



microchip constitutes a surgical procedure and is within the definition of the practice of veterinary medicine (section 4826, Chapter 11 of the Business and Professions Code).

Since California does not have mandatory continuing education for veterinarians, the Board has prepared a statement strongly recommending twenty hours of continuing education for licensed veterinarians within each two-year license renewal period.

#### FUTURE MEETINGS:

May 14-15 in Santa Barbara.

July 7-8 in San Diego.

### BOARD OF VOCATIONAL NURSE AND PSYCHIATRIC TECHNICIAN EXAMINERS

*Executive Officer: Billie Haynes (916) 445-0793*

This agency regulates two professions: vocational nurses and psychiatric technicians. Its general purpose is to administer and enforce the provisions of Chapters 6.5 and 10, Division 2, of the Business and Professions Code. The Board consists of five public members, three licensed vocational nurses, two psychiatric interns, and one licensed vocational nurse with an administrative or teaching background. At least one of the Board's LVNs must have had at least three years' experience working in skilled nursing facilities.

The Board's authority vests under the Department of Consumer Affairs as an arm of the executive branch. It licenses prospective practitioners, conducts and sets standards for licensing examinations, and has the authority to grant adjudicatory hearings. Certain provisions allow the Board to revoke or reinstate licenses. A licensed practitioner is either an "LVN" or a "psych tech."

The Board currently licenses approximately 68,000 LVNs and 14,000 psychiatric technicians.

#### MAJOR PROJECTS:

*Psychiatric Technician Fee Increases.* On March 17, the Board held a hearing in Sacramento on proposed changes in the fees for psych tech applications, renewals and licensing. The Board proposed to increase the application fee from \$10 to \$25, change the renewal fee from \$48 to \$45 annually, increase the re-examination fee to \$35, and set the initial license fee at \$45.

The Board claims that, due to the general decline in the number of psychi-

atric technician applications, the Board is not able to fund its operations. The Board receives no monies from the General Fund and must rely on the psychiatric licensure process to fully fund its activities and programs.

*NCLEX-PN Test Results.* The Board gave its first National Council Licensure Examination (NCLEX-PN) on October 15, 1986. (See CRLR Vol. 6, No. 4 (Fall 1986) p. 56.) In California, 55% of those taking the exam failed. Executive Officer Haynes stated that several factors probably contributed to the low passage rate. The first factor is the change in the test format from multiple choice to the case method, which requires additional reading comprehension and reading retention. The fact that the majority of California applicants have English as a second language may also have increased the failure rate. Mrs. Haynes recommended that the Board actively participate in the exam review process in light of the low passage rate.

*Survey of the Los Angeles Unified School District Vocational Nursing Program.* Two nursing education consultants surveyed the Los Angeles School District's program from September 22 to October 10, 1986. During the visit the Board detected twenty-five violations of the vocational nurse regulations. The school district has been given until April 1, 1988 to correct all

violations. The school district will not be granted approval to start new classes prior to April 1, 1988 unless all violations are corrected and the school submits an application to the Board for reconsideration.

#### LEGISLATION:

*SB 246 (Watson)* would authorize the issuance of an interim psychiatric technician's permit for a fee of not more than \$20. The bill contains an urgency clause and would take effect immediately. Under the new system, the permittee would work under the supervision of a licensed psychiatric technician or a registered nurse. The supervisor must be present and available at the facility during the hours worked by the permittee.

#### RECENT MEETINGS:

At its January 9 meeting, the Board elected new officers: Gwendolyn Hichey is now President, and Janiece Lackey is the new Vice-President.

The Executive Officer noted that the budget change proposal for the psychiatric technician computerized exam was not approved by the Department of Finance. She made a commitment to the Board to actively seek approval for the computer program in 1987.

#### FUTURE MEETINGS:

To be announced.



## BUSINESS, HOUSING AND TRANSPORTATION AGENCY

### DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL

*Director: Jay Stroh (916) 445-3221*

The Department of Alcoholic Beverage Control (ABC) is a constitutionally-authorized state department. The Alcoholic Beverage Control Act vests the Department with the exclusive right and power to license and regulate the manufacture, sale, purchase, possession, and transportation of alcoholic beverages within the state. In addition, the Act vests the Department with authority, subject to certain federal laws, to regulate the importation and exportation of alcoholic beverages across state lines. ABC issues liquor licenses and investigates violations of the Business

and Professions Code and other criminal acts which occur on premises where alcohol is sold. Many of the disciplinary actions taken by ABC, along with other information concerning the Department, are printed in the liquor industry trade publications *Beverage Bulletin* and *Beverage Industry News*.

ABC divides the state into two divisions with assistant directors in charge of each division. The state is further subdivided into 21 districts, with two districts maintaining branch offices.

#### MAJOR PROJECTS:

*Alcohol Abuse Programs.* On March 5, ABC conducted its second public hearing to receive comments on the subject of "happy hours" and other marketing practices and promotions which foster the overconsumption of



alcoholic beverages. A panel of ABC officials, including Director Jay R. Stroh, Assistant Director Manuel R. Espinoza, and senior counsel Kenton P. Byers, were present to hear the witnesses. Testimony from these hearings will be used to determine whether to consider the adoption of formal regulations prohibiting happy hours and whether sufficient legal authority exists to do so.

## LEGISLATION:

*SB 96 (Hart)* would require that prior to any wholesale or retail sale of beer, wine, or distilled spirits, the beverage container label shall contain a clearly visible health warning reading "WARNING: Drinking alcohol during pregnancy can cause low birth weight, miscarriage, or birth defects."

*SB 124 (Mello)* would prohibit any person licensed by ABC from importing wine into this state that was produced outside of the United States unless that person certifies that each shipment of wine meets all the requirements of the Sherman Food, Drug, and Cosmetic Law. This requirement would also apply to persons who import grape concentrate for the purpose of making wine.

*AB 207 (D. Brown)* would authorize a winegrower who produces 20,000 gallons or less of wine per year to sell wine for consumption in a bona fide eating place which is located in Orange County, is located off the premises of the winegrower, and is owned by and operated by or for the licensee.

*AB 251 (Eaves)* would exempt nudity at an authorized nudist resort or nudist campground from any regulation excluding nude persons from licensed premises. The bill would only be applicable in a county which adopts an ordinance or resolution to that effect and where the sheriff certifies that no extraordinary police problem would be created thereby.

*AB 272 (Condit)*. Existing law prohibits an on-sale alcoholic beverage licensee from having an ownership interest in an alcoholic beverage manufacturer. This bill would authorize the holder of no more than six on-sale licenses to hold not more than 10% of the stock of a corporate licensed beer manufacturer located in Los Angeles County. This bill would authorize an on-sale licensee who operates a bona fide eating place on the premises of the corporate beer manufacturer to serve beer obtained directly from the beer manufacturer.

*AB 340 (Condit)*. Existing law provides that in any hearing on an accusation charging an ABC licensee with a violation of specified provisions of law relating to minors, ABC is required to produce the minor for examination at the hearing unless the licensee has waived the appearance of the minor. This bill would provide that ABC is not required to produce the minor if the minor is unavailable as a witness.

*AB 400 (Condit)* would provide funding to ABC for the employment of not less than fifty additional special investigators, their support staff, and related expenses.

*AB 850 (Klehs)* would add certified out-of-state manufacturers to the list of licensees authorized to give away samples of alcoholic beverages which are authorized to be sold by the licensee.

*AB 506 (Hill)* would provide that beer and wine may be delivered to on-sale and off-sale general alcoholic beverage licensees between the hours of 4:00 a.m. and 8:00 p.m. on any day except Sunday.

## BANKING DEPARTMENT

*Acting Superintendent: Harold D. Doyle*  
(415) 557-3232

The State Banking Department administers all laws applicable to corporations engaging in the commercial banking or trust business, including the establishment of state banks and trust companies; the establishment, operation, relocation, and discontinuance of various types of offices of these entities; and the establishment, operation, relocation, and discontinuance of various types of offices of foreign banks. The superintendent, the chief officer of the Department, is appointed by and holds office at the pleasure of the Governor.

The superintendent approves applications for authority to organize and establish a corporation to engage in the commercial banking or trust business. In acting upon the application, the superintendent must consider:

(1) the character, reputation, and financial standing of the organizers or incorporators and their motives in seeking to organize the proposed bank or trust company;

(2) the need for banking or trust facilities in the proposed community;

(3) the ability of the community to support the proposed bank or trust company, considering the competition

offered by existing banks or trust companies; the previous banking history of the community; opportunities for profitable use of bank funds as indicated by the average demand for credit; the number of potential depositors; the volume of bank transactions; and the stability, diversity and size of the businesses and industries of the community. For trust companies, the opportunities for profitable employment of fiduciary services are also considered;

(4) the character, financial responsibility, banking or trust experience and business qualifications of the proposed officers; and

(5) the character, financial responsibility, business experience and standing of the proposed stockholders and directors.

The superintendent may not approve any application unless he/she determines that the public convenience and advantage will be promoted by the establishment of the proposed bank or trust company; conditions in the locality of the proposed bank or trust company afford reasonable promise of successful operation; the bank is being formed for legitimate purposes; the proposed name does not so closely resemble as to cause confusion the name of any other bank or trust company transacting or which has previously transacted business in the state; and the applicant has complied with all applicable laws.

If the superintendent finds that the proposed bank or trust company has fulfilled all conditions precedent to commencing business, a certificate of authorization to transact business as a bank or trust company will be issued.

The superintendent must also approve all changes in the location of a head office, the establishment or relocation of branch offices and the establishment or relocation of other places of business. A foreign corporation must obtain a license from the superintendent to engage in the banking or trust business in this state. No one may receive money for transmission to foreign countries or issue travelers checks unless licensed. The superintendent also regulates the safe-deposit business.

The superintendent examines the condition of all licensees. However, as the result of the increasing number of banks and trust companies within the state and the reduced number of examiners following passage of Proposition 13, the superintendent now conducts examinations only when necessary, but at least once every two years. The