



**California
Department of
Consumer Affairs**

Annual Report

2002-2003

California Department of Consumer Affairs

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Introduction

The California Department of Consumer Affairs has 43 different consumer protection programs under its roof. Collectively, the Department licenses approximately 2.3 million Californians in more than 230 different professions and establishes minimum qualifications and levels of competency for professionals. The Department licenses, registers, or certifies practitioners; investigates consumer complaints, and disciplines violators. As a result, professionals are protected from unfair competition from unlicensed practitioners; while consumers receive the protections and services they deserve.

Additionally, the Department provides consumers advice and education through its consumer education and outreach divisions.

The Department submits to the Legislature this report and the Annual Statistical Profile for its regulatory entities. The Annual Statistical Profile (ASP) includes information about the number and nature of licenses, certificates, and permits. The ASP also contains statistics on consumer complaints, dispute resolution assistance and the savings and restitution obtained for California consumers.

Consumer Relations & Outreach Division

The Consumer Relations & Outreach Division is dedicated to hearing directly from consumers and responding to their needs. This Division is the umbrella to many programs that directly touch consumers.

The Division's Consumer Information Center responded to more than 1.8 million calls from consumers. The Department mailed or faxed nearly 143,000 publications to consumers.

The Complaint Mediation Program presided over 12,000 consumer complaints against various businesses. More than 200 of these complaints were against companies making fraudulent health claims about magnetic mattress pads. The Department worked with the State Attorney General's Office, which filed a lawsuit ordering a manufacturer of the pads to immediately stop the deceptive business practices. The Attorney General is seeking \$1.5 million dollars in refunds to consumers. Overall, the Complaint Mediation Program referred approximately 8,500 complaints to the Department's enforcement units for investigation.

Communications & Education Division

The Department's Communications & Education Division (CED) is DCA's window to the world. The Division works with television, radio, and newspaper outlets across California, the country and the globe to spread important consumer messages.

CED alerted the news media about the Bureau of Automotive Repair's enforcement efforts involving repair shops in Elk Grove, Clovis, Bakersfield, and other California locations. The Division worked with the Bureau of Electronic and Appliance Repair to issue releases on electronic repair fraud in Fullerton and San Jose. CED also spread the word to consumers about important issues involving mattress flammability standards, as developed by the Bureau of Home Furnishings and Thermal Insulation.

Likewise, CED took the lead to highlight topical consumer issues. During the Christmas season, the Division provided a series of shopping-related consumer tips and followed up early in the New Year with suggestions for avoiding scams throughout the year. In February, CED joined with other DCA programs to step-up outreach efforts during Consumer Protection Week. The subsequent media coverage raised consumer awareness of online security, automotive repair fraud and unlicensed contractors.

The Division also published or updated several resource guides for California consumers. These include:

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- *Consumer Guide to Electronic and Appliance Repair*
- *Write It Right – A Guide for the Auto Body Repair Dealer*
- *The DOs and DON'Ts of Using the Small Claims Court*
- *California Tenants: A Guide to Residential Tenants' and Landlords' Rights and Responsibilities*
- *Lemon Aid for Consumers (English & Spanish)*
- *Consumer Tips on Retail Store Bankruptcies*
- *Personal Digital Assistants Fact Sheet*
- *Structural Pest Control Inspections*
- *Futons and Flammability*
- *What You Should Know Before You Buy a Renovated Mattress*
- *Firearms Requirements Fact Sheet*
- *Locksmith Fact Sheet*
- *Private Investigator Fact Sheet*
- *Private Patrol Operator Fact Sheet*
- *Repossession Agency Fact Sheet*
- *Alarm Company Operator Fact Sheet*

Office of Information Services

The Office of Information Services is DCA's technology arm, providing a full range of information technology services to the Department. It continually maintains and updates the infrastructure that allows internal and external access to licensing information.

The Office completed an encryption element to the DCA Web site to secure online information submitted by consumers.

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The Office also established a Zip code locator as part of an Integrated Voice Response (IVR) program designed for Bureau of Automotive Repair clients. The program allows consumers to call in to the Consumer Information Center and enter their Zip codes. The system then returns the phone numbers and locations of up to five Smog Test Only stations within their area.

The Department's Web site also provides consumers with the option of filing complaints online. The Department's Web site gets more than 400,000 visitors each month, who can view approximately 850,000 virtual pages.

Division of Legislative and Regulatory Review (edited version)

The Department's Division of Legislative and Regulatory Review serves as a resource on DCA legislative matters and represents the Department's legislative positions. It also reviews regulations promulgated by all the Department's boards, bureaus, and programs for their policy and fiscal impact.

This past fiscal year, the Division tracked approximately 1,000 legislative bills and recommended positions to ensure the protection of California consumers and businesses.

The Division hosted several Consumer Leader Legislative Roundtables, with representatives from consumer groups such as AARP, Consumer Action, California Consumer Federation, Consumers Union, California Public Interest Research Group (CalPIRG), Center for Public Interest

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Law, and the California Consumer Affairs Association. These roundtable gatherings helped Division personnel stay abreast of new areas of consumer interest within California and in other states.

The Division worked with the Joint Legislative Sunset Review Committee to evaluate the following boards and bureaus for efficiency and effectiveness in protecting consumers and made necessary changes to enhance their regulatory functions:

- Acupuncture Board
- Board of Barbering and Cosmetology
- Cemetery and Funeral Bureau
- Contractors State License Board
- Dental Board
- Committee on Dental Auxiliaries
- Medical Board
- Board of Optometry
- Physical Therapy Board
- Physician Assistant Committee
- Board of Pharmacy
- Board of Podiatric Medicine
- Bureau for Private Postsecondary and Vocational Education
- Respiratory Care Board
- Board of Registered Nursing
- Board of Vocational Nursing and Psychiatric Technicians

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A searchable version of the Division's Consumer Legislative Digest has been available on the Department's Web site for the past three years, allowing consumers to easily access information on significant consumer legislation online.

Arbitration Certification Program

The Arbitration Certification Program (ACP) certifies and monitors third-party arbitration programs for participating automobile manufacturers. ACP works closely with the manufacturers to make sure they comply with California laws and regulations concerning warranty disputes over new/used vehicles. The ACP also ensures that certified programs conduct dispute resolution in a fair and timely manner.

State certified Lemon Law arbitration programs awarded \$50 million in relief to California consumers during the fiscal year. The Program certified automaker Toyota Motor Sales and its arbitration program, California Dispute Settlement Program, on October 31, 2002. Toyota represents about 17% of California's new car market-share.

During the course of the year, the ACP monitored 472 arbitration hearings, performed five onsite reviews of arbitration program headquarters and two onsite reviews of manufacturer headquarters. It also conducted mini-training sessions on the Lemon Law to California District Office representatives of Ford Motor Company and distributed the educational brochure, "*Lemon-Aid For*

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Consumers” to 174 California Department of Motor Vehicle field offices, 75 California State Automobile Association offices, and 13 Better Business Bureau offices.

The ACP also provided a visiting Chinese delegation with an overview of how the arbitration process can help resolve auto warranty disputes.

Office of Privacy Protection

The Office of Privacy Protection assists consumers with identity theft and other privacy-related problems; provides consumer education and information on privacy issues; coordinates with local, state and federal law enforcement agencies on identity theft investigations and training; and recommends policies and practices that protect individual privacy rights.

The Office assisted 3,000 individuals who contacted it, twice the number of the previous fiscal year. Consumer concerns ranged from identity theft to telemarketing to business privacy practices. The Office also developed the “Identity Theft Victim Assistance Guide for Community Organizations,” as part of a new train-the-trainers program. The Office conducted or participated in 49 community workshops and other consumer education events, as well as making presentations at 23 meetings or conferences of business and professional organizations.

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The Office published four new consumer information sheets on protecting Social Security numbers, controlling unwanted communications, reading privacy policies and patient privacy. The Office collaborated with the California Office of Health Insurance Portability and Accountability Act (HIPAA) Implementation to produce “Patient Privacy Rights: A Consumer Guide to Health Information Privacy in California.” The publication, which explains patient rights under state and federal laws, was produced to coincide with the April 2003 start of the new federal HIPAA regulation on medical privacy. The Office also developed materials and conducted briefing sessions on HIPAA for the Department’s health care licensing boards.

Task Force on Culturally and Linguistically Competent Physicians and Dentists

The Task Force on Culturally and Linguistically Competent Physicians and Dentists was charged with making recommendations to the Legislature about ways to improve the cultural and linguistic competency of health care providers throughout the state. The Task Force was also instructed to identify means for encouraging practice in medically underserved communities. The Task Force, with its 37 subject matter experts, was co-chaired by the directors of DCA and the Department of Health Services.

During the fiscal year, DCA completed its work with the Task Force and submitted its report to the Legislature. The report is based on hundreds of hours of public hearings, testimony from consumers and

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subject matter experts. The recommendations are the result of extensive debate about how best to increase the cultural and linguistic competency of physicians and dentists. The final report makes 22 recommendations, many of which focus on expanding the cultural competency training provided in medical and dental schools to students, along with increasing the continuing education requirements of physicians and dentists. Additionally, the Task Force report includes extensive resource documents, including recommended elements to increase the cultural competency of providers and a glossary of key terms.

The Department worked closely with the Medical Board and the Dental Board to complete the work of the Task Force on Culturally and Linguistically Competent Physicians and Dentists.

BUREAU HIGHLIGHTS

Bureau of Automotive Repair

The Bureau of Automotive Repair (BAR) registers, licenses and regulates any shop that performs automotive inspection, diagnostic or repair services for compensation. Such shops include automotive repair dealers, lamp and brake stations, and smog check stations. BAR also licenses lamp and brake adjusters as well as smog check technicians.

BAR's two-year pilot Auto Body Repair Inspection Program concluded on June 30, 2003. A total of 1,315 vehicles qualified for the pilot and were inspected by the Bureau, with 551 (42 percent) revealing parts and/or labor that were billed for but not provided at an average of \$812 per vehicle. This program led to the filing of 47 administrative disciplinary actions by the state Attorney General against auto body repair shops and 46 referrals to local district attorneys for possible civil or criminal action.

The Bureau's complaint mediation efforts were key in returning more than \$5 million to consumers in the form of refunds, rework, and adjustments.

The Bureau filed 40 administrative disciplinary actions that involved the issuance of illegal smog certificates, often referred to as "cleanpiping." As a result of these actions, Bureau investigators seized four Smog Check emission analyzers.

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The Bureau began implementation of the enhanced Smog Check program in the San Francisco Bay Area. Changes to the emissions testing requirements and procedures began in July 2003. The Bureau's Consumer Assistance Program received more than 42,000 applications from motorists seeking to complete their Smog Checks. Repairs to more than 28,000 qualified vehicles were completed, resulting in an estimated reduction of 3,200 annual tons of pollution.

In March 2003, the Bureau trained 40 technicians from Tijuana in preparation for that city's first-ever smog control program. The program, which officially started in July 2003, will help reduce cross-border vehicle pollution.

The Bureau worked with the California Highway Patrol (CHP) and several local police departments to train more than 200 officers to identify modifications in vehicle emissions equipment. With this training, CHP officers can cite motorists involved in illegal street racing activities.

The Bureau implemented a Gold Shield program, which identifies top performing Smog Check stations in the state. High-polluting vehicles can be repaired, retested, and certified at these stations. Previously, follow-up testing and verification of repairs on these vehicles had to be done at a different facility.

The Bureau released its report on the use and certification of aftermarket collision repair (crash) parts, as mandated by SB 1178 (statutes of 2001). The report concluded that state certification of

aftermarket crash parts is not necessary and the use of these parts should be market driven with the customer's consent.

Cemetery and Funeral Bureau

The Cemetery and Funeral Bureau regulates California's licensed cemetery, crematory and funeral industry. The Bureau has responsibility for overseeing both the operational and the fiduciary activities of the industry.

The Bureau worked closely with the Governor's Office and the Legislature to draft successful legislation requiring unannounced annual inspections of every licensed cemetery in the state. This legislation, carried by Senator Liz Figueroa, also requires the licensing of all cemetery and crematory managers. It steps up criminal penalties for improperly disposing of human remains, failing to inter human remains and furnishing false information on death certificates or disposition permits. This work was done in response to the horrific discovery in the state of Georgia, where a crematory failed to cremate more than 300 bodies. As a result, licensed managers will now manage all licensed crematories and cemeteries in the state.

The Bureau's criminal investigation of Houston B. Quick and Caring Cremation Services of San Diego, Inc. led to a criminal conviction and an order to repay more than \$275,000 to consumers. The Bureau revoked the licenses of both the funeral establishment

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and the funeral director. Overall, the Bureau issued more than 300 citations and assessed more than \$300,000 in fines.

The Bureau reviewed and revised its funeral establishment, crematory, and cemetery inspection program, as a means of bringing consistency and efficiency to enforcement activities.

The Bureau established an advisory committee to help with outreach and education efforts. The committee's purpose is to gather public input on cemetery and funeral issues and to share ideas with both consumers and the regulated industries.

Bureau of Electronic & Appliance Repair

The Bureau of Electronic and Appliance Repair provides consumer protection in electronic and appliance repair and service contract markets in California.

The Bureau extended its regulation of the service contract industry through 2007, as required by recent legislation. The Bureau also expanded its regulatory authority to cover the repair and sale of service contracts on Personal Digital Assistants (PDAs), which was necessitated by advances in technology.

The Bureau increased its scrutiny of unlicensed computer repair operations during this past year. It also focused its efforts on car stereo dealers and installers, opening two civil cases for unlicensed activity in the process.

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The Bureau took measures to improve outreach efforts to consumers and the industries it regulates. Its Web site was updated and redesigned to make it easier for people to use. Also, the Bureau increased the number of “Write It Right” industry workshops to educate service dealers on laws and regulations.

Hearing Aid Dispensers Bureau

The Hearing Aid Dispensers Bureau oversees the licensing and regulating of hearing aid dispensers. The Bureau informs consumers of their legal rights and obligations when purchasing or returning hearing aids. It also protects consumers by maintaining advertising standards as well as evaluating the competence of individual dispensers. The Bureau is entrusted with enforcing statutory and regulatory requirements within the hearing aid dispenser industry.

The Bureau developed numerous consumer fact sheets, including:

- Do You Need to Buy a Hearing Aid?
- Symptoms of Hearing Loss
- Consumer Concerns
- Understanding the Audiogram
- Mail Order/Internet Hearing Aids

The Bureau worked with several senior citizen agencies throughout the state to educate consumers about hearing loss issues and to distribute the new publications.

Bureau of Home Furnishings & Thermal Insulation

The Bureau of Home Furnishings and Thermal Insulation licenses businesses that manufacture and sell upholstered furniture, bedding, and thermal insulation along with those that sanitize used furniture and bedding. The Bureau also investigates complaints and develops flammability standards for upholstered furniture and bedding.

The Bureau developed and submitted a proposed regulation (Technical Bulletin 603 – TB 603) for a new open flame standard for mattresses and box springs. The Bureau also developed a draft open flame standard for bed clothing (TB 604) that will be submitted as a proposed regulation during the next fiscal year. Research continues on both TB 603 and TB 604, as well as on the revision of TB 117, the 25-year-old upholstered furniture flammability standard. The Bureau continues to work with the Consumer Product Safety Council to develop fire safety standards. (TB 603 and revised draft TB 117 are currently on the Bureau’s Web site.)

The Bureau expanded its outreach efforts to include:

- An updated and improved Web site
- Informational and advisory articles printed in industry magazines
- Workshops for licensees on how to comply with the standards
- Recruiting members for the Bureau’s Consumer Advisory Committee

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The Bureau followed up on several complaints concerning flammability violations, which resulted in a substantial increase in “Statewide Withhold from Sale” orders. Under such orders, products displaying a high risk for flammability are pulled from shelves and not available for sale to consumers. The Bureau also continued an investigation into magnetic mattress pads, which was driven by customer complaints voiced the previous year. This resulted in a civil action suit against the distributors of these pads, filed by the California Attorney General’s Office. The suit seeks restitution for consumers.

Bureau for Private Postsecondary and Vocational Education

The Bureau for Private Postsecondary and Vocational Education regulates approximately 3,000 vocational and degree-granting schools in California (i.e., career education and training schools that offer degree, non-degree and registered programs for adult students). Through its Student Tuition Recovery Fund, the bureau disbursed \$904,565 as relief to students who suffered financial losses due to the closures of various postsecondary institutions. Additionally, the Bureau worked with other state and federal agencies to provide relief to students in the form of approximately \$1 million in federally guaranteed student loans.

The Bureau also offered educational program support to more than 25,000 veterans, as part of its contract with the U.S. Veterans Administration.

Bureau of Security and Investigative Services

The Bureau of Security and Investigative Services works to protect consumers through licensing and regulating the private security industry. It also educates consumers about the private security-related business and whom to contact if problems arise. The Bureau has jurisdiction over private patrol operators, private investigators, alarm company operators, repossession agencies, and locksmiths—all of which are private security-related businesses. Firearms and baton training facilities, as well as their instructors, also fall under the Bureau's jurisdiction.

The Bureau worked with the Department of Justice to allow Live Scan vendors to sell its electronic fingerprinting equipment to private patrol operators. As a result, there are currently more than 200 private patrol operators who have purchased their own Live Scan equipment and are now able to electronically fingerprint their security guards.

For the first time in the Bureau's history, private patrol operators have submitted electronic fingerprints for every single security guard on their staff. Prior to January 1, 2003, the number of electronic fingerprints was just 14 percent. The current 100 percent submission rate has reduced fingerprint rejections to less than one percent, which allows faster processing of background checks.

The Bureau began transmitting informational bulletins, newsletters, and Bureau updates to licensees via the Internet. This method eliminates the cost of mailing the information.

Telephone Medical Advice Services Bureau

The Telephone Medical Advice Services Bureau regulates business entities that provide telephone medical advice services to California residents. The Bureau makes sure the providers are qualified, licensed health-care professionals.

Two new Bureau registrants were added for fiscal year 2002/2003. That makes a total of 35 entities licensed through the Bureau to provide consumers with telephonic medical advice.

The Bureau received a total of 19 complaints for fiscal year 2002/2003, an increase of two from the previous fiscal year.

BOARD HIGHLIGHTS

Board of Accountancy

The California Board of Accountancy ensures that only qualified persons and firms are licensed to practice public accountancy. The Board ensures that appropriate standards of competency and practice, including ethics, objectivity and independence are established and enforced.

The Board became the first of its kind in the nation to have a public member majority. The Board implemented far-reaching consumer protection reforms and stronger self-reporting requirements for licensees, resulting in new information that will bolster enforcement efforts. The self-reporting requirements include:

- Any restatement of a financial statement by a client audited by the licensee
- Any civil settlement or arbitration award relating to the practice of public accountancy in which the amount of the settlement or award is \$30,000 or greater and when the licensee is not insured for the full amount
- Any notice of the opening of a formal investigation of the licensee by any entity, including the Securities and Exchange Commission or the federal Public Company Accounting Oversight Board
- Any judgment entered against the licensee in any civil action alleging dishonesty, fraud, negligence, breach of fiduciary

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responsibility, embezzlement, theft, or other misconduct related to the licensee's professional practice

The Board has also implemented major changes to the education, examination, and experience requirements for licensure as a CPA, providing California applicants with three pathway options to licensure. These new pathways provide applicants up-to-date, career-relevant options for becoming California licensees while keeping important consumer protection safeguards in place.

Finally, the Board is preparing to administer its final paper-and-pencil CPA Examination in November 2003, and it is transitioning to a new computer-based examination in May 2004.

Acupuncture Board

The Acupuncture Board regulates the practice of acupuncture and Oriental medicine for public health, safety and welfare in the State of California. The Board establishes and maintains entry standards of qualification and conduct within the profession, primarily through its authority to license.

Under a new structure, the Board now includes three acupuncturists who are not licensed as physicians/surgeons, along with one acupuncturist who is a faculty member of a board-approved acupuncture college. These changes help the Board better reflect the acupuncture profession.

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The Board approved three new acupuncture schools during the fiscal year and revoked the licenses of nine acupuncturists. Newly enacted legislation makes it easier to target unprofessional conduct, fraud, and negligence by acupuncturists. The Board also revised its consumer complaint disclosure policy to make it easier for consumers to file a complaint.

Another piece of legislation increased to 3,000 the curriculum hours a student must complete from a board-approved school. The Board filed a regulatory package to help standardize this new requirement. This package breaks down the required courses to include clinical instruction plus seven other categories.

Sunrise legislation (SB 1951, Chapter 714, Statutes of 2002) added new provisions requiring the Little Hoover Commission to review the practice of acupuncture, along with educational standards, school approval process and the examination process. In addition, the new law requires the Board to conduct studies relating to acupuncture assistants and continuing education.

Architects Board

The California Architects Board establishes regulations for the examination and licensing of the profession of architecture in California. The Board also regulates licensed architects and

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candidates who are in the process of meeting examination and licensure requirements.

The Board worked hard to make the nationally administered Intern Development Program (IDP) a requirement for licensure in California beginning January 1, 2005. The Board developed a detailed communications plan designed to ensure that all stakeholders – interns, licensees, firms, schools of architecture – understand the benefits of a structured internship. In addition, the Board established a component that supplements IDP by ensuring that internship experience is effective and documented.

The Board developed new forms of the California Supplemental Examination (CSE) in 2001 and 2002 based on an occupational analysis conducted in 2001. This supplemental exam addresses California-specific issues, such as earthquake standards and energy conservation. This process involved development of the test plan, item writing, training script development, pilot testing, and commissioner review. The new forms have been in use since January 2003. The Board administered the CSE to 829 candidates during the fiscal year.

The Board aggressively investigated 270 complaints filed by consumers.

The Board updated its Consumer Complaint Disclosure Policy and developed a comprehensive draft of its 2003 report to the Joint Legislative Sunset Review Committee. The latter document is a

review of the Board's programs and performance and will be used as the basis for future policy initiatives.

Athletic Commission

The Athletic Commission regulates professional and amateur boxing and full-contact martial arts throughout the state by licensing all parties involved in an event. The Commission also maintains full control over the administration of each event.

The Commission began requiring hepatitis C testing for professional boxers and martial arts fighters as a condition for licensing, effective January 1, 2003. This testing is in addition to requirements for HIV and hepatitis B testing.

Board of Barbering and Cosmetology

The Barbering & Cosmetology Board licenses professionals whose services include hairdressing and styling, hair cutting, shaving, manicuring, removing unwanted hair, skin care, and applying cosmetics.

The Board implemented computer based testing (CBT) on June 2, 2003. CBT replaces the paper and pencil administration of the Board's licensure examinations. Candidates can now take the written portion of the examination at one of seven exam sites (provided by the testing vendor) instead of two sites. The Board

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anticipates that CBT will cut the process time for licensure in half, enabling candidates to enter their chosen profession in a more timely manner. In addition, candidates will receive a photographic license when they pass their exam.

In 2002, the Board submitted the winning bid to host the National Council of State Boards of Cosmetology's 2003 conference. It was the first time California had ever hosted this national conference. The conference was held in August 2003 in Sacramento.

In 2002, the Board was awarded a Governor's Clarity Award for its consumer information and outreach efforts regarding the cleaning, disinfecting and use of whirlpool footspas.

Board of Behavioral Science

The Board of Behavioral Sciences regulates marriage family therapists, licensed clinical social workers, licensed education psychologists, marriage family therapist interns, and associate clinical social workers.

The Board successfully changed the license title of "Marriage, Family, and Child Counselor" to "Marriage and Family Therapist" throughout the licensing law. This change resulted in a more nationally recognized title for California Marriage and Family Therapists.

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The Board completed the Marriage and Family Therapist Occupational Analysis, which defines the profession and is the basis for the written and oral examinations. The analysis tests for minimum competency. The updated examinations began in July 2003. In June 2003, the Board began taking consumer complaints online through its Web site.

Contractors State License Board

The Contractors State License Board is charged with licensing construction contractors, resolving consumer complaints, and enforcing state laws pertaining to contractors.

The Board made significant strides in improving its programs and services while regulating approximately 280,000 licensees. The Licensing Unit initiated a new workflow automation system that speeds up document processing and improves work consistency.

The Board's Enforcement Unit instituted an on-site negotiations pilot, which creates the opportunity to resolve workmanship-related complaints at the job site. This pilot program has resulted in a 90 percent settlement rate. The Board plans to expand the program statewide. The Testing Unit completed occupational analysis and examination updates for the Board's 46 licensing examinations. The Public Affairs Unit's outreach activities generated more than 40 million impressions, providing millions of Californians with consumer protection and enforcement messages. The Board's

contractor education seminars were expanded to include a trade show.

Court Reporters Board

The Court Reporters Board of California certifies professionals who have met basic, minimum standards of practice enabling them to provide competent and impartial verbatim reporting of depositions and oral court/judicial proceedings.

The Board completed its occupational analysis of the court reporting industry. It upgraded criteria for the machine/skills portion of the examination and initiated passpoint-setting workshops for the written portion. The Board also conducted research on alternative testing devices, such as the paperless writer. The 45-day application deadline for examinees and the five-year requalifying requirement for the Board examination were eliminated to reduce licensing roadblocks.

Several new laws and regulations were established during this fiscal year. They include:

- Establishing minimum curriculum hours in court reporting schools
- Setting education requirements for teachers and readers
- Allowing students the option of taking academic courses in a non-classroom instruction setting

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- Removing the 45-day residency requirement to allow students to change schools
- Clarifying the use of timestamping in Minimum Transcript Format Standards
- Prohibiting court reporters from preparing deposition summaries.

The Board granted a provisional license to a new court reporting school and implemented a new school performance review in conjunction with the Department of Finance.

Committee on Dental Auxiliaries

The Committee on Dental Auxiliaries operates under the direction of the Dental Board of California, but is also an independent entity in terms of composition, staffing and operations. The Committee administers the examination and licensing programs for Registered Dental Assistants, Registered Dental Assistants in Extended Functions, Registered Dental Hygienists, Registered Dental Hygienists in Extended Functions, and Registered Dental Hygienists in Alternative Practice.

In the last fiscal year, the Committee continued its work to protect California consumers and increase their access to dental care. The Committee recommended to the Dental Board that auxiliaries be allowed to perform more duties and that several barriers to licensing should be removed. In addition, the Committee implemented:

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- legislation requiring Registered Dental Assistants to complete educational courses in radiation safety and coronal polishing
- legislation allowing out-of-state dental hygienists to be licensed in California through “licensure by credential”

Dental Board

The Dental Board of California oversees the examination and licensing of dental professionals and enforces the laws and standards of practice that governs dentistry in California.

The Board’s Licensure by Credential Program began July 1, 2002 with 75 licenses issued in the first year.

The Board is currently working to update the “Dental Materials Fact Sheet” that dentists must provide to patients prior to performing dental restoration. The Board will also make a Spanish translation of the updated fact sheet available on its Web site.

The Board’s enforcement program developed timeframes for complaint processing, established an automated system to track investigative time, and created a survey to gauge consumer satisfaction. These components helped accelerate responses to complaints and sped up investigations.

The Board saw a large number of applicants turn out for its Restorative Technique Examination in May 2003. Facilities at Cal

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Expo were made available to handle those filing for the exam. The Board collected more than 1,000 applications in the first few hours of the filing period.

Board for Professional Engineers and Land Surveyors

The Board for Professional Engineers and Land Surveyors safeguards life, health, property and public welfare by regulating the practice of professional engineering and professional land surveying. The Board licenses individuals, establishes regulations, enforces laws and regulations, and helps the public make informed decisions.

The Board successfully created new regulations that define negligence and incompetence. The Board developed a Code of Professional Conduct and implemented legislation to increase fees.

More than 10,000 candidates sat for both the October 2002 and the April 2003 examinations. The Board investigated 52 candidates suspected of exam subversion.

The Board is also in the process of updating the Structural Engineer Occupational Analysis. The Board played host to visiting engineers from India, Japan and Malaysia. These visitors expressed an interest in developing engineering examinations similar to California's, which they consider to be the best in the world.

Board for Geologists and Geophysicists

The Board for Geologists and Geophysicists protects the health, safety and welfare of the public by licensing geologists and geophysicists through examination. The Board also regulates the profession with a stringent enforcement program.

The Board increased enforcement activity. The Board collected nearly \$40,000 in fines and fees due to enforcement actions this fiscal year.

The Board administered more than 300 licensing examinations for Registered Geologist, Registered Geophysicist, Certified Engineering Geologist, and Certified Hydrogeologist. Passing rates for all examinations were above the national average. The Board continued to promote the skills of qualified licensed geologists and geophysicists for use in the environmental, mining, real estate development, and construction industries.

Board of Guide Dogs for the Blind

The Board of Guide Dogs for the Blind licenses and regulates Californians who train and supply guide dogs for the blind. The Board also licenses the instructors who work in the Guide Dog schools, along with the schools themselves.

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The Board fully incorporated the Department of Justice's Live Scan program for background checks of Instructor Licensing applicants. The Board established a Web page through the Department of Consumer Affairs. The Web site now includes meeting announcements and contact information.

A new computer program enables the Board office to handle its own mailings of meeting notices and the maintenance of its mailing list without using an outside vendor. The Board achieved these internal milestones while continuing oversight of the physical, financial, and professional elements of the schools it licenses.

Landscape Architects Technical Committee

The Landscape Architects Technical Committee (LATC), under the purview of the California Architects Board, protects the health, safety and welfare of the public. The Committee establishes standards for licensure and enforces the laws and regulations that govern the practice of landscape architecture in California.

The Committee conducted a licensee survey to better understand the realm and trends of landscape architecture in California. The committee also surveyed insurance companies that provide professional liability insurance to licensees. The surveys allow licensees to better understand insurance requirements. This information will assist the Committee with strategic planning and in various outreach efforts.

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The Committee continued efforts to inform public officials about LATC's roll in governing the practice of landscape architecture. The Committee also distributed licensure publications to landscape architecture firms in California.

The Committee began using information from its public agency survey to finalize its Focus Group Report and assist with strategic planning. A Scope of Practice Exceptions and Exemptions Task Force was appointed to examine exemptions under the Landscape Architects Practice Act. The Task Force addressed issues of public safety and presented proposed amendments to the Committee.

Medical Board

The Medical Board of California is the state agency responsible for licensing and regulating physician conduct in this state. To accomplish this, it has two divisions: the Division of Licensing, which sets standards for physician licensure along with reviewing applications for licensure; also the Division of Medical Quality investigates complaints against physicians and imposes discipline against them, as necessary.

The Board's most outstanding achievement was to sponsor and implement AB 982 (Firebaugh). This bill encourages recently licensed physicians to practice in underserved locations in California. The new law authorizes repayment of up to \$105,000 of a doctor's student loans in exchange for his/her service in an area designated as "medically underserved" for a minimum of three

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years. There are some seven million Californians with no health insurance and the Board is proud to have taken this step to reach those in need.

Board members worked extensively with Senator Liz Figueroa on SB 1950 to make important changes affecting the Board. Some of the more significant changes include:

- The appointment of an Enforcement Monitor to evaluate the Board's disciplinary system
- The addition of two new public members
- The disclosure of certain malpractice settlement information
- The Board established new committees, dealing with non-conventional medicine and indigent care, as well as task forces on ethics and midwifery.

Occupational Therapy Board

The Occupational Therapy Board licenses Occupational Therapists (OTs) and Occupational Therapy Assistants (OTAs). These health care professionals work with people suffering from various disabilities, enabling them to develop, improve or restore functional daily living skills.

Since licensing activities began, the Board has opened 307 enforcement cases, the vast majority of which were criminal history investigations. Twelve applications were denied, six stipulated that the license or certificate be granted on a probationary basis, two are

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under review by the Division of Investigation, and one accusation has been served on a licensed OT.

The Board was successful in getting two key pieces of legislation passed. One grants it the authority to discipline licensees, the other requires additional training and experience in areas identified as “advanced practices.” The Board adopted regulations that address the way fines are assessed and ethical standards of practice. Regulations proposing the establishment of continuing competency requirements, supervision standards, limited permits, and advanced practice certifications are in various stages of the regulatory development process.

The Board’s Web site was updated to allow online verification of a practitioner’s license status. The Board recently created a Practice Committee to assist the Board in addressing scope of practice issues raised by consumers, licensees, and various stakeholders.

Board of Optometry

The Board of Optometry licenses and regulates independent primary health care providers who examine, diagnose, treat and manage diseases and disorders of the visual system, the eye and associated structures.

The former Board of Optometry was discontinued, as a result of the Joint Legislative Sunset Review process, and a new board consisting of six professional and five public members was reconstituted on

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January 1, 2003. A historic first meeting of the new board, consisting of entirely new members, was held in May 2003.

During the final two months of the Fiscal Year, the Board conducted three public meetings, set policy priorities, took action on seven disciplinary matters, and directed staff to pursue four regulation changes. Most significantly, the Board voted to pursue regulations requiring licensed optometrists to post an “Important Consumer Notice.” This notice advises consumers that, upon request, optometrists must provide patients their contact lens and eyeglass prescriptions. This is a significant step forward in consumer education and protection, and it’s indicative of the Board’s dedication to protecting the public.

Osteopathic Medical Board

The Osteopathic Medical Board sets and enforces standards for licensure of California osteopathic physicians and surgeons. By conducting examinations, investigations, and disciplinary proceedings, the Board ensures that recognized standards of practice and treatment are maintained.

On June 30, 2003, the Board completed its first year under the auspices of the Department of Consumer Affairs.

The Board began using the Medical Board Investigation Unit on July 1, 2002, at the direction of the Attorney General.

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During the fiscal year, the Board issued three Interim Suspension Orders to prevent physicians from practicing while under the influence of controlled substances.

The Board is currently moving forward legislation to eliminate the state's oral/practical examination. Eliminating this exam will save the Board time and money. It will not compromise public safety as all osteopathic physicians must already pass a national exam.

Board of Pharmacy

The Board of Pharmacy is charged with protecting the state's consumers with respect to prescription drugs and devices. The Board regulates both the individuals and firms that ship, store, and dispense prescription drugs and devices to the state's health care providers and patients.

The Board implemented a licensing program to ensure annual inspections of pharmacies with compounding services that produce injectable drugs. These pharmacies must meet specific standards to safeguard the quality of medications.

The Board required pharmacies to inform consumers – either with a poster or on receipts -- of five questions to ask the pharmacist before taking any prescription medication. This step was taken to encourage pharmacist-to-patient consultation and increase consumer knowledge about prescription medication therapy.

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The Board launched a citation and fine program that collected from licensees \$362,000 for various violations of pharmacy law, during the past fiscal year.

The Board developed a two-unit continuing education course for pharmacists on pharmacy law. It also published monographs and specialized newsletters on quality assurance programs and drug therapy considerations for older adults. The Board participated in six consumer forums, broadened its complaint disclosure policy, and restored a process to submit consumer complaints online.

The Board sponsored legislation to extend an automated tracking system for highly regulated Schedule II drugs, which have an accepted medical use but also have high potential for abuse. This law will prevent drug diversion and will give pharmacists access to dispensing information about their patients.

Physician Assistant Committee

The Physician Assistant Committee licenses Physician Assistants (PA), highly skilled health care professionals, trained to provide patient evaluation, education and health care services. A PA works under the supervision of a physician to provide medical care and guidance needed by a patient.

The Committee revised its Law Book to include recent legislative changes. The New Member Orientation Manual was also revised to

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better serve as a resource for new and experienced committee members.

Committee staffers worked with the National Commission on Certification of Physician Assistants, which is responsible for administering the written licensing examination, to have exam results sent to the Committee electronically rather than via mail. This new method of receiving scores will make examination results available in just a few days instead of several weeks.

The Committee's Web site was updated to include a license look-up feature that assists consumers seeking information about the licensing status of their physician assistant.

Physical Therapy Board

The Physical Therapy Board licenses and regulates California's Physical Therapists, Physical Therapist Assistants, Electroneuromyographers and Kinesiological Electromyographers.

The Board worked on several pieces of legislation to enhance consumer protections. The Board now requires physical therapists to maintain a patient record for a period of at least seven years after a patient is discharged. If the patient is an unemancipated minor, the seven-year rule applies but records must be maintained for at least one year after the minor reaches 18 years of age.

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The Board is now empowered to discipline licensees who show unprofessional conduct by verbal abusing or sexual harassing patients. The Board is also able to issue probationary licenses to applicants who meet all requirements for licensure but have been found guilty of unprofessional conduct. This allows the Board to streamline application processing for such applicants while continuing to monitor their behavior. Previously, the Board was required to go through the entire disciplinary process under the Administrative Procedure Act before issuing a license.

Podiatric Medicine Board

The Board of Podiatric Medicine protects consumers by licensing Doctors of Podiatric Medicine, setting podiatric education standards, as well as approving schools and postgraduate training programs. The Board requires each licensee to meet at least one peer-reviewed indicator of continuing competence at each two-year renewal. The Board of Podiatric Medicine enforces the Medical Practice Act.

The Board reviewed 200 consumer complaints and determined 30 of those required full investigations. Fourteen cases were referred to the state Attorney General's Office for prosecution. The Board began posting these referrals on its Web site for consumer information.

The Board proposed new legislation and regulations to tighten license renewal requirements. The goal is to establish the country's first mandatory continuing competency program for doctors.

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The Board won the dismissal of all 25 lawsuits filed by one defense attorney representing a southern California foot surgeon who had his license revoked.

Board of Psychology

The Board of Psychology licenses Psychologists and registers Psychological Assistants and Registered Psychologists. It established a new regulation requiring national exam candidates to submit fees directly to the vendor, Professional Examination Service (PES). The regulation went into effect in February 2003. Previously, candidates submitted exam fees directly to the Board, after which PES billed the Board, based on the number of candidates who took the exam. The new method of paying fees eliminates the “middle man” in this process. As a result, the Board was able to reduce its examination fee line item by \$122,000 in the current fiscal year (2002/03) and \$365,000 for FY 2003/04 and ongoing.

Regulation changes authorized the Board to issue citations and/or fines for applicants who are in default of a United States Department of Health and Human Services education loan.

The Board sponsored an information booth at the California Psychological Association’s annual convention. At this booth, Board staff demonstrated the new Online Professional Licensing and assisted psychologists in renewing their licenses. Staffers also showed consumers how to check the status of a psychologist’s

license, demonstrated the procedure for filing complaints online, and conducted training for enforcement experts.

Board of Registered Nursing

The Board of Registered Nursing protects the health and safety of consumers by promoting quality registered nursing care in California. The Board acts as an advocate for health care consumers by setting and enforcing safe nursing practice standards and by educating the public. The Board oversees the licensing of Registered Nurses and evaluates Registered Nurses for certification in the following advanced or specialty areas: Nurse Practitioner, Nurse Anesthetist, Nurse Midwife, Clinical Nurse Specialist, Public Health Nurses, Psychiatric/Mental Health Nurse.

The Board initiated its online endorsement application process to make it easier for RNs in other states to become licensed in California.

The Board continued participation in Governor Davis' Nurse Workforce Initiative. Board staffers assisted the Employment Development Department in reviewing several bidders' proposals to obtain Workforce Investment Act funding to increase the number of nurses in California. As a result, \$21.2 million was awarded to 13 organizations to educate nearly 2,000 more nurses in the state. The Board also created two advisory committees to further the initiative. The Nursing Workforce Committee advises the Board staff and members about demographic research to guide workforce planning

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and projections. The Nursing Education Committee advises the Board on standardizing nurse education curriculum and prerequisites.

The Board co-hosted its fourth Nursing Summit in September 2002 to address the nursing shortage. More than 600 professionals from various healthcare organizations attended. The Board also co-hosted the annual meeting of the National Council of State Boards of Nursing in August 2002, when members discussed possible expansion of the national licensing exam overseas. At this meeting, the Board successfully delayed any action until security and other issues could be resolved. Some Board members were concerned about the appearance of recruiting nurses from countries where the nursing shortage is even worse than in the U.S.

The Board presented its Sunset report to the Joint Legislative Sunset Review Committee in November 2002. The Committee recommended continuance of the Board (SB 358).

Respiratory Care Board

The Respiratory Care Board protects and serves consumers by enforcing the Respiratory Care Practice Act, which regulates the safe practice of respiratory care.

The Board is now able to cite and fine unlicensed individuals who practice respiratory care, under a new law that went into effect at the beginning of 2003. Another law streamlines the Board's application

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process by establishing minimum education requirements, eliminating the need for a course-by-course transcript review, and recognizing the National Board for Respiratory Care as the sole provider of the California Licensing Examination.

The Board created and posted a “Satisfaction Survey” on its Web site for consumers, licensees, and applicants. The information received from these surveys is used to evaluate current services to plan future improvements.

The Board promoted respiratory care career opportunities at several California high schools. The presentations were initiated to address the state’s shortage of respiratory care practitioners.

The Board also said good-bye to its longest standing president, Dr. Barry Winn, after his 12-plus years of exemplary service.

Speech-Language Pathology and Audiology Board

The Speech-Language Pathology Audiology Board protects consumers by ensuring safe and efficient practices. The Board facilitates competence in speech-language pathology and audiology. The Board also oversees Speech-Language Pathology Assistants, Speech-Language Pathology Aides, Audiology Aides, RPE temporary licensees, and continuing professional development providers.

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The Board is developing regulations allowing more complaint disclosure information to consumers.

The Board assisted other government agencies on issues that overlap with the field of speech-language pathology and/or audiology. It helped the Board of Occupational Therapy develop regulations defining qualification requirements for an advanced practice certificate in “Swallowing Assessment, Evaluation or Intervention.” In addition, the Board corresponded with the Department of Health Services’ Children Medical Services Division on enforcement efforts. Those actions ensure licensed audiologists under the Newborn Hearing Screening Program are conducting themselves in a professional and ethical manner, according to state laws.

The Board visited university training programs in the state to present graduating students with information on licensing and regulatory functions.

The Board developed a list-serve to e-mail timely information to licensees, professional associations, and consumers. The information includes changes in licensing laws and regulations, clarification on existing license renewal requirements, and important upcoming events.

Structural Pest Control Board

The Structural Pest Control Board examines, licenses, and regulates professionals practicing structural pest control. The Board assists

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consumers in resolving problems associated with the services performed by the regulated industry.

The Board conducted statewide informational meetings to present new regulations that guard against false and misleading advertising. The regulations were created to ensure that consumers receive reliable and honest advertising.

Veterinary Medical Board

The Veterinary Medical Board licenses and regulates Veterinarians, certifies Registered Veterinary Technicians (RVT), approves RVT schools, and registers veterinary premises. The Board is mandated to regulate the veterinary medical profession to the level necessary to protect public health and welfare. The Board or its designees sets standards, prepares and conducts examinations, conducts investigations of violations of laws under its jurisdiction, issues citations and participates in administrative disciplinary hearings.

The Board worked with the California Board of Pharmacy, the California Veterinary Medical Association, and Senator Sheila Kuehl to address the dangers involving Internet pharmacies that dispense drugs to consumers without valid prescriptions. The resulting Senate Bill (SB 175) clarifies jurisdiction over prescription drugs. The bill also and enhances the enforcement powers of both boards to pursue illegal distribution of prescription drugs. SB 175 was signed into law in September 2003.

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The Board also enhanced its Web site with downloadable complaint and examination application forms. It collaborated with the Office of Examination Resources to computerize the state examination for registered veterinary technicians.

Board of Vocational Nursing and Psychiatric Technicians

The Board of Vocational Nursing and Psychiatric Technicians regulates the practice of Licensed Vocational Nurses and Psychiatric Technicians. It approved a new standard for passing the psychiatric technician licensure examination. This standard ensures that candidates for licensure have the minimum knowledge necessary to practice their profession safely and effectively. Additionally, Board staff volunteered to participate in mock examinations for vocational nurse licensing to help establish a smooth transition to a new test vendor.

The Office of Administrative Law approved regulations that permit licensed vocational nurses (LVNs), who are Board-certified in intravenous therapy, to administer specific intravenous medications in hemodialysis, pheresis, and blood banks settings under certain conditions.

The Board participated in several task forces established by the Governor's Nurse Workforce Initiative to help address California's nursing shortage. The Board published "Consumer Guide for Hiring Licensed Vocation Nurses and Psychiatric Technicians." It is the fifth in a series of consumer protection brochures produced by the Board.