SENATE BILL No. 954

Introduced by Senator Harman
(Coauthor: Senator Dutton)
(Coauthor: Assembly Member Smyth)

February 4, 2010

An act to amend Sections 22, 102.3, 473, 473.15, 473.16, 473.2, 473.3, 473.4, 473.5, 473.6, 474, 474.1, 474.2, 474.3, 474.4, 1620.1, 1632.5, 1634.2, 1638.1, 1638.7, 4001.5, 4200.1, 4200.3, 4934.2, 5000, 5811, 6704.1, 7000.5, 7303.2, 9882, 18824, and 18882 of, to amend the heading of Division 1.2 (commencing with Section 473) of, and to add Chapter 3 (commencing with Section 474.5) to Division 1.2 of, the Business and Professions Code, and to amend Sections 9148.52 and 9148.8 of the Government Code, relating to legislative procedure.

LEGISLATIVE COUNSEL'S DIGEST

SB 954, as introduced, Harman. Legislative procedure: committee referrals: Joint Committee on Boards, Commissions, and Consumer or Business Protection.

The California Constitution authorizes each house of the Legislature to provide for the selection of committees necessary for the conduct of its business, including committees to ascertain facts and make recommendations to the Legislature on a subject within the scope of legislative control.

Existing law generally makes various regulatory boards within the Department of Consumer Affairs inoperative and repealed on specified dates, and, until January 1, 2012, subjects those boards and other specified boards to review by the Joint Committee on Boards, Commissions, and Consumer Protection.

This bill would enact the Jobs Protection Act. The bill would rename the Joint Committee on Boards, Commissions, and Consumer Protection as the Joint Committee on Boards, Commissions, and Consumer or Business Protection, and would create a new legislative procedure with regard to any bill, as defined, that may have a statewide economic impact affecting business. The bill would require the Assembly Committee on Rules and the Senate Committee on Rules to refer any bill that may have a statewide economic impact affecting business, as specified, to the joint committee for the preparation of an economic impact analysis and a hearing and approval. The bill would require the joint committee to move a bill estimated to generate a fiscal impact of $10,000 or more on small business, as defined, or $50,000 or more on any other business, to the suspense file of the joint committee for further consideration, subject to specified procedural requirements. The bill would also require the joint committee to make an annual report in that regard. The bill would make conforming changes to related provisions.

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

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

SECTION 1. This act shall be known and may be cited as the Jobs Protection Act.

SEC. 2. Section 22 of the Business and Professions Code is amended to read:

22. (a) “Board,” as used in any provision of this code, refers to the board in which the administration of the provision is vested, and unless otherwise expressly provided, shall include “bureau,” “commission,” “committee,” “department,” “division,” “examining committee,” “program,” and “agency.”

(b) Whenever the regulatory program of a board that is subject to review by the Joint Committee on Boards, Commissions, and Consumer *or Business* Protection, as provided for in Division 1.2 (commencing with Section 473), is taken over by the department, that program shall be designated as a “bureau.”

SEC. 3. Section 102.3 of the Business and Professions Code is amended to read:

102.3. (a) The director may enter into an interagency agreement with an appropriate entity within the Department of Consumer Affairs as provided for in Section 101 to delegate the duties, powers, purposes, responsibilities, and jurisdiction that have been succeeded and vested with the department, of a board, as defined in Section 477, which became inoperative and was repealed in accordance with Chapter 908 of the Statutes of 1994.

(b) (1) Where, pursuant to subdivision (a), an interagency agreement is entered into between the director and that entity, the entity receiving the delegation of authority may establish a technical committee to regulate, as directed by the entity, the profession subject to the authority that has been delegated. The entity may delegate to the technical committee only those powers that it received pursuant to the interagency agreement with the director. The technical committee shall have only those powers that have been delegated to it by the entity.

(2) Where the entity delegates its authority to adopt, amend, or repeal regulations to the technical committee, all regulations adopted, amended, or repealed by the technical committee shall be subject to the review and approval of the entity.

(3) The entity shall not delegate to a technical committee its authority to discipline a licentiate who has violated the provisions of the applicable chapter of the Business and Professions Code that is subject to the director's delegation of authority to the entity.

(c) An interagency agreement entered into, pursuant to subdivision (a), shall continue until such time as the licensing program administered by the technical committee has undergone a review by the Joint Committee on Boards, Commissions, and Consumer *or Business* Protection to evaluate and determine whether the licensing program has demonstrated a public need for its continued existence. Thereafter, at the director's discretion, the interagency agreement may be renewed.

SEC. 4. The heading of Division 1.2 (commencing with Section 473) of the Business and Professions Code is amended to read:

DIVISION 1.2. JOINT COMMITTEE ON BOARDS, COMMISSIONS, AND CONSUMER *OR BUSINESS* PROTECTION

SEC. 5. Section 473 of the Business and Professions Code is amended to read:

473. (a) There is hereby established the Joint Committee on Boards, Commissions, and Consumer *or Business* Protection.

(b) The Joint Committee on Boards, Commissions, and Consumer *or Business* Protection shall consist of three members appointed by the Senate Committee on Rules and three members appointed by the Speaker of the Assembly. No more than two of the three members appointed from either the Senate or the Assembly shall be from the same party. The Joint Rules Committee shall appoint the chairperson of the committee.

(c) The Joint Committee on Boards, Commissions, and Consumer *or Business* Protection shall have and exercise all of the rights, duties, and powers conferred upon investigating committees and their members by the Joint Rules of the Senate and Assembly as they are adopted and amended from time to time, which provisions are incorporated herein and made applicable to this committee and its members.

(d) The Speaker of the Assembly and the Senate Committee on Rules may designate staff for the Joint Committee on Boards, Commissions, and Consumer *or Business* Protection.

(e) The Joint Committee on Boards, Commissions, and Consumer *or Business* Protection is authorized to act until January 1, 2012, at which time the committee's existence shall terminate.

SEC. 6. Section 473.15 of the Business and Professions Code is amended to read:

473.15. (a) The Joint Committee on Boards, Commissions, and Consumer *or Business* Protection established pursuant to Section 473 shall review the following boards established by initiative measures, as provided in this section:

(1) The State Board of Chiropractic Examiners established by an initiative measure approved by electors November 7, 1922.

(2) The Osteopathic Medical Board of California established by an initiative measure approved June 2, 1913, and acts amendatory thereto approved by electors November 7, 1922.

(b) The Osteopathic Medical Board of California shall prepare an analysis and submit a report as described in subdivisions (a) to (e), inclusive, of Section 473.2, to the Joint Committee on Boards, Commissions, and Consumer *or Business* Protection on or before September 1, 2010.

(c) The State Board of Chiropractic Examiners shall prepare an analysis and submit a report as described in subdivisions (a) to (e), inclusive, of Section 473.2, to the Joint Committee on Boards, Commissions, and Consumer *or Business* Protection on or before September 1, 2011.

(d) The Joint Committee on Boards, Commissions, and Consumer *or Business* Protection shall, during the interim recess of 2004 for the Osteopathic Medical Board of California, and during the interim recess of 2011 for the State Board of Chiropractic Examiners, hold public hearings to receive testimony from the Director of Consumer Affairs, the board involved, the public, and the regulated industry. In that hearing, each board shall be prepared to demonstrate a compelling public need for the continued existence of the board or regulatory program, and that its licensing function is the least restrictive regulation consistent with the public health, safety, and welfare.

(e) The Joint Committee on Boards, Commissions, and Consumer *or Business* Protection shall evaluate and make determinations pursuant to Section 473.4 and shall report its findings and recommendations to the department as provided in Section 473.5.

(f) In the exercise of its inherent power to make investigations and ascertain facts to formulate public policy and determine the necessity and expediency of contemplated legislation for the protection of the public health, safety, and welfare, it is the intent of the Legislature that the State Board of Chiropractic Examiners and the Osteopathic Medical Board of California be reviewed pursuant to this section.

(g) It is not the intent of the Legislature in requiring a review under this section to amend the initiative measures that established the State Board of Chiropractic Examiners or the Osteopathic Medical Board of California.

SEC. 7. Section 473.16 of the Business and Professions Code is amended to read:

473.16. The Joint Committee on Boards, Commissions, and Consumer *or Business* Protection shall examine the composition of the Medical Board of California and its initial and biennial fees and report to the Governor and the Legislature its findings no later than July 1, 2008.

SEC. 8. Section 473.2 of the Business and Professions Code is amended to read:

473.2. All boards to which this chapter applies shall, with the assistance of the Department of Consumer Affairs, prepare an analysis and submit a report to the Joint Committee on Boards, Commissions, and Consumer *or Business* Protection no later than

22 months before that board shall become inoperative. The analysis and report shall include, at a minimum, all of the following:

(a) A comprehensive statement of the board's mission, goals, objectives and legal jurisdiction in protecting the health, safety, and welfare of the public.

(b) The board's enforcement priorities, complaint and enforcement data, budget expenditures with average- and median-costs per case, and case aging data specific to post and preaccusation cases at the Attorney General's office.

(c) The board's fund conditions, sources of revenues, and expenditure categories for the last four fiscal years by program component.

(d) The board's description of its licensing process including the time and costs required to implement and administer its licensing examination, ownership of the license examination, relevancy and validity of the licensing examination, and passage rate and areas of examination.

(e) The board's initiation of legislative efforts, budget change proposals, and other initiatives it has taken to improve its legislative mandate.

SEC. 9. Section 473.3 of the Business and Professions Code is amended to read:

473.3. (a) Prior to the termination, continuation, or reestablishment of any board or any of the board's functions, the Joint Committee on Boards, Commissions, and Consumer *or Business* Protection shall, during the interim recess preceding the date upon which a board becomes inoperative, hold public hearings to receive testimony from the Director of Consumer Affairs, the board involved, and the public and regulated industry. In that hearing, each board shall have the burden of demonstrating a compelling public need for the continued existence of the board or regulatory program, and that its licensing function is the least restrictive regulation consistent with the public health, safety, and welfare.

(b) In addition to subdivision (a), in 2002 and every four years thereafter, the committee, in cooperation with the California Postsecondary Education Commission, shall hold a public hearing to receive testimony from the Director of Consumer Affairs, the Bureau for Private Postsecondary and Vocational Education, private postsecondary educational institutions regulated by the bureau, and students of those institutions. In those hearings, the bureau shall have the burden of demonstrating a compelling public need for the continued existence of the bureau and its regulatory program, and that its function is the least restrictive regulation consistent with the public health, safety, and welfare.

(c) The committee, in cooperation with the California Postsecondary Education Commission, shall evaluate and review the effectiveness and efficiency of the Bureau for Private Postsecondary and Vocational Education, based on factors and minimum standards of performance that are specified in Section 473.4. The committee shall report its findings and recommendations as specified in Section 473.5. The bureau shall prepare an analysis and submit a report to the committee as specified in Section 473.2.

(d) In addition to subdivision (a), in 2003 and every four years thereafter, the committee shall hold a public hearing to receive testimony from the Director of Consumer Affairs and the Bureau of Automotive Repair. In those hearings, the bureau shall have the burden of demonstrating a compelling public need for the continued existence of the bureau and its regulatory program, and that its function is the least restrictive regulation consistent with the public health, safety, and welfare.

(e) The committee shall evaluate and review the effectiveness and efficiency of the Bureau of Automotive Repair based on factors and minimum standards of performance that are specified in Section 473.4. The committee shall report its findings and recommendations as specified in Section 473.5. The bureau shall prepare an analysis and submit a report to the committee as specified in Section 473.2.

SEC. 10. Section 473.4 of the Business and Professions Code is amended to read:

473.4. (a) The Joint Committee on Boards, Commissions, and Consumer *or Business* Protection shall evaluate and determine whether a board or regulatory program has demonstrated a public need for the continued existence of the board or regulatory program and for the degree of regulation the board or regulatory program implements based on the following factors and minimum standards of performance:

(1) Whether regulation by the board is necessary to protect the public health, safety, and welfare.

(2) Whether the basis or facts that necessitated the initial licensing or regulation of a practice or profession have changed.

(3) Whether other conditions have arisen that would warrant increased, decreased, or the same degree of regulation.

(4) If regulation of the profession or practice is necessary, whether existing statutes and regulations establish the least restrictive form of regulation consistent with the public interest, considering other available regulatory mechanisms, and whether the board rules enhance the public interest and are within the scope of legislative intent.

(5) Whether the board operates and enforces its regulatory responsibilities in the public interest and whether its regulatory mission is impeded or enhanced by existing statutes, regulations, policies, practices, or any other circumstances, including budgetary, resource, and personnel matters.

(6) Whether an analysis of board operations indicates that the board performs its statutory duties efficiently and effectively.

(7) Whether the composition of the board adequately represents the public interest and whether the board encourages public participation in its decisions rather than participation only by the industry and individuals it regulates.

(8) Whether the board and its laws or regulations stimulate or restrict competition, and the extent of the economic impact the board's regulatory practices have on the state's business and technological growth.

(9) Whether complaint, investigation, powers to intervene, and disciplinary procedures adequately protect the public and whether final dispositions of complaints, investigations, restraining orders, and disciplinary actions are in the public interest; or if it is, instead, self-serving to the profession, industry or individuals being regulated by the board.

(10) Whether the scope of practice of the regulated profession or occupation contributes to the highest utilization of personnel and whether entry requirements encourage affirmative action.

(11) Whether administrative and statutory changes are necessary to improve board operations to enhance the public interest.

(b) The Joint Committee on Boards, Commissions, and Consumer *or Business* Protection shall consider alternatives to placing responsibilities and jurisdiction of the board under the Department of Consumer Affairs.

(c) Nothing in this section precludes any board from submitting other appropriate information to the Joint Committee on Boards, Commissions, and Consumer *or Business* Protection.

SEC. 11. Section 473.5 of the Business and Professions Code is amended to read:

473.5. The Joint Committee on Boards, Commissions, and Consumer *or Business* Protection shall report its findings and preliminary recommendations to the department for its review, and, within 90 days of receiving the report, the department shall report its findings and recommendations to the Joint Committee on Boards, Commissions, and Consumer *or Business* Protection during the next year of the regular session that follows the hearings described in Section 473.3. The committee shall then meet to vote on final recommendations. A final report shall be completed by the committee and made available to the public and the Legislature. The report shall include final recommendations of the department and the committee and whether each board or function scheduled for repeal shall be terminated, continued, or reestablished, and whether its functions should be revised. If the committee or the department deems it advisable, the report may include proposed bills to carry out its recommendations.

SEC. 12. Section 473.6 of the Business and Professions Code is amended to read:

473.6. The chairpersons of the appropriate policy committees of the Legislature may refer to the Joint Committee on Boards, Commissions, and Consumer *or Business* Protection for review of any legislative issues or proposals to create new licensure or regulatory categories, change licensing requirements, modify scope of practice, or create a new licensing board under the provisions of this code or pursuant to Chapter 1.5 (commencing with Section 9148) of Part 1 of Division 2 of Title 2 of the Government Code.

SEC. 13. Section 474 of the Business and Professions Code is amended to read:

474. The Joint Committee on Boards, Commissions, and Consumer *or Business* Protection established pursuant to Section 473 shall review all state boards as defined in Section 9148.2 of the Government Code, in addition to boards subject to review pursuant to Chapter 1 (commencing with Section 473), every four years or over another time period as determined by the committee.

SEC. 14. Section 474.1 of the Business and Professions Code is amended to read:

474.1. Prior to recommending the termination, continuation, or reestablishment of any board or any of the state board's functions, the Joint Committee on Boards, Commissions, and Consumer *or Business* Protection shall hold public hearings to receive testimony from the board involved and the public. In that hearing, each board shall have the burden of demonstrating a compelling public need for the continued existence of the board.

SEC. 15. Section 474.2 of the Business and Professions Code is amended to read:

474.2. All state boards to which this chapter applies shall prepare an analysis and submit a report to the Joint Committee on Boards, Commissions, and Consumer *or Business* Protection not later than 22 months before that state board is scheduled to be reviewed by the committee. The analysis and report shall include, at a minimum, all of the following:

(a) A comprehensive statement of the state board's mission, goals, objectives, and legal jurisdiction in protecting the health, safety, and welfare of the public.

(b) The board's fund conditions, sources of revenues, and expenditure categories for the last four fiscal years by program component.

(c) The board's initiation of legislative efforts, budget change proposals, and other initiatives it has taken to improve its legislative mandate.

(d) A complete cost-benefit analysis of the board's operation for each of the four years preceding the date of the report or over a time period specified by the committee.

SEC. 16. Section 474.3 of the Business and Professions Code is amended to read:

474.3. (a) The Joint Committee on Boards, Commissions, and Consumer *or Business* Protection shall evaluate and determine whether a state board as defined in Section 9148.2 of the Government Code, other than a board, subject to review pursuant to Chapter 1 (commencing with Section 473), has demonstrated a public need for its continued existence based on, but not limited to, the following factors and minimum standards of performance:

(1) Whether the board is necessary to protect the public health, safety, and welfare.

(2) Whether the basis or facts that necessitated the initial creation of the state board have changed.

(3) If the state board is necessary, whether existing statutes and regulations establish the most effective regulation consistent with the public interest, considering other available regulatory mechanisms, and whether the board rules enhance the public interest and are within the scope of legislative intent.

(4) Whether the state board operates and enforces its responsibilities in the public interest and whether its mission is impeded or enhanced by existing statutes, regulations, policies, practices, or any other circumstances, including budgetary, resource, and personnel matters.

(5) Whether an analysis of the state board indicates that it performs its statutory duties efficiently and effectively.

(6) Whether the composition of the state board adequately represents the public interest and whether it encourages public participation in its decisions rather than participation only by the entities it regulates or advises.

(7) Whether the state board and its laws or regulations stimulate or restrict competition, and the extent of the economic impact the board's regulatory practices have on the state's business and technological growth.

(8) Whether administrative and statutory changes are necessary to improve the state board operations to enhance the public interest.

(b) The Joint Committee on Boards, Commissions, and Consumer *or Business* Protection shall consider the appropriateness of eliminating and consolidating responsibilities between state boards.

(c) Nothing in this section precludes any state board or, if requested by the Joint Committee on Boards, Commissions, and Consumer *or Business* Protection, the Legislative Analyst's Office, from submitting other appropriate information to the Joint Committee on Boards, Commissions, and Consumer *or Business* Protection.

SEC. 17. Section 474.4 of the Business and Professions Code is amended to read:

474.4. The Joint Committee on Boards, Commissions, and Consumer *or Business* Protection shall meet to vote on final recommendations. A final report shall be completed by the committee and made available to the public and the Legislature.

The report shall include final recommendations of the committee and whether each board or function shall be terminated, or continued, and whether its functions should be revised or consolidated with those of other state boards. If the committee deems it advisable, the report may include proposed bills to carry out its recommendations.

SEC. 18. Chapter 3 (commencing with Section 474.5) is added to Division 1.2 of the Business and Professions Code, to read:

Chapter 3. Referral of Legislation Affecting Businesses

474.5. (a) The Assembly Committee on Rules and the Senate Committee on Rules shall refer any bill that may have a statewide economic impact affecting business to the Joint Committee on Boards, Commissions, and Consumer or Business Protection for review and approval.

(b) (1) The referral specified in subdivision (a) shall not affect any other referral made by the rules committees to any other policy committee or appropriations committee, if any. However, the bill shall remain with the Joint Committee on Boards, Commissions, and Consumer or Business Protection until approved by the joint committee.

(2) Notwithstanding paragraph (1), any hearing conducted under this section by the joint committee shall commence after any hearing or hearings conducted by any policy committee or, if double-referred, by any policy committees of the house of the Legislature for which the bill is proceeding, and shall commence before any hearing conducted by the appropriations committee, if any, of the house of the Legislature for which the bill is proceeding. The hearing shall, insofar as consistent with theis chapter, be conducted in the same manner as the hearing of a standing committee.

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

(1) "Bill" means a bill, resolution, or constitutional amendment.

(2) "Business" means any other business not defined as a small business.

(3) "Small business" means an independently owned and operated business that is not dominant in its field of operation, the principal office of which is located in California, the officers of

which are domiciled in California, and which, together with affiliates, has 100 or fewer employees, and average annual gross receipts of ten million dollars ($10,000,000) or less over the previous three years, or is a manufacturer, as defined in subdivision (c) of Section 14837 of the Government Code, with 100 or fewer employees.

474.6. For purposes of Section 474.5, "statewide economic impact" shall be construed broadly, and the factors the Assembly Rules Committee and the Senate Rules Committee shall consider when making a determination of "statewide economic impact" shall include, but not be limited to, the following:

(a) Whether the proposed bill contains language that includes a tax or a fee, directly provides for the regulation of a specific industry, provides for environmental mitigation or regulation, adds burdens to the state economy, imposes additional burdens on insurers, increases workers' compensation, disability, or health insurance requirements, or affects housing costs or the housing market.

(b) Any other provision included in the bill that may affect the statewide economy.

474.7. Once a bill is referred to the joint committee pursuant to this chapter, the following shall apply:

(a) The joint committee shall prepare an economic impact analysis on the bill prior to the joint committee hearing on that bill and shall make a determination of fiscal effect.

(b) (1) If the bill relates to, or may affect, a small business or small businesses, the economic impact analysis shall include, but not be limited to, all of the following:

(A) An estimate of the number of small businesses that will be subject to, or affected by, the bill.

(B) The estimated annual average cost of compliance by a small business subject to, or affected by, the bill.

(C) A description of reasonable alternatives that would lessen any adverse impact on a small business subject to the bill, including, but not limited to:

(D) The establishment of less burdensome compliance or reporting requirements for small businesses.

(E) The establishment of less burdensome schedules or deadlines for compliance or reporting requirements for small businesses.

(F) The consolidation or simplification of compliance or reporting requirements for small businesses.

(G) The use of performance standards for small businesses, instead of design or prescriptive standards.

(2) If the bill relates to, or may affect, any other business not defined as a small business, the economic impact analysis shall include, but not be limited to, all of the following:

(A) An estimate of the number of businesses that will be subject to, or affected by, the bill.

(B) The estimated annual average cost of compliance by a business subject to, or affected by, the bill.

(C) A description of reasonable alternatives that would lessen any adverse impact on a business subject to the bill, including, but not limited to:

(D) The establishment of less burdensome compliance or reporting requirements for businesses.

(E) The establishment of less burdensome schedules or deadlines for compliance or reporting requirements for businesses.

(F) The consolidation or simplification of compliance or reporting requirements for businesses.

(G) The use of performance standards for businesses, instead of design or prescriptive standards.

(c) (1) The joint committee shall move a bill under paragraph (1) of subdivision (b) that is estimated to generate a fiscal impact of ten thousand dollars ($10,000) or more to the suspense file of the joint committee, without prejudice, for further consideration.

(2) The joint committee shall move a bill under paragraph (2) of subdivision (b) that is estimated to generate a fiscal impact of fifty thousand dollars ($50,000) or more to the suspense file of the joint committee, without prejudice, for further consideration.

(d) A bill may be amended after being placed and while on the suspense file. Any amendments proposed or accepted by the author of a bill that is moved to the suspense file must be submitted no later than eight calendar days prior to the joint committee hearing at which the suspense file will be heard. Failure to meet this deadline will result in that bill not being considered for passage off the suspense file.

(e) An author shall present all testimony at the time of the first regularly scheduled hearing on a bill, even though the bill's provisions indicate that a referral to the suspense file under this section is in order. No testimony shall be taken during the joint committee hearing while the suspense file is being heard.

(f) At the discretion of the chair, the joint committee may not move any bill to the suspense file during any joint committee hearing held within three weeks before adjournment for interim study recess or final recess.

(g) A bill may be moved off the suspense file upon a majority vote of the members of each house of the joint committee, subject to quorum requirements and as otherwise provided in the joint rules.

474.8. After a bill is heard in either house of the Legislature, and the joint committee has already approved the bill, while in the other house of the Legislature the bill shall not be rereferred to the joint committee, unless the bill has been amended since the date it was first heard by the joint committee. If the bill has been amended by either house, and it still has, or has been amended to have, a statewide economic impact affecting business, it shall be rereferred to the joint committee pursuant to the same procedures specified in Section 474.5 in the house of the Legislature for which it has been moved.

474.9. In addition to the analysis prepared under subdivisions (a) and (b) of Section 474.7, the joint committee shall annually prepare a report to the public on or before January 1, that provides a compilation of the bills referred to the joint committee under this chapter during the regular session of the Legislature or under any extraordinary session, the economic impact analyses described in subdivisions (a) and (b) of Section 474.7, a copy of the history and vote counts for each bill, and a synopsis of the actions taken by the joint committee with regard to that session or sessions.

474.95. (a) The Assembly Committee on Rules and the Senate Committee on Rules shall incorporate these procedures into the Joint Rules of the Senate and Assembly and the legislative calendar regarding committee deadlines.

(b) All other Standing Rules of the Assembly, Standing Rules of the Senate, and Joint Rules of the Assembly and Senate shall apply to the joint committee in exercising its authority under this chapter.

SEC. 19. Section 1620.1 of the Business and Professions Code is amended to read:

1620.1. The Department of Consumer Affairs, in conjunction with the board and the Joint Committee on Boards, Commissions, and Consumer *or Business* Protection, shall review the scope of practice for dental auxiliaries. The department shall employ the services of an independent consultant to perform this comprehensive analysis. The department shall be authorized to enter into an interagency agreement or be exempted from obtaining sole source approval for a sole source contract. The board shall pay for all of the costs associated with this comprehensive analysis. The department shall report its findings and recommendations to the Legislature by September 1, 2002.

SEC. 20. Section 1632.5 of the Business and Professions Code is amended to read:

1632.5. (a) Prior to implementation of paragraph (2) of subdivision (c) of Section 1632, the department's Office of Professional Examination Services shall review the Western Regional Examining Board examination to ensure compliance with the requirements of Section 139 and to certify that the examination process meets those standards. If the department determines that the examination process fails to meet those standards, paragraph (2) of subdivision (c) of Section 1632 shall not be implemented. The review of the Western Regional Examining Board examination shall be conducted during or after the Dental Board of California's occupational analysis scheduled for the 2004–05 fiscal year, but not later than September 30, 2005. However, an applicant who successfully completes the Western Regional Examining Board examination on or after January 1, 2005, shall be deemed to have met the requirements of subdivision (c) of Section 1632 if the department certifies that the Western Regional Examining Board examination meets the standards set forth in this subdivision.

(b) The Western Regional Examining Board examination process shall be regularly reviewed by the department pursuant to Section 139.

(c) The Western Regional Examining Board examination shall meet the mandates of subdivision (a) of Section 12944 of the Government Code.

(d) As part of its next scheduled review by the Joint Committee on Boards, Commissions, and Consumer *or Business* Protection, the Dental Board of California shall report to that committee and the department on the pass rates of applicants who sat for the Western Regional Examining Board examination, compared with the pass rates of applicants who sat for the state clinical and written examination administered by the Dental Board of California. This report shall be a component of the evaluation of the examination process that is based on psychometrically sound principles for establishing minimum qualifications and levels of competency.

SEC. 21. Section 1634.2 of the Business and Professions Code is amended to read:

1634.2. (a) An advanced education program's compliance with subdivision (c) of Section 1634.1 shall be regularly reviewed by the department pursuant to Section 139.

(b) An advanced education program described in subdivision (c) of Section 1634.1 shall meet the requirements of subdivision (a) of Section 12944 of the Government Code.

(c) The clinical residency program completion certification required by subdivision (c) of Section 1634.1 shall include a list of core competencies commensurate to those found in the board's examinations. The board, together with the department's Office of Professional Examination Services, shall ensure the alignment of the competencies stated in the clinical residency program completion certification with the board's current occupational analysis. The board shall implement use of the clinical residency program completion certification form and use of the core competency list through the adoption of emergency regulations by January 1, 2008.

(d) As part of its next scheduled review after January 1, 2007, by the Joint Committee on Boards, Commissions, and Consumer *or Business* Protection, the board shall report to that committee and to the department the number of complaints received for those dentists who have obtained licensure by passing the state clinical examination and for those dentists who have obtained licensure through an advanced education program. The report shall also contain tracking information on these complaints and their disposition. This report shall be a component of the evaluation of the examination process that is based on psychometrically sound principles for establishing minimum qualifications and levels of competency.

SEC. 22. Section 1638.1 of the Business and Professions Code is amended to read:

1638.1. (a) (1) A person licensed pursuant to Section 1634 who wishes to perform elective facial cosmetic surgery shall first apply for and receive a permit to perform elective facial cosmetic surgery from the board.

(2) A permit issued pursuant to this section shall be valid for a period of two years and must be renewed by the permitholder at the time his or her license is renewed. Every six years, prior to renewal of the permitholder's license and permit, the permitholder shall submit evidence acceptable to the credentialing committee that he or she has maintained continued competence to perform the procedures authorized by the permit. The credentialing committee may limit a permit consistent with paragraph (1) of subdivision (e) if it is not satisfied that the permitholder has established continued competence.

(b) The board may adopt regulations for the issuance of the permit that it deems necessary to protect the health, safety, and welfare of the public.

(c) A licensee may obtain a permit to perform elective facial cosmetic surgery by furnishing all of the following information on an application form approved by the board:

(1) Proof of successful completion of an oral and maxillofacial surgery residency program accredited by the Commission on Dental Accreditation of the American Dental Association.

(2) Proof that the applicant has satisfied the criteria specified in either subparagraph (A) or (B):

(A) (i) Is certified, or is a candidate for certification, by the American Board of Oral and Maxillofacial Surgery.

(ii) Submits to the board a letter from the program director of the accredited residency program, or from the director of a postresidency fellowship program accredited by the Commission on Dental Accreditation of the American Dental Association, stating that the licensee has the education, training, and competence necessary to perform the surgical procedures that the licensee has notified the board he or she intends to perform.

(iii) Submits documentation to the board of at least 10 operative reports from residency training or proctored procedures that are representative of procedures that the licensee intends to perform from both of the following categories:

(I) Cosmetic contouring of the osteocartilaginous facial structure, which may include, but is not limited to, rhinoplasty and otoplasty.

(II) Cosmetic soft tissue contouring or rejuvenation, which may include, but is not limited to, facelift, blepharoplasty, facial skin resurfacing, or lip augmentation.

(iv) Submits documentation to the board showing the surgical privileges the applicant possesses at any licensed general acute care hospital and any licensed outpatient surgical facility in this state.

(B) (i) Has been granted privileges by the medical staff at a licensed general acute care hospital to perform the surgical procedures set forth in paragraph (A) at that hospital.

(ii) Submits to the board the documentation described in clause (iii) of subparagraph (A).

(3) Proof that the applicant is on active status on the staff of a general acute care hospital and maintains the necessary privileges based on the bylaws of the hospital to maintain that status.

(d) The application shall be accompanied by an application fee of five hundred dollars ($500) for an initial permit. The fee to renew a permit shall be two hundred dollars ($200).

(e) (1) The board shall appoint a credentialing committee to review the qualifications of each applicant for a permit. Upon completion of the review of an applicant, the committee shall make a recommendation to the board on whether to issue or not issue a permit to the applicant. The permit may be unqualified, entitling the permitholder to perform any facial cosmetic surgical procedure authorized by this section, or it may contain limitations if the credentialing committee is not satisfied that the applicant has the training or competence to perform certain classes of procedures, or if the applicant has not requested to be permitted for all procedures authorized by this section.

(2) The credentialing committee shall be comprised of five members, as follows:

(A) A physician and surgeon with a specialty in plastic and reconstructive surgery who maintains active status on the staff of a licensed general acute care hospital in this state.

(B) A physician and surgeon with a specialty in otolaryngology who maintains active status on the staff of a licensed general acute care hospital in this state.

(C) Three oral and maxillofacial surgeons licensed by the board who are board certified by the American Board of Oral and Maxillofacial Surgeons, and who maintain active status on the staff of a licensed general acute care hospital in this state, at least one of whom shall be licensed as a physician and surgeon in this state. Two years after the effective date of this section, any oral and maxillofacial surgeon appointed to the committee who is not licensed as a physician and surgeon shall hold a permit pursuant to this section.

(3) The board shall solicit from the following organizations input and recommendations regarding members to be appointed to the credentialing committee:

(A) The Medical Board of California.

(B) The California Dental Association.

(C) The California Association of Oral and Maxillofacial Surgeons.

(D) The California Medical Association.

(E) The California Society of Plastic Surgeons.

(F) Any other source that the board deems appropriate.

(4) The credentialing committee shall meet at a time and place directed by the board to evaluate applicants for permits. A quorum of three members shall be required for the committee to consider applicants and make recommendations to the board.

(f) A licensee may not perform any elective, facial cosmetic surgical procedure except at a general acute care hospital, a licensed outpatient surgical facility, or an outpatient surgical facility accredited by the Joint Commission on Accreditation of Healthcare Organizations (JCAHO), the American Association for Ambulatory Health Care (AAAHC), the Medicare program, or an accreditation agency approved by the Medical Board of California pursuant to subdivision (g) of Section 1248.1 of the Health and Safety Code.

(g) For purposes of this section, the following terms shall have the following meanings:

(1) “Elective cosmetic surgery” means any procedure defined as cosmetic surgery in subdivision (d) of Section 1367.63 of the Health and Safety Code, and excludes any procedure that constitutes reconstructive surgery, as defined in subdivision (c) of Section 1367.63 of the Health and Safety Code.

(2) “Facial” means those regions of the human body described in Section 1625 and in any regulations adopted pursuant to that section by the board.

(h) A holder of a permit issued pursuant to this section shall not perform elective facial cosmetic surgical procedures unless he or she has malpractice insurance or other financial security protection that would satisfy the requirements of Section 2216.2 and any regulations adopted thereunder.

(i) A holder of a permit shall comply with the requirements of subparagraph (D) of paragraph (2) of subdivision (a) of Section 1248.15 of the Health and Safety Code, and the reporting requirements specified in Section 2240, with respect to any surgical procedure authorized by this section, in the same manner as a physician and surgeon.

(j) Any violation of this section constitutes unprofessional conduct and is grounds for the revocation or suspension of the person's permit, license, or both, or the person may be reprimanded or placed on probation. Proceedings initiated by the board under this section shall be conducted in accordance with Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code, and the board shall have all the powers granted therein.

(k) On or before January 1, 2009, and every four years thereafter, the board shall report to the Joint Committee on Boards, Commissions and Consumer *or Business* Protection on all of the following:

(1) The number of persons licensed pursuant to Section 1634 who apply to receive a permit to perform elective facial cosmetic surgery from the board pursuant to subdivision (a).

(2) The recommendations of the credentialing committee to the board.

(3) The board's action on recommendations received by the credentialing committee.

(4) The number of persons receiving a permit from the board to perform elective facial cosmetic surgery.

(5) The number of complaints filed by or on behalf of patients who have received elective facial cosmetic surgery by persons who have received a permit from the board to perform elective facial cosmetic surgery.

(6) Action taken by the board resulting from complaints filed by or on behalf of patients who have received elective facial cosmetic surgery by persons who have received a permit from the board to perform elective facial cosmetic surgery.

SEC. 23. Section 1638.7 of the Business and Professions Code is amended to read:

1638.7. The next occupational analysis of dental licensees and oral and maxillofacial facial surgeons pursuant to Section 139 shall include a survey of the training and practices of oral and maxillofacial surgeons and, upon completion of that analysis, a report shall be made to the Joint Committee on Boards, Commissions, and Consumer *or Business* Protection regarding the findings.

SEC. 24. Section 4001.5 of the Business and Professions Code is amended to read:

4001.5. The Joint Committee on Boards, Commissions, and Consumer *or Business* Protection shall review the state's shortage of pharmacists and make recommendations on a course of action to alleviate the shortage, including, but not limited to, a review of the current California pharmacist licensure examination.

SEC. 25. Section 4200.1 of the Business and Professions Code is amended to read:

4200.1. (a) Notwithstanding Section 135, an applicant may take the North American Pharmacist Licensure Examination four times, and may take the California Practice Standards and Jurisprudence Examination for Pharmacists four times.

(b) Notwithstanding Section 135, an applicant may take the North American Pharmacist Licensure Examination and the California Practice Standards and Jurisprudence Examination for Pharmacists four additional times each if he or she successfully completes, at minimum, 16 additional semester units of education in pharmacy as approved by the board.

(c) The applicant shall comply with the requirements of Section 4200 for each application for reexamination made pursuant to subdivision (b).

(d) An applicant may use the same coursework to satisfy the additional educational requirement for each examination under subdivision (b), if the coursework was completed within 12 months of the date of his or her application for reexamination.

(e) For purposes of this section, the board shall treat each failing score on the pharmacist licensure examination administered by the board prior to January 1, 2004, as a failing score on both the North American Pharmacist Licensure Examination and the California Practice Standards and Jurisprudence Examination for Pharmacists.

(f) From January 1, 2004, to July 1, 2008, inclusive, the board shall collect data on the applicants who are admitted to, and take, the licensure examinations required by Section 4200. The board shall report to the Joint Committee on Boards, Commissions, and Consumer *or Business* Protection before September 1, 2008, regarding the impact on those applicants of the examination limitations imposed by this section. The report shall include, but not be limited to, the following information:

(1) The number of applicants taking the examination and the number who fail the examination for the fourth time.

(2) The number of applicants who, after failing the examination for the fourth time, complete a pharmacy studies program in California or another state to satisfy the requirements of this section and who apply to take the licensure examination required by Section 4200.

(3) To the extent possible, the school from which the applicant graduated and the school's location and the pass/fail rates on the examination for each school.

(g) This section shall remain in effect only until January 1, 2010, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2010, deletes or extends that date.

SEC. 26. Section 4200.3 of the Business and Professions Code is amended to read:

4200.3. (a) The examination process shall be regularly reviewed pursuant to Section 139.

(b) The examination process shall meet the standards and guidelines set forth in the Standards for Educational and Psychological Testing and the Federal Uniform Guidelines for Employee Selection Procedures. The board shall work with the Office of Professional Examination Services of the department or with an equivalent organization who shall certify at minimum once every five years that the examination process meets these national testing standards. If the department determines that the examination process fails to meet these standards, the board shall terminate its use of the North American Pharmacy Licensure Examination and shall use only the written and practical examination developed by the board.

(c) The examination shall meet the mandates of subdivision (a) of Section 12944 of the Government Code.

(d) The board shall work with the Office of Professional Examination Services or with an equivalent organization to develop the state jurisprudence examination to ensure that applicants for licensure are evaluated on their knowledge of applicable state laws and regulations.

(e) The board shall annually publish the pass and fail rates for the pharmacist's licensure examination administered pursuant to Section 4200, including a comparison of historical pass and fail rates before utilization of the North American Pharmacist Licensure Examination.

(f) The board shall report to the Joint Committee on Boards, Commissions, and Consumer *or Business* Protection and the department as part of its next scheduled review, the pass rates of applicants who sat for the national examination compared with the pass rates of applicants who sat for the prior state examination. This report shall be a component of the evaluation of the examination process that is based on psychometrically sound principles for establishing minimum qualifications and levels of competency.

SEC. 27. Section 4934.2 of the Business and Professions Code is amended to read:

4934.2. The board shall conduct the following studies and reviews, and shall report its findings and recommendations to the department and the Joint Committee on Boards, Commissions, and Consumer *or Business* Protection no later ~~that~~ *than* September 1, 2004:

(a) The board shall conduct a comprehensive study of the use of unlicensed acupuncture assistants and the need to license and regulate those assistants.

(b) The board shall study and recommend ways to improve the frequency and consistency of their auditing and the quality and relevance of their courses.

SEC. 28. Section 5000 of the Business and Professions Code is amended to read:

5000. There is in the Department of Consumer Affairs the California Board of Accountancy, which consists of 15 members, seven of whom shall be licensees, and eight of whom shall be public members who shall not be licentiates of the board or registered by the board. The board has the powers and duties conferred by this chapter.

The Governor shall appoint four of the public members, and the seven licensee members as provided in this section. The Senate Rules Committee and the Speaker of the Assembly shall each appoint two public members. In appointing the seven licensee members, the Governor shall appoint members representing a cross section of the accounting profession with at least two members representing a small public accounting firm. For the purposes of this chapter, a small public accounting firm shall be defined as a professional firm that employs a total of no more than four licensees as partners, owners, or full-time employees in the practice of public accountancy within the State of California.

This section shall become inoperative on July 1, 2011, and as of January 1, 2012, is repealed, unless a later enacted statute, that becomes effective on or before January 1, 2012, deletes or extends the dates on which this section becomes inoperative and is repealed. The repeal of this section renders the board subject to the review required by Division 1.2 (commencing with Section 473). However, the review of the board shall be limited to reports or studies specified in this chapter and those issues identified by the Joint Committee on Boards, Commissions, and Consumer *or Business* Protection and the board regarding the implementation of new licensing requirements.

SEC. 29. Section 5811 of the Business and Professions Code is amended to read:

5811. An interior design organization issuing stamps under Section 5801 shall provide to the Joint Committee on Boards, Commissions, and Consumer *or Business* Protection by September 1, 2008, a report that reviews and assesses the costs and benefits associated with the California Code and Regulations Examination and explores feasible alternatives to that examination.

SEC. 30. Section 6704.1 of the Business and Professions Code is amended to read:

6704.1. (a) The Department of Consumer Affairs, in conjunction with the board, and the Joint Committee on Boards, Commissions, and Consumer *or Business* Protection shall review the engineering branch titles specified in Section 6732 to determine whether certain title acts should be eliminated from this chapter, retained, or converted to practice acts similar to civil, electrical, and mechanical engineering, and whether supplemental engineering work should be permitted for all branches of engineering. The department shall contract with an independent consulting firm to perform this comprehensive analysis of title act registration.

(b) The independent consultant shall perform, but not be limited to, the following: (1) meet with representatives of each of the engineering branches and other professional groups; (2) examine the type of services and work provided by engineers in all branches of engineering and interrelated professions within the marketplace, to determine the interrelationship that exists between the various branches of engineers and other interrelated professions; (3) review and analyze educational requirements of engineers; (4) identify the degree to which supplemental or "overlapping" work between engineering branches and interrelated professions occurs; (5) review alternative methods of regulation of engineers in other states and what impact the regulations would have if adopted in California; (6) identify the manner in which local and state agencies utilize regulations and statutes to regulate engineering work; and (7) recommend changes to existing laws regulating engineers after considering how these changes may affect the health, safety, and welfare of the public.

(c) The board shall reimburse the department for costs associated with this comprehensive analysis. The department shall report its findings and recommendations to the Legislature by September 1, 2002.

SEC. 31. Section 7000.5 of the Business and Professions Code is amended to read:

7000.5. (a) There is in the Department of Consumer Affairs a Contractors' State License Board, which consists of 15 members.

(b) The repeal of this section renders the board subject to the review required by Division 1.2 (commencing with Section 473). However, the review of this board by the department shall be limited to only those unresolved issues identified by the Joint Committee on Boards, Commissions, and Consumer *or Business* Protection.

(c) This section shall remain in effect only until January 1, 2011, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2011, deletes or extends that date.

The repeal of this section renders the board subject to the review required by Division 1.2 (commencing with Section 473).

SEC. 32. Section 7303.2 of the Business and Professions Code is amended to read:

7303.2. The board shall conduct the following studies and reviews, and shall report its findings and recommendations to the department and the Joint Committee on Boards, Commissions, and Consumer *or Business* Protection no later than September 1, 2005:

(a) The board, pursuant to Section 139 and in conjunction with the Office of Professional Examination Services of the department, shall review the 1600 hour training requirement for cosmetologists.

(b) The board, in conjunction with the Office of Professional Examination Services of the department, shall evaluate the equivalency of the national exam.

(c) The board shall conduct a study to assess the costs and benefits associated with requiring all applicants to submit fingerprint cards for background investigations.

(d) The board, in coordination with the Department of Industrial Relations, shall review all components of the apprenticeship program, including, but not limited to, the following:

(1) Apprenticeship curriculum requirements.

(2) The standards for the preapprentice trainers, program sponsors, trainers, and placement establishments. The board shall pay particular attention to ways to eliminate duplicative regulations.

(e) The board shall review all components of the externship program. In addition to structural changes, the board shall address the following:

(1) Whether the program should be eliminated.

(2) Whether the program should be available to all students, not just cosmetology students attending private schools.

(3) Whether the students should be paid.

(f) The board shall assess the costs and benefits associated with same day licensing. If the board determines that the benefits of same day licensing outweigh the costs, the board shall immediately plan and implement safety measures to protect site staff and undispersed licenses.

(g) The board, in conjunction with the Office of Professional Examination Services of the department, shall assess the validity of aggregate scoring for board applicants.

SEC. 33. Section 9882 of the Business and Professions Code is amended to read:

9882. (a) There is in the Department of Consumer Affairs a Bureau of Automotive Repair under the supervision and control of the director. The duty of enforcing and administering this chapter is vested in the chief who is responsible to the director. The director may adopt and enforce those rules and regulations that he or she determines are reasonably necessary to carry out the purposes of this chapter and declaring the policy of the bureau, including a system for the issuance of citations for violations of this chapter as specified in Section 125.9. These rules and regulations shall be adopted pursuant to Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

(b) In 2003 and every four years thereafter, the Joint Committee on Boards, Commissions, and Consumer *or Business* Protection shall hold a public hearing to receive testimony from the Director of Consumer Affairs and the bureau. In those hearings, the bureau shall have the burden of demonstrating a compelling public need for the continued existence of the bureau and its regulatory program, and that its function is the least restrictive regulation consistent with the public health, safety, and welfare. The committee shall evaluate and review the effectiveness and efficiency of the bureau based on factors and minimum standards of performance that are specified in Section 473.4. The committee shall report its findings and recommendations as specified in Section 473.5. The bureau shall prepare an analysis and submit a report to the committee as specified in Section 473.2.

SEC. 34. Section 18824 of the Business and Professions Code is amended to read:

18824. (a) Except as provided in Sections 18646 and 18832, every person who conducts a contest or wrestling exhibition shall, within five working days after the determination of every contest or wrestling exhibition for which admission is charged and received, furnish to the commission the following:

(1) A written report executed under penalty of perjury by one of the officers, showing the amount of the gross receipts, not to exceed two million dollars ($2,000,000), and the gross price for the contest or wrestling exhibition charged directly or indirectly and no matter by whom received, for the sale, lease, or other exploitation of broadcasting and television rights of the contest or wrestling exhibition, and without any deductions, except for expenses incurred for one broadcast announcer, telephone line connection, and transmission mobile equipment facility, which

may be deducted from the gross taxable base when those expenses are approved by the commission.

(2) A fee of 5 percent, exclusive of any federal taxes paid thereon, of the amount paid for admission to the contest or wrestling exhibition, except that for any one contest, the fee shall not exceed the amount of one hundred thousand dollars ($100,000). The commission shall report to the Joint Committee on Boards, Commissions, and Consumer *or Business* Protection on the fiscal impact of the one hundred thousand dollar ($100,000) limit on fees collected by the commission for admissions revenues.

(A) The amount of the gross receipts upon which the fee provided for in paragraph (2) is calculated shall not include any assessments levied by the commission under Section 18711.

(B) (i) If the fee for any one boxing contest exceeds seventy thousand dollars ($70,000), the amount in excess of seventy thousand dollars ($70,000) shall be paid one-half to the commission and one-half to the Boxers' Pension Fund.

(ii) If the report required by subdivision (b) of Section 18618 recommends that the Boxers' Pension Fund shall be expanded to include all athletes licensed under this chapter, the commission, by regulation, shall require, for all contests where the fee exceeds seventy thousand dollars ($70,000), the amount in excess of seventy thousand dollars ($70,000) shall be paid one-half to the commission and one-half to the Boxers' Pension Fund only if all athletes licensed under this chapter are made eligible for the Boxers' Pension Fund.

(C) The fee shall apply to the amount actually paid for admission and not to the regular established price.

(D) No fee is due in the case of a person admitted free of charge. However, if the total number of persons admitted free of charge to a boxing, kickboxing, or martial arts contest, or wrestling exhibition exceeds 33 percent of the total number of spectators, then a fee of one dollar ($1) per complimentary ticket or pass used to gain admission to the contest shall be paid to the commission for each complimentary ticket or pass that exceeds the numerical total of 33 percent of the total number of spectators.

(E) The minimum fee for an amateur contest or exhibition shall not be less than five hundred dollars ($500).

(3) A fee of up to 5 percent, to be established by the commission through regulations to become operative on or before July 1, 2008,

and updated periodically as needed, of the gross price, exclusive of any federal taxes paid thereon, for the sale, lease, or other exploitation of broadcasting or television rights thereof, except that in no case shall the fee be less than one thousand dollars ($1,000) or more than twenty-five thousand dollars ($25,000).

(b) As used in this section, "person" includes a promoter, club, individual, corporation, partnership, association, or other organization, and "wrestling exhibition" means a performance of wrestling skills and techniques by two or more individuals, to which admission is charged or which is broadcast or televised, in which the participating individuals are not required to use their best efforts in order to win, and for which the winner may have been selected before the performance commences.

SEC. 35. Section 18882 of the Business and Professions Code is amended to read:

18882. (a) At the time of payment of the fee required by Section 18824, a promoter shall pay to the commission all amounts scheduled for contribution to the pension plan. If the commission, in its discretion, requires pursuant to Section 18881, that contributions to the pension plan be made by the boxer and his or her manager, those contributions shall be made at the time and in the manner prescribed by the commission.

(b) All contributions to finance the pension plan shall be deposited in the State Treasury and credited to the Boxers' Pension Fund, which is hereby created. Notwithstanding the provisions of Section 13340 of the Government Code, all moneys in the Boxers' Pension Fund are hereby continuously appropriated to be used exclusively for the purposes and administration of the pension plan.

(c) The Boxers' Pension Fund is a retirement fund, and no moneys within it shall be deposited or transferred to the General Fund.

(d) The commission has exclusive control of all funds in the Boxers' Pension Fund. No transfer or disbursement in any amount from this fund shall be made except upon the authorization of the commission and for the purpose and administration of the pension plan.

(e) Except as otherwise provided in this subdivision, the commission or its designee shall invest the money contained in the Boxers' Pension Fund according to the same standard of care as provided in Section 16040 of the Probate Code. The commission has exclusive control over the investment of all moneys in the Boxers' Pension Fund. Except as otherwise prohibited or restricted by law, the commission may invest the moneys in the fund through the purchase, holding, or sale of any investment, financial instrument, or financial transaction that the commission in its informed opinion determines is prudent.

(f) The administrative costs associated with investing, managing, and distributing the Boxers' Pension Fund shall be limited to no more than 20 percent of the average annual contribution made to the fund in the previous two years, not including any investment income derived from the corpus of the fund. Diligence shall be exercised by administrators in order to lower the fund's expense ratio as far below 20 percent as feasible and appropriate. The commission shall report to the Joint Committee on Boards, Commissions, and Consumer *or Business* Protection on the impact of this provision during the next regularly scheduled sunset review after January 1, 2007.

SEC. 36. Section 9148.52 of the Government Code is amended to read:

9148.52. (a) The Joint Committee on Boards, Commissions, and Consumer *or Business* Protection established pursuant to Section 473 of the Business and Professions Code shall review all state boards, as defined in Section 9148.2, other than a board subject to review pursuant to Chapter 1 (commencing with Section 473) of Division 1.2 of the Business and Professions Code, every four years.

(b) The committee shall evaluate and make determinations pursuant to Chapter 2 (commencing with Section 474) of Division 1.2 of the Business and Professions Code.

SEC. 37. Section 9148.8 of the Government Code is amended to read:

9148.8. (a) The Joint Committee on Boards, Commissions, and Consumer *or Business* Protection, acting pursuant to a request from the chairperson of the appropriate policy committee, shall evaluate a plan prepared pursuant to Section 9148.4 or 9148.6.

(b) Evaluations prepared by the Joint Committee on Boards, Commissions, and Consumer *or Business* Protection pursuant to this section shall be provided to the respective policy and fiscal committees of the Legislature pursuant to rules adopted by each committee for this purpose.

O