8 *of this section by the board and the Attorney General. Any such*
 9 *award of penalties to the board shall be deposited in the Court*
 10 *Reporters' Fund and these penalties shall be subject to*
 11 *appropriation by the Legislature.*

12 *(g) Nothing in this section shall be construed to change, limit,*
 13 *or alter any existing authority of the board, including existing*
 14 *injunctive authority.*

15 *SEC. 2. No reimbursement is required by this act pursuant to*
 16 *Section 6 of Article XIII B of the California Constitution because*
 17 *the only costs that may be incurred by a local agency or school*
 18 *district will be incurred because this act creates a new crime or*
 19 *infraction, eliminates a crime or infraction, or changes the penalty*
 20 *for a crime or infraction, within the meaning of Section 17556 of*
 21 *the Government Code, or changes the definition of a crime within*
 22 *the meaning of Section 6 of Article XIII B of the California*
 23 *Constitution.*

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

26 ~~8000. (a) There is in the Department of Consumer Affairs a~~
 27 ~~Court Reporters Board of California, which consists of five~~
 28 ~~members, three of whom shall be public members and two of~~
 29 ~~whom shall be holders of certificates issued under this chapter~~
 30 ~~who have been actively engaged as shorthand reporters within this~~
 31 ~~state for at least five years immediately preceding their~~
 32 ~~appointment.~~

33 ~~(b) This section shall remain in effect only until January 1, 2023,~~
 34 ~~and as of that date is repealed, unless a later enacted statute, that~~
 35 ~~is enacted before January 1, 2023, deletes or extends that date.~~

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

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

1 8005. ~~The Court Reporters Board of California is charged with~~
2 ~~the executive functions necessary for effectuating the purposes of~~
3 ~~this chapter. It may appoint committees as it deems necessary or~~
4 ~~proper. The board may appoint, prescribe the duties, and fix the~~
5 ~~salary of an executive officer. Except as provided by Section 159.5,~~
6 ~~the board may also employ other employees as may be necessary,~~
7 ~~subject to civil service and other provisions of law.~~
8 ~~This section shall remain in effect only until January 1, 2023,~~
9 ~~and as of that date is repealed, unless a later enacted statute, that~~
10 ~~is enacted before January 1, 2023, deletes or extends that date.~~

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