

AMENDED IN SENATE APRIL 14, 2015

AMENDED IN SENATE APRIL 6, 2015

SENATE BILL

No. 270

Introduced by Senator Mendoza

February 19, 2015

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

LEGISLATIVE COUNSEL'S DIGEST

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

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

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

to do which would constitute unprofessional conduct under any statute, rule, or regulation pertaining to shorthand reporters or shorthand reporting.

This bill would authorize the board to bring a civil action in a superior court to enjoin any person, corporation, or corporation organized under the laws of a state of the United States other than this state, from rendering court reporter services in this state without ever being issued a license by the board or without authorization to render court reporter services in this state by satisfying specified requirements. 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~~ *specified* 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: 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 a
- 6 state of the United States other than this state, from rendering court
- 7 reporter services in this state without ever being issued a license
- 8 by the board or authorization to render court reporter services in
- 9 this state by satisfying the requirements of this article. The board

1 may request the Attorney General to bring an action pursuant to
2 this subdivision.

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

11 (c) In an action brought pursuant to subdivision (a), the court
12 may also enjoin a person or corporation from taking any action
13 that would otherwise constitute a violation of any statute or
14 regulation of the board pertaining to impartiality, including, but
15 not limited to, Section 2475 of Title 16 of the Code of Regulations,
16 and the court may impose a penalty of up to ~~_____ dollars (\$_____)~~
17 *two thousand five hundred dollars (\$2,500)* and restitution for any
18 acts undertaken by any person or corporation rendering court
19 reporter services in this state. In determining the amount of the
20 penalty, the court shall take into consideration the frequency of
21 the violations and the impact of those violations, including a
22 violation of Section 2475 of Title 16 of the Code of Regulations.

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

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

33 (f) The court shall award reasonable investigation and
34 enforcement costs to the board or Attorney General responsible
35 for filing an action pursuant to subdivision (a) and may also award
36 a portion of any unallocated penalties collected pursuant to
37 subdivision (c) to be used for future investigation and enforcement
38 of this section by the board and the Attorney General. Any such
39 award of penalties to the board shall be deposited in the Court

1 Reporters' Fund and these penalties shall be subject to
2 appropriation by the Legislature.

3 (g) ~~Nothing in this~~ This section shall *not* be construed to change,
4 limit, or alter any existing authority of the board, including existing
5 injunctive authority.

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