

REGULATORY AGENCY ACTION

Among those presenting testimony were the California Society of Certified Public Accountants, the California Association of Independent Accountants, the Inland Society of Tax Consultants, and the National Society of Public Accountants. Throughout the hearing, Committee Chair Rusty Areias repeatedly reminded the special interests testifying that the Committee is charged with protecting the public interest. He challenged each group's spokesperson to tell Committee members how the public would be helped by the group's proposals.

Also testifying was Mary Livingston of the Center for Public Interest Law (CPIL). While CPIL supports certification of CPAs, it believes such certification does not warrant a comprehensive licensing system. Hence, CPIL believes that SB 422 overreaches in its attempt to limit the scope of practice for those not certified by the Board of Accountancy. As for the proposal in AB 949 that the state create what appears to be a permit system for accountants who are not CPAs, CPIL recommends that any such permit system have as its only barrier to entry the passage of a required test, as it should not matter where or how one obtains the requisite knowledge.

The major controversy in the testimony presented by the different groups surrounded the scope of practice issue. Unlicensed accountants assert the right to practice accounting within the state, while the Board and CPA groups challenge that unrestricted right. This conflict has been waged for several years, and resolution of the issue may now lie in the state courts with the suit brought against the Board by the independent accountants, Moore v. California State Board of Accountancy. (For more information, see CRLR Vol. 7, No. 4 (Summer 1987) p. 55 and LITIGATION report, infra.)

Proposed Legislation. At its October 9-10 meeting in Fresno, the Board voted to sponsor legislation in 1988 which would provide that continuing education be required for all CPAs who seek to reenter the profession after a five-year absence. The legislation would require a licensee to enroll in up to forty hours of continuing education for each year out of public practice, not to exceed a total of 280 hours. In lieu of the continuing education, a licensee could retake the accountancy examination.

The Board intends to pursue other legislation as well. At the November 20-21 meeting, Deputy Attorney General Granen recommended statutory amendments which would, among other things,

expand section 5051 of the Business and Professions Code (definition of public accountancy) to include those activities currently included in section 5, Chapter 1, Title 16 of the California Administrative Code. Other proposed changes to the Business and Professions Code would (1) modify section 5052 to clearly exclude applicability of certain section 5051 provisions to unlicensed persons; and (2) expand section 5100 (causes for discipline) to correct problems previously identified by other Deputy Attorneys General. He also presented new sections which would define the terms "commissions" and "client." The Board requested that Deputy Attorney General Granen make certain modifications to his proposals and then resubmit them to the Board for final approval.

LITIGATION:

Moore v. California State Board of Accountancy, No. 863037 (San Francisco Superior Court), which challenges the Board's policy that unlicensed persons may not legally use the term "accounting" or "accountant" in describing themselves or their services, is still pending in the discovery phase. During the pendency of this litigation, the Board continues to enforce the law against unlicensed persons purporting to engage in the practice of public accountancy.

RECENT MEETINGS:

At its November 20-21 meeting in San Francisco, the Board unanimously adopted the recommendations of the CPA Qualifications Committee and ordered 430 certificates approved, 212 deferred, and 19 rejected.

FUTURE MEETINGS:

March 12 in Los Angeles.
May 19-21 in Lake Tahoe.
July 29-30 in San Diego.
October 7 in Fresno.
November 11-12 in San Francisco.

BOARD OF ARCHITECTURAL EXAMINERS

Executive Officer: Stephen P. Sands (916) 445-3393

The Board of Architectural Examiners (BAE) was established by the legislature in 1901. BAE establishes minimum levels of competency for licensed architects and regulates the practice of architecture. Duties of the Board include administration of the California Architect Licensing Exam (CALE) and en-

forcement of Board guidelines. BAE is a ten-member body evenly divided between public and professional membership.

Attorney Richard Stephens has recently been appointed to fill a public member vacancy on the board.

MAJOR PROJECTS:

Implementation of AB 1113. AB 1113 (Bradley), which is now law, provides for reciprocal licensure for out-of-state architects. (See CRLR Vol. 7, No. 4 (Fall 1987) p. 38.) In implementing the bill, BAE has identified two requirements which must be met in order for individuals with out-of-state licenses to be considered for California licensure, including (1) California acceptance of the exam of the state in which the individual is licensed; and (2) that state's acceptance of California's architectural exam. BAE has taken the position that all exams given in the United States prior to 1987 are substantially equivalent to the exam administered in California prior to 1987, and will continue to recognize pre-1987 exams as such.

In a related matter, BAE continues its involvement in third-party mediation with the National Council of Architectural Registration Boards (NCARB). (See CRLR Vol. 7, No. 3 (Summer 1987) p. 56.) At its November 6 meeting in South Lake Tahoe, BAE reaffirmed its commitment to the mediation, which seeks to resolve reciprocity issues between California and states which utilize NCARB-produced exams. BAE also reaffirmed its support of the current mediator, Frances McGovern.

Regulatory Changes. At its November 6 meeting, the Board approved a recommendation by the Examination Committee to establish an examination application fee. The establishment of such a fee will require both statutory and regulatory amendments. Staff was directed to draft appropriate language to amend sections 122.5, Title 16 of the California Administrative Code. The Board will also seek an author for the necessary legislation.

At its October 16 meeting in San Luis Obispo, the Examination Committee approved a recommendation to amend section 109, Title 16 of the California Administrative Code, to repeal procedures which allow candidates who graduate after the March 1 application filing deadline but before the July CALE is administered, to sit for the CALE upon verification of graduation.

The Board has also approved proposed amendments to section 125 of its regulations, concerning exam appeals.

REGULATORY AGENCY ACTION



BAE proposes eliminating procedures for the appeal of exam contents following issuance of the CALE results. The Examination Committee recommended this change, believing the appeals procedures are unnecessary in light of (1) a BAE policy which allows candidates to identify problem questions immediately following the exam administration; and (2) the extensive review process employed by the Examination Committee prior to exam scoring.

Board staff plans to publish these proposed changes in January.

Consideration of Stamp Requirement. At its October meeting in Sacramento, the Enforcement and Practice Committee reviewed proposed statutory language which would require architects to stamp plans, specifications, and instruments of service.

The Committee discussed reasons for imposing such a requirement, including building officials' difficulty in reading architects' signatures. The stamp would contain the architect's name as well as a place for his/her signature. The Committee decided more information was needed and directed staff to survey building officials and other state boards and then to develop a list of pros and cons on the issue.

FUTURE MEETINGS:

To be announced.

ATHLETIC COMMISSION

Executive Officer: Ken Gray (916) 920-7300

The Athletic Commission regulates amateur and professional boxing, contact karate, and professional wrestling. The Commission consists of eight members each serving four-year terms. All eight seats are "public" as opposed to industry representatives.

The current Commission members are Bill Malkasian, Raoul Silva, Roosevelt Grier, P.B. Montemayor, M.D., Jerry Nathanson, Thomas Thaxter, M.D., Charles Westlund, and Robert Wilson.

The Commission is constitutionally authorized and has sweeping powers to license and discipline those within its jurisdiction. The Commission licenses promoters, booking agents, matchmakers, referees, judges, managers, boxers and wrestlers. The Commission places primary emphasis on boxing, where regulation extends beyond licensing and includes the establishment of equipment, weight, and medical require-

ments. Further, the Commission's power to regulate boxing extends to the separate approval of each contest to preclude mismatches. Commission inspectors attend all professional boxing contests.

MAJOR PROJECTS:

Neurological Reports. At its October 16 meeting in San Francisco, Commissioner Thaxter presented an overview of the Commission's neurological examination program. The Commission requires boxers to undergo a neurological examination at least 72 hours prior to their first bout of the year. Currently, six medical offices throughout the state are under contract to administer neurological examinations.

The Commission has revised the examination over the past year, specifically delineating the pass/fail criteria; implementing modifications to eliminate ethnic and cultural biases; and translating the medical history portion of the exam into Spanish. Examining physicians can now not only recognize brain damage, but can discover deterioration in mental processes on a cumulative basis. In the future, Commissioner Thaxter suggested that physicians could perform studies over time to determine deteriorating brain function.

The Commission has lost two of its contracted physicians due to a common policy among insurance companies of excluding physicians who assume liability under a contract and/or render professional service to professional athletes. At least one leading insurer of physicians has requested that the Commission issue a list of the physicians providing service on its behalf. Executive Officer Ken Gray has asked the California Medical Association and a representative of the Senate Governmental Organization Committee to look into the matter.

Federal Regulation of Boxing. Ron Russo, the Supervising Deputy Attorney General assigned to represent the Athletic Commission, wrote a letter to U.S. Representative Pat Williams, the author of H.R. 134 and H.R. 2305, federal legislation which proposes to regulate boxing at the federal level. (See CRLR Vol. 7, No. 4 (Fall 1987) p. 39.) The letter criticized the bills for not going as far as they should or could, and for weakening expansive regulatory programs which already exist, such as the Commission's program in California.

On behalf of the Commission, Russo suggested that federal legislators create a central recordkeeping depository to prevent boxers from fighting in a juris-

diction after being knocked out, suspended for medical reasons, or retired in another jurisdiction. Second, Russo requested that Congress establish regulatory guidelines containing minimum federal standards which could be waived in favor of a state system which meets or exceeds the federal standards.

Budget. The Department of Finance recently disapproved a Commission budget change proposal (BCP) to increase the 1988-89 budget by approximately \$30,000. (See CRLR Vol. 7, No. 4 (Fall 1987) p. 39.) Six thousand dollars of the requested funds was intended to cover increased rent for the Sacramento office, while \$24,000 was requested to pay inspectors now assigned to monitor amateur boxing events. The Commission anticipates that the BCP will be approved as soon as it provides the Department of Finance with additional information.

RECENT MEETINGS:

At its December 4 meeting, the Commission adopted a policy to limit title fights to twelve rounds. The World Boxing Association recently reduced the number of rounds in its title fights to twelve, while the World Boxing Council reduced its title fights to twelve rounds several years ago.

Also at the December 4 meeting, the Commission decided to appoint a committee to establish medical standards for professional wrestlers. According to Executive Officer Gray, setting medical standards for professional wrestlers will be difficult, as many of the wrestlers are older and not in top physical shape, yet they have been wrestling for a living for many years. The committee will set forth uniform standards for use by examining physicians in determining when a wrestling match would pose immediate danger to a wrestler's health.

FUTURE MEETINGS:

To be announced.

BUREAU OF AUTOMOTIVE REPAIR

Chief: Martin Dyer (916) 366-5100

Established in 1971 by the Automotive Repair Act (Business and Professions Code sections 9880 et seq.), the Bureau of Automotive Repair (BAR) registers automotive repair facilities; official smog, brake and lamp stations; and official installers/inspectors at those stations. The Bureau's other duties in-