



tory changes on June 23 in Irvine.

LEGISLATION:

AB 1180 (Leslie) would (1) provide that each applicant for an original or reciprocity BOE certificate shall pay a fee not to exceed \$200; if the applicant's credentials are insufficient or he/she does not take the examination or fails to receive a certificate, BOE may retain \$150 and refund the remainder; (2) make BOE's annual tax and registration fee not more than \$200 and not less than \$25; (3) increase the penalty for failure to pay the annual tax and registration fee to \$100; and (4) add an oral and practical examination fee not to exceed \$200 nor less than \$50.

This bill would also provide that BOE shall hold one meeting during the first quarter of each calendar year at a time and place designated by the BOE and would delete an existing requirement that the Board publish notice of its meetings in newspapers, as specified. (See CRLR Vol. 9, No. 2 (Spring 1989) pp. 116-17 for background information.) *AB 1180* is pending in the Senate Business and Professions Committee.

AB 1249 (Bader). Existing law provides that any regularly matriculated student undertaking a course of professional instruction in a medical school approved by the BOE is eligible for enrollment in elective clerkships or preceptorships in any medical school or clinical training program in this state. This bill would provide that no medical school or clinical training program shall discriminate with respect to offering elective clerkships or preceptorships in any medical school or clinical training program in this state against osteopathic medical students enrolled in an approved school. The district attorney would be authorized to enjoin a violation of this provision. *AB 1249* is pending in the Senate Business and Professions Committee.

RECENT MEETINGS:

At its April 1 meeting in Pomona, BOE briefly discussed the Center for Public Interest Law's report critiquing the physician discipline system of the Board of Medical Quality Assurance (BMQA). (See CRLR Vol. 9, No. 1 (Winter 1989) p. 1 for background information.) Board members emphasized the fact that BOE's disciplinary process is completely separate and distinct from that of BMQA, and therefore no statistics or assertions made in the report were based on BOE files or past history.

FUTURE MEETINGS:
August 26 in San Jose.

PUBLIC UTILITIES COMMISSION

Executive Director: Victor Weisser
President: G. Mitchell Wilk
(415) 557-1487

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 the PUC regulates the service and rates of more than 25,000 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.

In late 1987, the PUC renamed three of its organizational units to clarify their roles and responsibilities. The former Evaluation and Compliance Division, which implements Commission decisions, monitors utility compliance with Commission orders, and advises the PUC on utility matters, is now called the Commission Advisory and Compliance Division. The former Public Staff Division, charged with representing the long-term interests of all utility ratepayers in PUC rate proceedings, is now the Division of Ratepayer Advocates. The former Policy and Planning Division is now the Division of Strategic Planning.

The PUC is available to answer consumer questions about the regulation of public utilities and transportation companies. However, it urges consumers to seek information on rules, service, rates, or fares directly from the utility. If satisfaction is not received, the Commission's Consumer Affairs Branch (CAB) is available to investigate the matter. The CAB will take up the matter with the company and attempt to reach a reasonable settlement. If a customer is not satisfied by the informal action of the CAB staff,

the customer may file a formal complaint.

MAJOR PROJECTS:

SCE's Proposed Acquisition of SDG&E. The PUC's consideration of Southern California Edison's proposed acquisition of San Diego Gas and Electric Company continues in the prehearing stage. (See CRLR Vol. 9, No. 2 (Spring 1989) p.117 for background information.) A second administrative law judge, Edward O'Neal, has been assigned to the proceeding. Formal hearings are not expected to begin until April 1990.

The Federal Energy Regulatory Commission (FERC) is scheduled to begin hearings on the proposed acquisition at approximately the same time as the PUC hearings begin. The PUC will intervene in the FERC proceedings to represent the interests of Californians. Because the PUC's decision on the acquisition will not be final, its role in the FERC hearings will be limited to monitoring the proceedings.

A conflict may exist since the PUC cannot "advocate" a position to the FERC before its own decision is final, yet it is required to represent the interests of Californians. One possible resolution would be to allow the PUC's Division of Ratepayer Advocates (DRA) to represent Californians before the FERC, just as it represents the ratepayers before the PUC. However, DRA is currently prohibited from appearing before any agency except the PUC. Only the PUC itself may appear before the FERC.

Opponents of the acquisition feel California ratepayers may not be adequately represented before the FERC. They may explore ways to ensure that the PUC is an "advocate" rather than a "monitor" before the FERC.

In other merger action, consumer groups UCAN and TURN filed an emergency motion on April 15 protesting SDG&E's mailing of a pamphlet entitled "The Truth about SDG&E and Government Takeover in Black and White" to the utility's customer list. (See *supra* report on UCAN for further information.) UCAN/TURN also objected to the use of billing inserts to deliver a message opposing "government takeover" of SDG&E. The motion asserts that SDG&E's merger advocacy is an improper use of the mailing list and should be prohibited. At this writing, the PUC has not acted on the motion.

Alternative Regulatory Framework Hearings. During April and May, the PUC conducted public hearings throughout the state. The hearings are part of Phase II of the Alternative Regulatory



REGULATORY AGENCY ACTION

Framework proceeding, in which the PUC is examining the way it regulates telephone companies. (See CRLR Vol. 8, No. 4 (Fall 1988) p. 119 and Vol. 8, No. 1 (Winter 1988) pp. 105-06 for background information on the 1987 order and Phase I proceedings and settlement.)

At the hearings, representatives from the telecommunications industry, DRA, and TURN read proposals to audiences of varying sizes. Some of the highlights of Pacific Bell's proposal include flexible and streamlined regulation with lower residential rates, providing free touch-tone service, modernizing the telecommunications infrastructure, and sharing profits with customers.

General Telephone (GTE), the second largest local exchange carrier (LEC) in California, presented a plan which would subject basic communication services to a revenue cap, price discretionary services such as call forwarding and centrex services to respond to the marketplace, and share earnings with customers. GTE's plan contrasts with PacBell's in that investments in modernization of equipment would not be subsidized by monopoly service customers.

DRA called for an immediate rollback of telephone rates to curb earnings with downward adjustments to reflect projected earnings. This plan also provides for investment in new services without risk to ratepayers and modernization of equipment by shareholders. DRA cautioned against allowing an LEC to use monopoly customer profits for modernization, because the expanded services from the new technology results in cross-subsidization of competitive services by basic ratepayers.

TURN, a utility watchdog group, insisted that PacBell's return on investment far exceeds the authorized rate and customers should receive a substantial refund. (See *supra* report on TURN for further information.) Basic rates should be frozen at \$6 per month and touch-tone service should be provided for no charge because, according to TURN, it is less expensive than rotary service for the company to provide.

After these presentations, members of the audience were invited to participate by giving testimony which became a permanent part of the hearings. Hundreds of Californians expressed their concerns about basic rates, touch-tone service charges, cross-subsidization of competitive rates by monopoly services, modernization of equipment, distribution of profits, and other issues affecting telecommunications.

Pacific Bell Modernization Invest-

ment. In 1985, DRA issued a report accusing PacBell of "mismanaging its modernization effort to the detriment of ratepayers." The Commission ordered an investigation and held that all of PacBell's revenues be subject to refund pending the outcome. The DRA audit team estimates that PacBell used at least \$172 million of ratepayer funds to modernize and attributes approximately \$700 million of profit to this misuse of funds. (See CRLR Vol. 8, No. 1 (Winter 1988) p. 1 for extensive discussion of PacBell's modernization investments and the PUC hearings thereon.)

In late March, PacBell and DRA circulated a proposed settlement of the modernization investigation, the terms of which require PacBell to reduce future rates by \$36 million annually for four years, and hire a consulting firm to evaluate PacBell's modernization investment decisionmaking practices. Thereafter (according to the proposed settlement agreement), PacBell and the consultant will, "through an interactive, nonadversarial process," evaluate the consultant's recommendations and "mutually agree" upon appropriate modifications to PacBell's modernization investment decisionmaking practices which should be implemented in several specified areas. Following the "mutual agreement," PacBell and the consultant will formulate a comprehensive workplan to implement the recommendations. According to the settlement agreement, "[t]here will be no audit or follow-up audit of modernization investment decisions which are studied, approved or implemented by Pacific Bell prior to the full implementation of the workplans...." DRA is entitled to participate in all meetings, discussions, and evaluations between PacBell and its employee consultant.

Both the Center for Public Interest Law (CPIL) and TURN have filed objections to the proposed settlement. Both groups decry DRA's willingness to agree to the settlement after a two-year modernization investigation complete with extensive evidentiary presentation by numerous parties, and the arguable conflict of interest which will result from allowing PacBell to hire and fire a consulting firm to guide its modernization decisionmaking procedures. CPIL also argues that the proposed settlement will foreclose a PUC decision on CPIL's "economic impact statement" proposal, which was promised in a December 1987 PUC order but which has never materialized. (See CRLR Vol. 8, No. 1 (Winter 1988) p. 1 for background information.)

The settlement agreement is subject

to the approval of the full Commission.

MCI Billing. In May, the PUC authorized PacBell to begin billing MCI long distance customers in one consolidated telephone bill. PacBell estimates that 90% of MCI's customers will receive the consolidated bill and enjoy the benefits of one bill—writing one check and mailing one envelope. MCI stands to benefit because customers who do not pay their long distance MCI telephone charges will have their PacBell services disconnected.

Proposed Decision in Trucking Deregulation Proceeding. On June 6, PUC Administrative Law Judge Francis Ferraro issued a proposed decision following six months of hearings in a general investigation of the regulation of the general freight trucking industry in California. (See CRLR Vol. 9, No. 2 (Spring 1989) p. 118 and Vol. 9, No. 1 (Winter 1989) p. 106 for background information.)

In place of the PUC's existing regulatory scheme, Judge Ferraro proposed a more flexible regulatory program relying on competition to lower transportation rates toward costs. Common carriers would be allowed to set their own rates within a "zone of reasonableness"; that is, a common carrier may increase any rate as often as it chooses without formal PUC approval so long as the total of all increases for that rate does not exceed 10% within a twelve-month period. The carrier may also lower rates within that band without approval. Rate increases more than 10% would require PUC approval.

Other components of Judge Ferraro's proposed decision include PUC monitoring of the degree of competition and quality of service within small and rural communities, the reasonableness of rates statewide, and the number of accidents caused by trucks; a minimum level of service requirement for common carriers; all rates, contracts, and associated discounts must be filed with the PUC and available for public inspection; and a toll-free number would be established to verify carrier operating authority.

After a thirty-day comment period, the full Commission will consider the proposed decision and comments, and is expected to make a final decision in July.

Household Goods Transportation Rates. The PUC's Transportation Division staff recently completed a study of costs and alternative methodologies for formulation of minimum rates for household goods transportation. Household goods is one of the few transportation



sectors in which the PUC maintains minimum rates. Carriers face penalties and fines for charging less than PUC-set rates unless they can justify a lower rate based on their individual costs. At an informational hearing in March, many parties expressed concern that minimum rates may not serve the needs of consumers, especially for typical residential moves. The household goods sector differs from other regulated transportation sectors in that end-use consumers deal directly with the carriers. The Commission is expected to initiate an investigation into this issue later this year.

PUC Investigates Drought Mitigation Measures. In California's third consecutive year of drought, the PUC has initiated an investigation to identify methods to alleviate the situation. The PUC regulates 250 privately-owned water utilities which together serve 20% of the state's residential customers. This proceeding is intended to develop mitigation measures which may be applied as necessary by all regulated utilities. The PUC required all water utilities with more than 500 customers to report on whether they will need conservation or rationing programs; the percentage of normal demand they can meet with expected supplies; and information on additional supplies they could develop. The investigation also seeks input from water utilities regarding conservation-focused public information, water conservation devices, and water hauling.

LEGISLATION:

AB 543 (Moore) would specify matters which must be considered at a public hearing before a cable television franchise may be granted in an area where a franchise has already been granted. This bill is pending in the Senate Business and Professions Committee.

AB 901 (Killea) would require the PUC to conduct at least two public hearings before granting authorization for a person or corporation to acquire control of any public utility. This bill is pending in the Assembly Utilities and Commerce Committee.

AB 902 (Killea) would establish a rule for determining the value of a utility that is acquired under eminent domain proceedings. The Commission would be required to consider as the preferred method of valuation the fair value of the property determined for ratemaking purposes at the utility's last general rate case, plus the value of all improvements to the property since the last proceeding. If the Commission authorizes a different valuation method, this bill would require

it to state the reasons supporting its valuation and compare the impacts of the preferred method and the adopted method of valuation. This bill is an urgency measure pending in the Assembly Committee on Utilities and Commerce.

AB 903 (Killea) would require any challenges to the validity of a municipal utility district incorporation to be made within thirty days. The bill would also require any challenger to post a bond payable to the district if the incorporation is found valid and the district has suffered losses as a result of the challenge. AB 903 is designed to facilitate a possible acquisition of SDG&E by the San Diego County Water Authority, and would allow the Water Authority to provide power and gas service. This bill is pending in the Assembly Committee on Utilities and Commerce.

AB 936 (Hughes) would specifically prohibit a telephone corporation from selling a list which includes a telephone subscriber's unpublished or unlisted access number without his or her consent. The bill would authorize aggrieved subscribers to file suit against a violating telephone corporation. AB 936 has been sent to the Governor.

AB 1351 (Kelly) would repeal existing law and enact new provisions for regulation of dump truck drivers. These provisions would generally prohibit any person from engaging in the business of a dump truck carrier unless the person has a valid permit issued by the PUC. This bill is pending in the Assembly Ways and Means Committee.

AB 1472 (Moore) would prohibit any telephone corporation from providing a new telecommunications service without first receiving authorization to do so from the PUC and would require the PUC to adopt rules and regulations to govern authorizing new services, including specified provisions for notice and hearing. This bill is pending in the Assembly Utilities and Commerce Committee.

AB 1478 (Moore) would require the PUC to limit the amount an electrical corporation whose incremental fuel is natural gas could pay for electricity purchased from a private energy producer. The amount would be the lesser of the price paid by the electrical corporation for gas purchased from a gas utility or the average price actually paid for natural gas by the private energy producer. This bill is pending in the Assembly Utilities and Commerce Committee.

AB 1506 (Moore) would prohibit the governing body of any airport, or any city, county, or city and county, from requiring any licenses or permits

from any charter-party carrier other than those required under the Passenger Charter-Party Carriers Act, except an airport license or permit to operate at the airport. This bill would authorize airports to adopt and enforce reasonable and nondiscriminatory local airport rules, regulations and ordinances. This bill is pending in the Assembly Ways and Means Committee.

AB 1784 (Katz) would limit the maximum amount of the bond which must be filed with the PUC by highway carriers and common carriers of property who engage subhauers or lease equipment from employees to \$50,000. This bill is pending in the Senate Energy and Public Utilities Committee.

AB 1797 (Moore) would require the PUC to license natural gas brokers and marketers. With the deregulation of energy markets, intermediaries now assist buyers and sellers in arranging gas purchases. This bill would require the PUC to exercise oversight to protect the public against fraud and abuse. The PUC would not regulate the rates and charges of marketers and brokers, but would require that they post bonds to ensure that all money received is paid to the appropriate person. AB 1797 is pending in the Assembly Committee on Utilities and Commerce.

SB 769 (Rosenthal) would require the PUC to exclude from rates the amount utilities pay for buying power from affiliates. This practice, known as self-dealing, raises the concern that utilities may pay preferential prices to its own affiliates, while ratepayers ultimately bear the cost. This bill has been referred to interim study.

SB 938 (Rosenthal) would require the PUC to report to the legislature on December 1, 1990, on the final results of a plan to measure and assess the impact which regulatory flexibility may have on long distance customers of AT&T and its competitors. This bill is pending in the Assembly Ways and Means Committee.

SB 1124 (Rosenthal) would establish standards for PUC approval of natural gas pipelines. The bill would require the PUC to consider such factors as whether the proposed pipeline is the most economical alternative for increasing gas supplies, is economically sized, protects ratepayers from paying an unfair share of the costs, and will stimulate competition. This bill is pending in the Senate Committee on Energy and Public Utilities.

SB 1125 (Rosenthal) would establish rules governing ex parte "off-the-record" communications with PUC Com-



REGULATORY AGENCY ACTION

missioners, staff, and administrative law judges. The bill would require all ex parte communications to be placed in the administrative record. Currently, there is no requirement that the information be made available to all parties, raising concerns about the integrity of the process. This bill is pending in the Senate Committee on Energy and Public Utilities.

SB 1126 (Rosenthal) would remove the PUC's authority to employ administrative law judges (ALJs), and would instead require that all ALJs be employees of the Office of Administrative Hearings. *SB 1126* is pending in the Senate Committee on Energy and Public Utilities.

SB 1219 (Rosenthal) would provide a financial incentive for utilities to use cleaner-burning natural gas in place of fuel oil. Utilities may normally choose whatever fuel is cheapest, even though using fuel oil creates more air pollution. This bill would allow utilities to recover fuel oil costs in rates only when the combined cost of fuel oil and the external cost of the extra air emissions are cheaper than the price of natural gas. External costs include damage to health, buildings, and crops. *SB 1219* is in the Senate Committee on Energy and Public Utilities.

SB 1544 (Rosenthal) would require the PUC to establish standards for determining when a particular telecommunications market has become competitive. These standards would allow adequate regulation of monopolistic markets to ensure competitive markets are free from monopolistic influences. This bill is pending in the Senate Committee on Energy and Public Utilities.

The following is a status update on bills discussed in detail in *CRLR* Vol. 9, No. 2 (Spring 1989) at pages 118-20:

ACA 17 (Moore), which would increase the membership of the PUC from five to seven members and would abolish the requirement that the Governor's appointees be approved by the Senate, is pending in the Assembly Committee on Utilities and Commerce.

AB 227 (Hannigan). Current law requires an electrical or gas corporation that desires to own or control any solar energy system to first obtain PUC authorization. This bill would permit an electrical or gas corporation to file a description of its proposed solar energy program and implement the program, unless the PUC orders the corporation to obtain authorization within 45 days of accepting the proposal. *AB 227* is pending in the Senate Committee on Energy and Public Utilities.

AB 338 (Floyd), as amended, would provide that the California Supreme Court may transfer the review of an order or decision of the Public Utilities Commission to the First District Court of Appeal, or in its discretion, to another court of appeal. This bill is pending in the Assembly Ways and Means Committee.

AB 590 (Hauser), which would require public utilities to indicate on each residential bill the consumption of electricity, gas, or water during the prior year's corresponding billing period, is pending in the Senate Energy and Public Utilities Commission.

AB 611 (Hauser), which would require electrical and gas utilities to offer baseline allowances to owners of residential hotels which do not have individual meters for each unit, is pending in the Senate Energy and Public Utilities Committee.

AB 689 (Moore) would prohibit places of temporary accommodation, including hospitals, hotels, and motels, from charging more than a specified rate for telephone services. It would also require the PUC to adopt and enforce requirements for the provision of operator assisted services by anyone who, in the course of business, makes phones available and aggregates the calls of the public or transient users of its business. This bill is pending in the Assembly Ways and Means Committee.

AB 713 (Moore), which would require the PUC to develop procedures for public utilities to recover, through their rates and charges, the actual amount of local taxes, fees, and assessments, and to adjust rates to correct for any differences between actual expenditures and amounts recovered, is pending in the Senate Committee on Energy and Public Utilities.

AB 1684 (Costa), which would require highway contract carriers to enter into a written contract for their services, and would require the contracts to be filed with the PUC, is pending in the Assembly Ways and Means Committee.

AB 1798 (Moore), which would make revenue derived from the regulation of transportation agencies in the state subject to the jurisdiction of the PUC available for new purposes relating to the highway carrier industry, is pending in the Senate Committee on Energy and Public Utilities.

AB 1974 (Peace), which would require the PUC to consider the environmental impact on air quality in air basins downwind from an electrical generating facility, is pending in the Assembly Utility and Commerce Committee.

AB 2166 (Roybal-Allard), which would prohibit privately owned utilities under the jurisdiction of the PUC and publicly owned facilities from terminating residential service when a customer is willing to enter into an amortization agreement, is pending in the Senate Committee on Energy and Public Utilities.

SB 45 (Robbins), which repeals the sunset provision for a program which provides equipment enabling deaf and hearing impaired persons to call government agencies serving a substantial portion of the deaf and hearing impaired community, has been chaptered (Chapter 55, Statutes of 1989).

SB 52 (Rosenthal), which would prohibit significant action to acquire control of any public utility without prior PUC approval and would specify the factors the PUC must consider in granting approval, is pending in the Assembly Ways and Means Committee.

SB 53 (Rosenthal), which would prohibit any affiliate or subsidiary of a public utility from purchasing or acquiring the capital stock of any other public utility in California without PUC authorization, is pending in the Assembly Ways and Means Committee.

SB 136 (Montoya), which would prescribe the use of any funds received from payphones used by inmates in prison, is pending in the Senate Judiciary Committee.

SB 210 (Russell) would raise the minimum protection against liability required of household goods carriers from \$15,000 to \$250,000 for bodily injury or death of one person; from \$30,000 to \$500,000 for bodily injury or death to more than one person as a result of a single accident; from \$10,000 to \$100,000 for damage or destruction of property; and \$600,000 for bodily injury or death and damage of property. This bill is pending in the Assembly Ways and Means Committee.

SB 229 (Stirling) would have authorized a county water authority to provide for the generation, transmission, distribution, sale and lease of power and gas, but failed passage in the Senate Agriculture and Water Resources Committee.

SB 279 (Montoya), which would indefinitely extend the existing law prohibiting public utilities and their subsidiaries from conducting work requiring a general contractor's license, has been chaptered (Chapter 29, Statutes of 1989).

SB 441 (Stirling), which would prohibit the PUC, when establishing utility rates, from changing any term or condition of employment that was the subject of collective bargaining, is pending in



the Assembly Utilities and Commerce Committee.

SB 497 (Stirling), which would have required a vote by the residents of a service area of a public utility before the PUC could approve an acquisition of the utility, failed passage in the Senate Energy and Public Utilities Committee.

SB 560 (Rosenthal), which would extend the PUC's intervenor compensation system to trucking proceedings, is pending in the Assembly Committee on Utilities and Commerce.

SB 796 (Deddeh), which would require an environmental impact report to be conducted before the PUC approves any purchase of a public utility, is pending in the Assembly Utilities and Commerce Committee.

SB 909 (Rosenthal), which would require the PUC to report to the legislature on the feasibility and appropriateness of public utilities selling "extra space" in billing envelopes, is pending in the Senate Energy and Public Utilities Committee.

SB 993 (Rosenthal), which would require the Commission to report to the legislature on the impact of unsolicited telefacsimile marketing communications, is pending in the Assembly Ways and Means Committee.

SB 1375 (Boatwright), which would require telephone companies to inform each new subscriber that the subscriber may be listed in the directory as a person who does not want to receive telephone solicitations, is pending in the Senate Energy and Public Utilities Committee.

FUTURE MEETINGS:

The full Commission usually meets every other Wednesday in San Francisco.

STATE BAR OF CALIFORNIA

President: Colin Wied

(415) 561-8200

Toll-Free Complaint Number:

1-800-843-9053

The State Bar of California was created by legislative act in 1927 and codified in the California Constitution by Article VI, section 9. The State Bar was established as a public corporation within the judicial branch of government, and membership is a requirement for all attorneys practicing law in California. Today, the State Bar has over 110,000 members, more than one-seventh of the nation's population of lawyers.

The State Bar Act designates the

Board of Governors to run the State Bar. The Board President is elected by the Board of Governors at its June meeting and serves a one-year term beginning in September. Only governors who have served on the Board for three years are eligible to run for President.

The Board consists of 23 members: fifteen licensed attorneys elected by lawyers in nine geographic districts; six public members variously appointed by the Governor, Assembly Speaker, and Senate Rules Committee and confirmed by the state Senate; a representative of the California Young Lawyers Association (CYLA) appointed by that organization's Board of Directors; and the State Bar President. With the exception of the CYLA representative, who serves for one year, and the State Bar president, who serves an extra fourth year upon election to the presidency, each Board member serves a three-year term. The terms are staggered to provide for the selection of five attorneys and two public members each year.

The State Bar includes 22 standing committees, 16 sections in 14 substantive areas of law, Bar service programs, and the Conference of Delegates, which gives a representative voice to 127 local bar associations throughout the state.

The State Bar and its subdivisions perform a myriad of functions which fall into six major categories: (1) testing State Bar applicants and accrediting law schools; (2) enforcing professional standards and enhancing competence; (3) supporting legal services delivery and access; (4) educating the public; (5) improving the administration of justice; and (6) providing member services.

MAJOR PROJECTS:

Lawyer Competence Proposals Issued. On April 15, the Board of Governors voted unanimously to release for public comment thirteen proposals prepared by its Consortium on Competence. (See CRLR Vol. 9, No. 2 (Spring 1989) p. 122 for background information.) The thirteen proposals were open to public comment for a ninety-day period ending July 24 and were the subject of public hearings on June 12 in Los Angeles and June 26 in San Francisco. The proposals are as follows:

1) adoption of a lawyering skills requirement and implementation of an internship requirement as conditions for admission to the Bar; development of minimum criteria for certification of a two-year residency program and development of a model program;

2) encouragement of law schools to

assess policies regarding development of teaching materials focusing primarily on performance skills, utilization of practitioners as faculty, and adoption of tenure and sabbatical policies that encourage faculty to practice law;

3) creation of a Law Student Section to supplement academic training with practical training, networking, and law practice awareness;

4) modification of the proposal for mandatory continuing legal education to substantially enhance the requirements for law practice management, and introduction of requirements for law performance skills competency;

5) establishment of a voluntary peer assistance program, operating through state and county bar sections, and development of a "peer review" panel to work in conjunction with the State Bar Court as probation monitors for attorneys found to have violated the Rules of Professional Conduct;

6) taking steps to ensure that preventive law education is included in law school curricula and in mandatory continuing legal education;

7) hiring a consultant who would, when requested by an attorney, review that attorney's law practice management procedures and make recommendations for improving those procedures;

8) expansion of the current substance abuse and stress management programs;

9) development and aggressive distribution of educational materials to the lay public as a means of assessing and monitoring lawyer performance;

10) preparation and dissemination of a pre-law curriculum pamphlet to law schools, colleges, and high schools;

11) referral to the Council of Section Chairs of the State Bar's program ideas to assist sections to improve attorney competence within their membership;

12) amendment of requirements for specialty certification to include a requirement for courses on practice management and performance skills; and

13) adoption of a policy requiring persons seeking admission to law school to demonstrate proficiency in communications skills as a prerequisite to admission.

The Board of Governors approved in principle only proposals 11 through 13; the remaining have not yet been approved.

Committee Recommends Redistricting Plan. In April, the Bar's Redistricting Committee voted to recommend that the State Bar districts, unchanged since 1933, be redrawn to put Orange County in a district by itself.