



for sale any horse or foal bred for horse racing if the person knows or has reason to know that steroids have been administered to the horse or foal, and that the horse or foal is or will be entered in a horse race. This two-year bill is pending in the Senate Governmental Organization Committee.

AB 244 (Floyd) would authorize an association to revise its estimate for the aggregate handle during the meeting only if CHRHB determines that the revision is necessary. This two-year bill is pending in the Senate Governmental Organization Committee.

SB 204 (Maddy) would delete an existing provision which states that no California State Lottery game may include a horse racing theme. This two-year bill is pending in the Senate inactive file.

AB 159 (Floyd) would require CHRHB to adopt regulations to eliminate the drugging of horses entered in horse races, and to adopt regulations on the medication of racehorses sold at horse sales or horse auction sales sufficient to protect the horses, owners, and the general public. This two-year bill is pending in the Senate Governmental Organization Committee.

RECENT MEETINGS:

At CHRHB's October 25 meeting, track representatives indicated that on-track attendance and handle were down considerably from 1990. Although the economy is in recession, some critics blame the lower attendance on SB 944 (Maddy) (Chapter 424, Statutes of 1991), which allowed expansion of satellite wagering into Los Angeles and Orange counties. The Oaktree Racing Association reported an almost 50% decline in its average daily on-track handle, and a decline in total handle of almost 25%. Initial reports from Hollywood Park indicated a decline of 34% on-track handle, and an 8% increase in total handle. Originally, proponents thought that SB 944 would attract more fans by making racing more accessible; according to industry representatives, it merely shifted the wagering dollar from on-track to off-track.

At CHRHB's October and November meetings, representatives from Caliente (Mexico) Race Track addressed the Board. Racing has recently been reactivated at that track, and the representatives claimed that 90% of the horses raced there are from California. Although they did not specify what they hoped to accomplish, the representatives apparently want the Board to be aware of the facility and lay foundation for possible future agreements.

At its December meeting, the Board postponed until a future meeting a discussion of proposed delegation of authority to its Legislative Committee. Because the Board meets only monthly, it cannot always present opinions and respond to legislative action in a timely manner. By delegating authority to its Legislative Committee, the Board may be able to make its positions known and more actively participate in the legislative process.

At its December 13 meeting, the Board discussed its contract with the University of California at Davis (UCD) for the services of an Equine Medical Director; since fiscal year 1989-90, the Board has contracted with UCD for such services. (See CRLR Vol. 11, No. 4 (Fall 1991) p. 200 for background information.) At the December meeting, CHRHB's Medication Committee recommended that the Board continue its relationship with UCD by extending the current contract, which expires in June, through June 1993. Dr. Fred Murphy, Dean of UCD's School of Veterinary Medicine, talked to the Board about his plans for the Equine Medical Director, noting that the Director would be involved in several activities, including the development of CHRHB's equine drug testing program. Dr. Murphy reported that the position of Director had been offered to Dr. A.C. "Woody" Asbury. Dr. Asbury subsequently declined the offer; UCD staff will provide the necessary services until a new Director has been named.

Also at its December meeting, the Board approved a request from Southern California Off-Track Wagering, Inc. (SCOTWINC) to reduce the amount deducted from satellite wagering on thoroughbred races for the reimbursement of offsite vaning and stabling from .78% to .66% of handle. The vaning and stabling fund is used to pay for transportation and housing of horses forced to stay at tracks other than where racing is taking place. For instance, 3,853 stalls are required to conduct a meet at Santa Anita, but there are only 1,950 stalls onsite; the rest of the stalls are provided by other tracks. Because there has been a large increase in the amount of satellite wagering, the smaller percentage will provide the same total amount for vaning and stabling.

FUTURE MEETINGS:

May 29 in Cypress.
June 26 in Sacramento.
July 30 in La Jolla.

NEW MOTOR VEHICLE BOARD

*Executive Officer: Sam W. Jennings
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Pursuant to Vehicle Code section 3000 *et seq.*, the New Motor Vehicle Board (NMVB) licenses new motor vehicle dealerships and regulates dealership relocations and manufacturer terminations of franchises. It reviews disciplinary action taken against dealers by the Department of Motor Vehicles (DMV). Most licensees deal in cars or motorcycles.

NMVB is authorized to adopt regulations to implement its enabling legislation; the Board's regulations are codified in Chapter 2, Division 1, Title 13 of the California Code of Regulations (CCR). The Board also handles disputes arising out of warranty reimbursement schedules. After servicing or replacing parts in a car under warranty, a dealer is reimbursed by the manufacturer. The manufacturer sets reimbursement rates which a dealer occasionally challenges as unreasonable. Infrequently, the manufacturer's failure to compensate the dealer for tests performed on vehicles is questioned.

The Board consists of four dealer members and five public members. The Board's staff consists of an executive secretary, three legal assistants and two secretaries.

MAJOR PROJECTS:

Board Pursues Regulatory Changes. On November 18, the Board conducted a public hearing on proposed amendments to sections 553(b) and 564, Title 13 of the CCR. Section 553(b) currently provides that "every new motor vehicle manufacturer and distributor shall pay to the Board an annual fee of \$.45 per new motor vehicle distributed by the manufacturer or distributor which was sold, leased, or otherwise distributed in California to a consumer of such new motor vehicles during the preceding calendar year." NMVB's proposed amendment would retain the \$.45 per vehicle charge, but establish a minimum annual fee of \$300 to be paid by every new motor vehicle manufacturer and distributor who sells, leases, or otherwise distributes new motor vehicles during the preceding calendar year. According to the Board, such an amendment would "attain a more equitable treatment of members of the regulated community."

Section 564 provides that petition decisions of NMVB "shall be in writing. Copies of the decision shall be served on the parties personally or sent



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to them by registered mail." The proposed amendment would provide that the decisions are final upon their delivery or mailing and not subject to reconsideration or rehearing; the amendment would also authorize delivery by certified mail.

No public comments were received at the hearing, nor did NMVB receive any written comments. The Board unanimously adopted both amendments, which were approved by the Office of Administrative Law on December 19.

LEGISLATION:

SB 1113 (Leonard) would impose a \$25 fee on the purchase of new automobiles and new light-duty trucks that do not meet, and provide specified rebates to the purchasers of those vehicles that do meet, prescribed standards relative to low-emission vehicles and safety. This two-year bill is pending in the Senate Transportation Committee.

SB 760 (Johnston) would require every applicant for a vehicle dealer's license and every managerial employee, commencing July 1, 1992, to take and complete a written examination prepared by DMV concerning specified matters; permit an oral examination in place of the written examination for any dealer or managerial employee who is not the sole owner of any vehicle dealership, so long as at least one person in the dealership ownership structure completes the written examination; prescribe continuing education requirements applicable to dealers and managerial employees consisting of at least six hours of instruction during the two-year period following the initial examination and at least four hours during each succeeding two-year period; and require DMV to adopt regulations with respect to these examination and instruction requirements. This two-year bill is pending in the Senate Transportation Committee.

SB 1164 (Bergeson) would provide that, for purposes of vehicle license fees, the market value of a vehicle shall be determined upon the first sale of a new vehicle to a consumer and upon each sale of a used vehicle to a consumer, but the market value shall not be redetermined upon the sale of a vehicle to specified family members. This two-year bill is pending in the Senate inactive file.

AB 126 (Moore), as amended July 10, would enact the "One-Day Cancellation Law" which would provide that, in addition to any other right to revoke an offer or rescind a contract, the buyer of a motor vehicle has the right to can-

cel a motor vehicle contract or offer which complies with specified requirements until the close of business of the first business day after the day on which the buyer signed the contract or offer. This bill is pending in the Senate Judiciary Committee.

FUTURE MEETINGS:

To be announced.

OSTEOPATHIC MEDICAL BOARD OF CALIFORNIA

*Executive Director: Linda Bergmann
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In 1922, California voters approved a constitutional initiative which created the Board of Osteopathic Examiners; 1991 legislation changed the Board's name to the Osteopathic Medical Board of California (OMB). Today, pursuant to Business and Professions Code section 3600 *et seq.*, OMB regulates entry into the osteopathic profession, examines and approves schools and colleges of osteopathic medicine, and enforces professional standards. The Board is empowered to adopt regulations to implement its enabling legislation; OMB's regulations are codified in Division 16, Title 16 of the California Code of Regulations (CCR). The 1922 initiative, which provided for a five-member Board consisting of practicing doctors of osteopathy (DOs), was amended in 1982 to include two public members. The Board now consists of seven members, appointed by the Governor, serving staggered three-year terms.

MAJOR PROJECTS:

Regulatory Hearing Planned. OMB is planning to hold a regulatory hearing this summer regarding amendments to certain unspecified regulations that are inconsistent with legislation passed in 1991. At this writing, the proposed revisions have not yet been published in the *California Regulatory Notice Register*.

LEGISLATION:

AB 1691 (Filante), as amended May 8, would require, on or after July 1, 1993, every health facility operating a postgraduate physician training program to develop and adopt written policies governing the working conditions of resident physicians. This bill was rejected by the Assembly on June 27; it is pending in the Assembly inactive file.

SB 664 (Calderon) would prohibit osteopaths, among others, from charging, billing, or otherwise soliciting payment from any patient, client, customer,

or third-party payor for any clinical laboratory test or service if the test or service was not actually rendered by that person or under his/her direct supervision, except as specified. This two-year bill is pending in the Senate Business and Professions Committee.

AB 819 (Speier) would, effective July 1, 1992, provide that, subject to specified exceptions, it is unlawful for specified licensed health professionals to refer a person to any laboratory, pharmacy, clinic, or health care facility which is owned in whole or in part by the licensee or in which the licensee has a proprietary interest; the bill would also provide that disclosure of the ownership or proprietary interest does not exempt the licensee from the prohibition. This two-year bill is pending in the Assembly Health Committee.

Future Legislation. OMB is currently looking for a legislator to carry a bill which would authorize the Board to recover investigative and prosecution costs incurred in specified discipline actions taken against osteopathic physicians.

FUTURE MEETINGS:

To be announced.

PUBLIC UTILITIES COMMISSION

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The California Public Utilities Commission (PUC) was created in 1911 to regulate privately-owned utilities and ensure reasonable rates and service for the public. Today, under the Public Utilities Act of 1951, Public Utilities Code section 201 *et seq.*, the PUC regulates the service and rates of more than 43,000 privately-owned utilities and transportation companies. These include gas, electric, local and long distance telephone, radio-telephone, water, steam heat utilities and sewer companies; railroads, buses, trucks, and vessels transporting freight or passengers; and wharfingers, carloaders, and pipeline operators. The Commission does not regulate city- or district-owned utilities or mutual water companies.

It is the duty of the Commission to see that the public receives adequate service at rates which are fair and reasonable, both to customers and the utilities. Overseeing this effort are five commissioners appointed by the Governor with Senate approval. The commissioners serve staggered six-year terms. The PUC's regulations are codified in Chap-