



liability insurance for Board licensees and other professionals. The bill has been assigned to the Insurance and Corporations Committee.

AB 527 (Chacon), introduced February 9, would delete the Board's authority to register public accountants effective January 1, 1996.

SB 422 (Montoya), introduced February 17, would define "report" for purposes of statutory provisions regarding the preparation of financial statements.

LITIGATION:

Moore v. California State Board of Accountancy, No. 863037 (San Francisco Superior Court), is an attempt by members of the California Association of Independent Accountants (CAIA) to challenge the Board's policy that unlicensed persons may not legally use the terms "accounting" or "accountant" in describing themselves or their services. The lawsuit arises from a cease and desist letter sent by the Board to Bonnie Moore, CAIA member and Director of Accounting Center. The Board contends that its position is supported by *People v. Hill*, 166 Cal. App. 3d 320 (1977), which held that the use of the terms "accountant" or "accounting" by unlicensed persons in advertising their services, as a matter of law, constitutes false and misleading advertising. The *Hill* court stated that such use misleads the public into believing that such persons are actual licensees of the state "skilled in the practice of accounting." The court ruled that such use also constitutes unfair competition in that it causes unlicensed persons to appear equally qualified with licensed public accountants and certified public accountants.

The Board has filed a cross-complaint for injunction, civil penalties, restitution, and other equitable relief.

RECENT MEETINGS:

At its January 30-31 meeting in Los Angeles, the Board spent considerable time reviewing the ethics portion of the current certification exam. At present, the Board administers an exam which is prepared by a national foundation and which is administered in many other states. The Board is concerned that the exam does not test prospective licensees on specific California regulations regarding professional standards of conduct. A suggestion has been made that the Board write and administer its own ethics portion to correct this omission in the certification process.

Recognizing the need to raise licensee awareness of these professional standards, the Board considered several proposals to revise the ethics testing requirements. Members decided that the first step is to design a California ethics exam for initial certification. This proposal was referred to the Board's Qualifications Committee for further action.

Additionally, the Board deferred consideration of renewal testing until after the number of violations exposed by proposed Rule 89.1 are determined. Rule 89.1 would require licensees to submit, upon request, a self-selected sample of reports issued during the previous calendar year. It also provides for remedial renewal requirements in appropriate cases. The effects of Rule 89.1, if adopted, will determine whether future Board action is desirable to institute testing on ethics issues as a prerequisite to license renewal. The Board is unsure at this time whether it has the authority to require such testing.

FUTURE MEETINGS:

May 29-30 in Los Angeles.
 July 31-August 1 in Monterey or Sausalito.
 October 9-10 in Fresno.

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 an annual architectural examination and enforcement of Board guidelines. BAE is a ten-member body evenly divided between public and professional membership.

At its January 22 meeting, BAE elected its 1987 officers: President Paul Neel, Vice-President Robert DePietro, and Secretary Merlyn Isaak.

MAJOR PROJECTS:

California Architect Licensing Exam (CALE). The preparation of BAE's new licensing exam, scheduled for its first administration in July 1987, continues. Panels of three to eight licensed architects, in conjunction with vendor CTB/McGraw-Hill, have been drafting each of the nine separate exam sections. Regulations and procedures have been

revised. New application material is being prepared. Exam dates have been set, and test facilities have been reserved.

So far, BAE is pleased with the progress made in developing the new exam. This year, over 5,000 applicants are expected to take the licensing test.

Reciprocity. Because California and all other states have previously used the Architects' Licensing Examination provided by the National Council of Architectural Registration Boards (NCARB), reciprocity arrangements have been fairly simple. However, reciprocity issues are becoming increasingly complex, and California's administration of the new CALE may further cloud reciprocity decisions. Although no major difficulties concerning reciprocity have surfaced yet, BAE's creation of its own exam has distinguished it from other state licensing boards.

Of crucial importance at this time is BAE's relationship with NCARB. Because NCARB administers the test in other states, cooperation with NCARB facilitates cooperation with other states. BAE is currently working to establish a cooperative dialogue with NCARB. Historically, BAE and NCARB have had poor working relations (see CRLR Vol. 5, No. 4 (Fall 1985) p. 20). BAE's decision to break away from NCARB and create its own exam was based on its desire for more control over test administration and grading (see CRLR Vol. 6, No. 2 (Spring 1986) p. 34). When BAE first announced its decision, animosity was high; communication channels, however, have been opened. BAE President Paul Neel and NCARB President Robert Tessier have contacted one another to establish a plan of renewed cooperation. Both BAE and NCARB have appointed task forces to develop long-range plans. BAE member Lawrence Chaffin, Jr. and BAE Executive Director Steve Sands have been appointed to NCARB committees. Presently, BAE is optimistic about developing closer ties with NCARB.

In fact, the real impediments to reciprocity, according to a recent BAE newsletter, are the intern development programs required by some states and/or the accredited degree requirements of some states. A BAE task force is currently looking into the issues associated with intern development programs. (See CRLR Vol. 7, No. 1 (Winter 1987) p. 33.)

Future Regulations. The Board expects four regulatory packages to be implemented in 1987. The first package implements BAE's citation program, and has been approved by the Office of



Administrative Law. (See CRLR Vol. 7, No. 1 (Winter 1987) p. 33.)

Second, BAE (like other licensing agencies) is required to adopt rules in compliance with the Permit Reform Act of 1981 (Statutes of 1981, Chapter 1087, effective January 1, 1983) to regulate the Board's review of applications and maximum processing times. The Board has held public hearings on proposed regulations, which were modified and should be adopted soon.

Third, new regulations on reciprocity are being drafted and should be implemented this year because the Board will be administering CALE.

Finally, BAE is working to implement regulations which precisely define certain key terms to allow for more uniform enforcement (see CRLR Vol. 6, No. 4 (Fall 1986) p. 27 and CRLR Vol. 7, No. 1 (Winter 1987) p. 33).

LEGISLATION:

SB 318 (Robbins), introduced February 5, would permit contractors to design systems of facilities incidental and supplemental to the original design. The bill is similar to the original draft of SB 1647 proposed by Senator Robbins last year (see CRLR Vol. 6, No. 2 (Spring 1986) p. 34). BAE originally opposed that bill but later dropped its opposition after that bill was amended (see CRLR Vol. 6, No. 4 (Fall 1986) p. 27). BAE opposes SB 318 as introduced.

AB 246 (Areias), introduced January 12, would create a Commission for the Review of State Design and Construction Policy Issues. The Commission would report to the legislature by January 1, 1989, on the effect of regulation on the design and construction industry. Factors contributing to costs and delays for permits and inspections, among other things, would be addressed in the report. BAE has taken no position on the bill but is watching it.

RECENT MEETINGS:

On January 22, BAE met in San Diego and discussed a variety of topics. On the issue of reciprocity, BAE voted to approve broad policy language which would give the Board authority to negotiate reciprocity agreements. Also, BAE voted against adoption of the proposed Permit Reform Act regulations. The regulations would set standards for review of applications and processing time. Don Chang, BAE's legal counsel, advised that language modifications were needed, so BAE voted to modify the proposed regulations and decide whether to approve them at a future meeting.

When the Intern Development Task Force presented its report, reciprocity issues were again raised. Some Board members appeared to favor a voluntary intern program in California. However, if such a program were implemented, California architects who decline to participate may find that acquiring a license in states with mandatory intern development programs is difficult.

Finally, BAE voted to support legislation requiring architects to stamp their drawings. A stamp requirement, in the Board's view, would make enforcement easier.

On February 25, the Board met in Monterey. At that meeting, BAE approved the 1987 CALE. It also approved recommendations to set up a voluntary intern development program in California. Additionally, BAE approved specific language giving the Board authority to negotiate reciprocity agreements. Included in this language is a provision requiring foreign architects to take CALE.

Finally, BAE discussed legislative issues. The Board created a Legislative and Policy Committee, which includes the following Board members: Merlyn Isaak (Chair), Dorinda Henderson, Mark McGuiness, and Ira Ritter. BAE also heard an update report on legislation affecting the Board and discussed positions to be taken on these measures.

FUTURE MEETINGS:

To be announced.

ATHLETIC COMMISSION

*Executive Officer: Ken Gray
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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 Thayer, M.D., Charles Westlund, and Robert Wilson. Commissioners Westlund and Montemayor were recently appointed by the Governor; Commissioner Wilson was recently appointed by the Senate Rules Committee.

The Commission is constitutionally authorized and has sweeping powers to license and discipline those within its jurisdiction. The Commission licenses

promoters, booking agents, match-makers, referees, judges, managers, boxers and wrestlers. Most emphasis is placed on boxing, where regulation extends beyond licensing and includes the establishment of equipment, weight, and medical requirements. 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:

Official Weigh-In Policy. The Commission recently adopted a policy regarding the time and place for official weigh-ins prior to each boxing show. All boxers must be weighed at the official weigh-in site or at one of the Commission offices, with the exception of heavyweight boxers. This policy was adopted due to a flood of requests for weigh-ins at doctors' offices or sites other than the official weigh-in location.

Promoter Applicants Appearing Before the Commission. According to existing Commission policy, promoter applicants must personally appear before the Commission when applying for an original (permanent) license; temporary promoters' licenses may be granted without a personal appearance. At the January meeting, Commission staff asked for clarification on the status of this policy. Commission members, believing that a personal appearance prior to licensure is very important and should be enforced, decided that the Executive Officer should be responsible for arranging the dates of these appearances, considering such factors as travel and convenience for the promoter applicants.

Assignment of Officials. In February, during the promotion of a world title fight for the bantam-weight championship sanctioned by the World Boxing Association (WBA), a dispute developed between WBA officials and Athletic Commission staff over the assignment of officials. The major boxing organizations which recognize and sanction title fights are the WBA, the World Boxing Council (WBC), and the International Boxing Federation/United States Boxing Association (IBF/USBA). Each of these organizations has its own rules governing the conduct of title fights and assigns referees and judges from a list of its members. Generally, the sanctioning organization's rules are used, except that the Commission enforces its own rules in the area of safety. Meetings are held before the contest to discuss any differences between the rules