COURT REPORTERS BOARD
OF CALIFORNIA
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MEETING OF THE COURT REPORTERS BOARD

Friday, September 23, 2016
10:00 a.m. to conclusion

San Diego State Building
1350 Front Street, Sixth Floor
Eshleman Auditorium
San Diego, CA 92101

AGENDA

Board Members: Davina Hurt, Chair; Rosalie Kramm, Vice Chair; Elizabeth Lasensky; Carrie Nocella; and Toni O'Neill

CALL TO ORDER –Davina Hurt, Chair

ROLL CALL AND ESTABLISHMENT OF A QUORUM

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The Board may take action regarding the bills listed below:
A. Update on Sunset Review and License Fee Cap Increase – AB 2192 (Salas)
B. Status update and discussion of:
AB 12 (Cooley), AB 507 (Olsen), AB 1033 (Garcia, Eduardo), AB 1834 (Wagner), AB 1868 (Wagner), AB 1887 (Low), AB 1939 (Patterson), AB 2611 (Low), AB 2629 (Hernandez), AB 2859 (Low), SB 66 (Leyva), SB 270 (Mendoza), SB 1007 (Wieckowski), SB 1140 (Moorlach), SB 1155 (Morell), SB 1176 (Galgiani), SB 1195 (Hill), SB 1348 (Cannella), SB 1444 (Hertzberg).

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The Board will meet in closed session pursuant to Government Code Section 11126(e)(1) to discuss pending litigation and pursuant to Government Code Section 11126(c)(3) to discuss disciplinary matters.

RETURN TO OPEN SESSION

ADJOURNMENT

Action may be taken on any item on the agenda. All times are approximate and subject to change. The meeting may be cancelled or shortened without notice. Any item may be taken out of order in order to accommodate speaker(s) and/or to maintain quorum. For further information or verification of the meeting, the public can contact the Court Reporters Board (CRB) via phone at (877) 327-5272, via e-mail at paula.bruning@dca.ca.gov, via written correspondence by writing to: Court Reporters Board, 2535 Capitol Oaks Drive, Suite 230, Sacramento CA 95833, or via internet by accessing the Board's web site at www.courtreportersboard.ca.gov.

In accordance with the Bagley-Keene Open Meeting Act, all meetings of the CRB are open to the public. The CRB intends to webcast this meeting subject to availability of technical resources.

The meeting is accessible to the physically disabled. A person who needs disability-related accommodations or modifications in order to participate in the meeting may make a request by contacting Paula Bruning at (877) 327-5272, e-mailing paula.bruning@dca.ca.gov or sending a written request to 2535 Capitol Oaks Drive, Suite 230, Sacramento, CA 95833. Providing your request at least five (5) business days before the meeting will help to ensure availability of the requested accommodation. Requests for further information should be directed to Yvonne Fenner at the same address and telephone number. If any member of the public wants to receive a copy of the supporting documents for the items on the agenda, please contact the Board within 10 days of the meeting. Otherwise, the documents, if any, will be available at the meeting.

The public can participate in the discussion of any item on this agenda. To better assist the Board in accurately transcribing the minutes of the meeting, members of the public who make a comment may be asked to disclose their name and association. However, disclosure of that information is not required by law and is purely voluntary. Non-disclosure of that information will not affect the public's ability to make comment(s) to the Board during the meeting. Please respect time limits. The public may comment on any issues not listed on this agenda. However, please be aware, that the Board CANNOT discuss or comment on any item not listed on this agenda.

AGENDA ITEM I – Introduction of New Board Member

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Agenda Description: New Board Member

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Brief Summary:

Carrie Nocella is the Director, Government Relations, at the Disneyland Resort. Carrie is responsible for the resort's overall government relations and policy initiatives and efforts, developing strategies and plans to help ensure a favorable environment for resort operations and expansion. Carrie is also responsible for developing relationships with elected officials, regulatory agencies and stakeholder engagement, as well as maintaining and enhancing relationships with other local and regional industry and trade organizations.

Prior to joining Disney in February 2007, Carrie was an attorney in Sacramento. She obtained her Juris Doctorate from University of the Pacific - McGeorge School of Law. Carrie has served as an adjunct law professor at Chapman University School of Law. Before beginning her legal career, Carrie worked at the City of Anaheim in the Public Utility department. In that capacity, she focused on community-based programs and resident relations.

Carrie received her Bachelor of Arts in Legal Studies and a minor in Spanish from Chapman University. While attending Chapman University, she worked at Disneyland Park from 1994 to 1998 in the Merchandise, Entertainment and Public Affairs divisions. She also served as an intern for the United States Supreme Court and Congresswoman Loretta Sanchez.

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Fiscal Impact: None

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Report Originator: Yvonne Fenner, 9/9/2016

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Recommended Board Action: Informational

AGENDA ITEM II – Resolution for John Liu

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Support Document:

Attachment – Resolution

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Fiscal Impact: None

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Report Originator: Yvonne Fenner, 9/9/2016

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Recommended Board Action: Approve.

Department of Consumer Affairs

Court Reporters Board of California

Resolution

WHEREAS, John K. Liu has faithfully and devotedly served as a Board member of the Court Reporters Board from October 25, 2013, through June 13, 2016; and

WHEREAS, he was integral in developing the Board's 2015 – 2018 Strategic Plan and provided direction on reaching its goals, and he contributed to the scope of practice regulatory revisions; and

WHEREAS, he strongly advocated for protection of consumers from corporations practicing outside the requirements of the laws set forth by the State of California; and

WHEREAS, throughout his years of service, at all times he gave fully of himself and his ideas and acted forthrightly and conscientiously, always with the public interest and welfare in mind; and

WHEREAS, he has more than 18 years of professional experience as an Attorney at Law in a wide variety of complex corporate and securities matters;

NOW, THEREFORE, BE IT RESOLVED, that the members of the Court Reporters Board express heartfelt appreciation to John K. Liu for the outstanding contribution he made during his years of service on the Court Reporters Board and to the consumers of California.

Presented this 23rd day of September 2016.

Davina Hurt, Board Chair

Yvonne K. Fenner, Executive Officer

AGENDA ITEM III – Approval of May 26, 2016 Meeting Minutes

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Agenda Description: Review and approval of minutes

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Brief Summary:

Minutes from May 26, 2016 meeting in Sacramento

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Support Document:

Attachment – Draft minutes

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Fiscal Impact: None

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Report Originator: Paula Bruning, 9/9/2016

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Recommended Board Action: Approve minutes

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Attachment
Agenda Item III

DRAFT

COURT REPORTERS BOARD OF CALIFORNIA
MINUTES OF OPEN SESSION
MAY 26, 2016

CALL TO ORDER

Ms. Davina Hurt, chair, called the meeting to order at 10:37 a.m. at the Department of Consumer Affairs HQ2, 1747 North Market Boulevard, Hearing Room, Sacramento, California.

ROLL CALL

Board Members Present:
Davina Hurt, Public Member, Chair
Rosalie Kramm, Licensee Member, Vice Chair
Elizabeth Lasensky, Public Member
John K. Liu, Public Member
Toni O'Neill, Licensee Member

Staff Members Present:
Yvonne K. Fenner, Executive Officer
Norine Marks, Senior Staff Counsel
Fred Chan-You, Staff Counsel
Paula Bruning, Executive Analyst

A quorum was established, and the meeting continued.

I. MINUTES OF THE APRIL 6, 2016 MEETING

Ms. Lasensky requested that the word "contacts" be changed to "contracts" in the third line of the last paragraph on page 8 of the minutes. She then requested the word "like" be changed to "liked" in the first line of the second paragraph under the heading "Approval of Communication Plan" on page 12 of the minutes. Lastly, she asked that the word "work" be changed to "word" in the first line of the fourth paragraph under the heading "Update on Sunset Review" on page 13 of the minutes.

Ms. Kramm moved to approve the minutes as amended. Ms. Lasensky seconded the motion. Ms. Hurt called for public comment. No comments were offered. A vote was conducted by roll call.

For: Ms. Kramm, Ms. Lasensky, Ms. O'Neill, and Ms. Hurt.
Opposed: None
Absent: None
Abstain: Mr. Liu
Recusal: None

MOTION CARRIED

II. LEGISLATION

A. Update on Proposal to Seek an Increase of the Licensee Fee Cap

Ms. Fenner reported that language to increase the Board's license fee cap from $125 to $250 was included in SB 1039 (Hill), an omnibus bill. She recommended the Board take a position of support. Ms. Hurt added that the Board was previously unsuccessful in obtaining an author for a fee cap increase; therefore, she expressed her appreciation of Senator Hill's inclusion of the language and supported the recommendation of staff.

Ms. Lasensky moved to instruct staff to write a letter in support of the legislation.

Ms. O'Neill stated that she remembered there previously being language about the Transcript Reimbursement Fund (TRF) in this bill. Ms. Fenner responded that staff is continuing to work with the consultants from the sunset review oversight committees to find the best vehicle for the TRF.

Ms. Kramm conveyed her appreciation for Senator Hill's inclusion of the language.

Mr. Liu seconded the motion. Ms. Hurt called for public comment. No comments were offered. A vote was conducted by roll call.

For: Ms. Kramm, Ms. Lasensky, Mr. Liu, Ms. O'Neill, and Ms. Hurt.
Opposed: None
Absent: None
Abstain: None
Recusal: None

MOTION CARRIED

B. Status of Bills relevant to the Board

Ms. Fenner stated that all the bills being tracked by the Board were included in the report in the Board agenda packet. She added that the bills that need attention were highlighted by three asterisks, and she reported on them individually.

AB 1834 – Ms. Fenner reported that the Assembly Judiciary Committee granted reconsideration of AB 1834 (Wagner); however, no changes were expected. Previously, the chair of that committee, Mark Stone, indicated that he would vote "no" on this bill unless it was amended to include funding for court reporters in family law matters. Staff will continue to watch the bill.

AB 2192 – Ms. Fenner related that AB 2192 (Salas) (previously Bonilla) is the sunset bill that would extend the Board. Since the chair of the Assembly Business and Professions Committee changed from Bonilla to Salas, the author changed for the bill. Under direction from the Board, staff sent a letter of support with the Board chair's signature.

AB 2629 – Ms. Fenner stated that AB 2629 (Hernandez), sponsored by the California Court Reporters Association (CCRA), seeks to increase the statutory rates that

reporters may charge for official transcripts. Ms. O'Neill added that the current rates went into effect January 1, 1991.

Ms. O'Neill recognized the need to have a rate that would fairly compensate reporters who are willing to produce transcripts, but suggested the Board take a neutral position on the bill as a consumer protection entity. Ms. Hurt agreed, adding that it would be equitable to increase rates to prices that are current for today's market.

Mr. Liu asked how the market rate or cost of living was determined. Brooke Ryan, CCRA president, and CCRA lobbyist, Ignacio Hernández of the Hernández Strategy Group, approached the Board. Mr. Hernández responded that the rates were set at less than that of a cost of living adjustment based on discussions with legislative representatives and what they thought would pass. He added that the bill was in suspense with the Assembly Committee on Appropriations.

Mr. Hernández reported that the California Judicial Council was prepared to take an "oppose unless amended" position, in part due to the cost that is incurred by the court itself. During the most recent fiscal year, however, the cost of the transcripts to the court decreased by $2 million. He believed that the decrease would offset the additional cost of the initial increase. One requested amendment includes increased use of electronic recording.

Ms. Ryan stated that the Los Angeles County Superior Court is having a very hard time getting officials into their court house and needs people to apply. The court laid off so many civil court reporters who are now refusing to return to court and the old transcript rates because they are making a lot more money in the freelance arena. It is creating a serious problem on the horizon that could help Judicial Council with their argument to put in electronic recording. They are in contract negotiations now, but the 25-year-old statute rate is going to create the biggest problem.

Mr. Liu recognized the complex tension of having a consumer pricing issue plus the need to have a rate that can support professionals. He supported the concept of moving to a market rate because there otherwise would not be the necessary professionals to meet California's needs.

Ms. Kramm believed making a cost of living adjustment to be a fairness issue since the cost of producing a transcript has increased. She indicated that the problem in Los Angeles mentioned by Ms. Ryan was also happening San Diego, and staffing was becoming more difficult with the old rates. She asserted that the new rates would make it fairer for both the court reporter and the consumer. She pointed out that transcription of electronic recordings was going to be much higher than the rate increase being sought.

Mr. Liu inquired if the calculation method was reviewed by Judicial Council. He stated that cost of living adjustments are not meant to achieve prices that are driven by profit, but prices driven by cost of living. Mr. Hernández confirmed that discussions with Judicial Council took place early on, and they were aware of the calculations. Mr. Liu reiterated that the courts will ultimately face market prices and delays as a result of not supporting a cost of living adjustment.

AB 2859 and SB 1195 – Ms. Fenner discussed AB 2859 (Low) in conjunction with SB 1195 (Hill). SB 1195 addresses some concerns that resulted from the anti-trust matter in North Carolina. One possible ramification of that bill would be prohibition of licensees being the executive officer of any of the boards. AB 2859 would allow Department of Consumer Affairs (DCA) programs to establish a retired license status. The Board's practice act already gives the ability to create a retired category, but it would require a regulatory package. If licensees are prohibited from being an executive officer, there may be an allowance for an inactive or retired status individual to serve as the executive officer.

Ms. Kramm inquired as to the intent of SB 1195. Ms. Fenner responded that she believed the author was attempting to protect the boards and members from any type of anti-trust violations. Ms. Kramm asked if Ms. Fenner believed AB 2859 to be the solution that would allow that protection and simultaneously not force board directors to give up their license. Ms. Fenner answered that it would for other boards, but the Court Reporters Board already has that ability through regulation. She stated that the regulatory process would take approximately one year.

Mr. Liu inquired if a retired status licensee would be allowed to "un-retire." Ms. Fenner said that would have to be developed during the regulatory process.

Ms. Hurt asked if the Board wanted to develop a letter to the DCA Director regarding how SB 1195 affects this Board.

Ms. O'Neill found SB 1195 troublesome since the Board has a very good executive officer who is a licensee and has the industry knowledge that makes her effective. Mr. Liu added that it is best for the people of California to have institutions populated by people with experience with the matter. If there is not a retired category, the people of California will not be as well-served.

Ms. Lasensky agreed that Ms. Fenner is excellent, but cautioned that a different scenario with a future licensed executive officer who is biased toward the industry could leave the Board vulnerable. She expressed the need to have the public feel well-served, but also to avoid any appearance of bias.

Mr. Liu suggested that there be contingencies put in place that prohibit retirees in public positions to reactivate for a specified amount of time after leaving the position to avoid a conflict of interest. He stated that AB 2859 appeared to enable boards to self-determine these details depending on the needs of their board.

Ms. O'Neill shared that when attorneys become judges, the State Bar suspends their license and does not allow them to practice law. Upon retirement, they can apply for reinstatement.

Ms. O'Neill added that as a result of Proposition 47, reporters are receiving requests for transcripts of pleas and sentencings from many years ago including the 1990s. She suggested that the retired status allow reporters to sign transcript certifications for hearings they reported while actively licensed.

Mr. Liu moved to instruct staff to write a position letter regarding SB 1195 to add color to the appropriateness for some boards to have the ability to have a retired or inactive status to be exempted from particular requirements. Ms. O'Neill seconded the motion. Ms. Hurt called for public comment.

Kurt Heppler, DCA Senior Staff Counsel, inquired if the motion was in regards to AB 2859. Ms. Hurt clarified that it was in regards to SB 1195. Mr. Heppler suggested that the Board send its concerns to the author. Ms. Fenner stated that the DCA Director is working actively with the author on the language, and she suggested that she reach out to the DCA Legislative Unit to inquire as to the protocol.

Amended Motion: Mr. Liu moved to instruct staff to draft a position paper regarding SB 1195, explaining its point of view on this matter, and delegate to the executive officer the addressee of the letter. Ms. O'Neill seconded the motion. Ms. Hurt called for public comment. No comments were offered. A vote was conducted by roll call.

For: Ms. Kramm, Ms. Lasensky, Mr. Liu, Ms. O'Neill, and Ms. Hurt.
Opposed: None
Absent: None
Abstain: None
Recusal: None

MOTION CARRIED

SB 270 – Ms. Fenner indicated that SB 270 (Mendoza) has not officially been amended; however, the Board was provided with a mockup of proposed amendments for discussion.

Mr. Hernández reported that many discussions took place with the author's office, opponents, and other interested parties. He stated that the draft before the Board is a working document and not the final draft. He expected the bill to be heard sometime in June before both the Assembly Business and Professions Committee and the Assembly Judiciary Committee. He asserted that final language would be ready in the next week.

Mr. Liu suggested the concept of registration include remaining in good standing to ensure proper professional conduct is present. Additionally, he asked that the language defining foreign professional corporation be expanded to include international corporations. Mr. Liu shared his concern over regulatory deviation and desired to see a level playing field. Mr. Hernández responded that he would take the suggestions and report back on the outcome.

Ms. Hurt inquired if the sponsor had worked with the Office of the Attorney General (AG). Mr. Hernández responded that they had been included in discussions. He expected feedback from interested parties until the committee hearings.

Ms. Kramm recommended limited liability company be included as a form of business entity. Mr. Hernández responded that a newer draft of the language includes other business entities.

Ms. Lasensky asked how the Board would fulfill the requirement of section 8040.2(b), wherein an examination would be required to determine whether a designated representative of a court reporting firm understands the ethics and professional conduct required for the practice of court reporting. Ms. Fenner responded that the Board would develop these types of procedures through the regulatory process. She suggested the examination would be similar to the current professional practice examination.

Ms. Kramm stated that she was required to take a test regarding Nevada rules in order to register her company in Nevada. Mr. Hernández shared that the provision was modeled on the Nevada law.

Ms. Hurt requested that Mr. Hernández articulate how the bill is structured to give penalties to entities who do not register. Mr. Hernández answered that the language clarifies that the Board has the authority to pursue actions and impose fines, penalties and injunctive relieve through the AG's Office against individuals and business entities operating in California without proper authority.

Mr. Liu thanked Mr. Hernández for his efforts on the bill.

Mr. Hernández added that discussions with opponents of the bill will continue, although he was under the impression that the opponents planned to kill or delay the bill. Ms. Hurt stated that she and Ms. Fenner participated in a discussion with U.S. Legal and legislative and industry association representatives in an attempt to remedy opposition. She found it evident that the opponents were putting up hurdles to the bill.

Ms. Lasensky asked if the Board could take a position on the language without final language. Ms. Fenner responded that the Board cannot take a position on the bill, but individuals could contact the author's office in support of the amendments.

Ms. Lasensky moved to direct staff to notify the author that the Board is in support of the amendments to this legislation. Mr. Liu seconded the motion. Ms. Hurt called for public comment.

Mr. Hernández stated that some entities provide letters of support in concept with a caveat that the support is withdrawn if the language changes and asked the Board to consider doing such.

Ed Howard, on behalf of the Deposition Reporters Association (CalDRA), opposed the motion. He asserted there are seven noteworthy flaws in the language that do not meet the requirements set by the Board at its April 8, 2016 meeting and reflected in the minutes on page 22 of the Board agenda packet.

Mr. Howard began by referencing the language in the Business and Professions Code (BPC) 8040(a), which defines a shorthand reporting corporation as one that is 100 percent owned by licensees, including its director and employees. He stated that the proposed changes do not show a need for a shorthand reporting corporation where all officers and directors must be licensees because another corporation could compete by simply designating an individual who does not have a specified role or duty under this language in the corporation and who does not have to be licensed. The designee has

nothing to lose as compared to a licensed court reporter that runs a corporation who could lose his or her livelihood. The question was raised as to why move to a model where non-licensees can be designated employees or corporations and asked what point remained in having a definition of shorthand reporting corporation.

Mr. Howard then moved to BPC section 8040(b)(3). He described the section as an important provision which is paralleled in Moscone-Knox. He stated that the reference to "official court reporter" was erroneous since official reporters are employees of courts. He then focused on the phrase "arranging for services." The current law uses the term "render professional services." He indicated that at its last meeting, the Board required the amendments to include a definition of "professional corporation," stating that the Board has a problem in applying and enforcing current law. U.S. Legal and other corporations insist they do not render professional services. The amendments to the bill do not define professional services and add a new question of what "arranging" for services means.

He added that the next line also includes the word "arranging" when referring to the billing for services, but again does not define "arranging." He stated that the corporations do the billing themselves and that there is not statute or regulation that regulates fees for non-official reporters.

The fourth item Mr. Howard raised was found in BPC section 8040(c)(1), where the new term "providing" was introduced. The Moscone-Know language uses the word "rendering." The amendments to the bill use "arranging."

Mr. Howard moved to Section 2 of the amendments, referencing BPC section 8040.1(a), wherein the language uses the undefined words "render" and "arrange." The language used in the amendments is almost verbatim to that of the Nevada law. The amendment is a laudable attempt to get around defining professional services by saying registration is required for anyone advertising or holding oneself out to render services. Again, the word "render" is problematic. The Superior Court reinforced this point in the Holly Moose case wherein the decision underscores that the corporations believe they are not rendering services. The requirement would have only licensee-owned corporations registering, which does not create the level playing field referenced by Mr. Liu.

The Nevada law does not have the same problem because their code 656.030 defines a court reporting firm in part as a firm that "provides referral services to court reporters in this state." The amendments that mirrored part of the Nevada law left out the part the Board requested. There is a powerful provision in the Nevada law through its regulation that prohibits individual licensees from working for a court reporting firm that is not registered in the state. By providing an incentive to register, Nevada avoids the type of litigation facing California's Board.

Mr. Howard referred to BPC section 8040.1(d), stating that the amendment does not require the applicant or designee to be a licensed court reporter, which is in contrast to what the Board requested at the last meeting. He added that all other professional entities under DCA require the designee to be licensed in order to have a clear authority over the person. The amended language also does not require that the

designee be a manager or supervisor. He suggested language similar to what the Pharmacy Board uses for "Pharmacist in Charge."

Mr. Howard shifted to Section 3 of the amendments, BPC section 8040.2(b), where he asserted that the deadline of July 1, 2017, was not realistic. He stated that the amended language lacks a requirement that the designated representative be a California resident. This may lead to litigation in other states or in federal court.

Mr. Howard questioned what would happen if the designee was revoked. He proposed that a corporation could have three or four people ready to switch in. He concluded by stating that the preceding seven flaws were the largest, but that more minor drafting issues existed.

Ms. Hurt asked Mr. Howard if he had been working with Mr. Hernández on the points he raised. Mr. Howard responded that he had only received the language two days prior and had participated in a conference call the night before the meeting to go through it line by line.

Mr. Howard added that CalDRA supported SB 270 in the beginning as it attempted to work within the four corners of existing law to make enforcement for the Board easier. It then migrated to an effort to entirely rewrite the corporation practice of court reporting in the largest state of the United States.

Mr. Howard indicated that similar issues are facing other license boards and shared the efforts being made to revise how the corporate practice of medicine is done. In that case, the California Senate Business, Professions and Economic Development Committee commissioned a California Research Bureau Report that surveyed how corporate practice of medicine was done in 50 states. They then held an informational hearing on May 2, 2016, with experts on corporate practice of medicine before trying to figure out how to rewrite the laws. Mr. Howard added that the California State Bar is currently engaged in a discussion about how to change their governance structure. The Bar was required by the Legislature to create the Governance in the Public Interest Task Force, which has been meeting regularly for more than a year. It has engaged experts in corporate governance and on a whole host of issues.

Mr. Howard commended CCRA for pushing forward the question of corporate practice. However, given the significance of the issue, he stressed the importance of doing the research first and then making commitments. He reiterated that the Board asked for the designee to be a manager and for research from other states to be done.

Mr. Hernández reiterated that the amended language before the Board was a working draft, not the final draft. He stated that CCRA has a newer document they are working off today. He welcomed suggestions on the bill and stated that his staff was watching the Webcast and taking notes. He restated that he did not come seeking a motion supporting the bill because the language is not done yet. He assured the Board that most of the points raised by Mr. Howard were already addressed in the new draft, but the internal draft had not yet been made available to the public.

Mr. Hernández commented on the meeting previously mentioned by Ms. Hurt. He stated that a variety of parties were present, including representatives of U.S. Legal

and CalDRA, in an effort to finalize the discussions on the bill using the same draft before the Board. He had hoped to receive the suggested amendments outside of a public meeting.

Mr. Hernández expressed his belief that the issue needed to be addressed now and not delayed as suggested by the other witness. He stated that changes will be made and forwarded to the Board in a new draft in the coming week. He added that his office had just received the Superior Court decision in the Holly Moose case and had taken the issues raised into consideration.

Ms. Hurt commented on the motion on the table. She stated that the Board's AG has publicly supported firm registration. She cautioned the Board to be careful with what it supports and how the language is managed. Although she did not agree with all of the findings of Mr. Howard, she was apprehensive to support a bill that is not in its final draft. She applauded CCRA on the work they are doing.

On request of the Board, Ms. Bruning repeated the motion. Ms. Lasensky asserted that the motion was a support in concept with the full knowledge that the Board does not have final wording. She questioned how the Board could convey its general agreement on the concept. Ms. Hurt stated that she did not believe it was necessary to make a motion to support the concept. She said it was the Board's pleasure if they would like to take the extra step to submit a formal written support of the concept, which would be based upon the language available.

Ms. Kramm expressed that the word "concept" was problematic for her. She indicated that the Board stated its support of the bill to the Sunset Review Committee and Senator Mendoza under previous amendments. She believed it dangerous to take a position on the language in its current form since the final language may be different. Ms. O'Neill agreed with Ms. Kramm and applauded the associations for working toward an end result.

Ms. Lasensky withdrew the motion.

SB 1007 – Ms. Fenner reported that SB 1007 (Wieckowski) deals with arbitration rulings that may be vacated depending upon whether a party's rights were prejudiced by the refusal of the arbitrator to allow the party to have a certified court reporter transcribe any deposition, proceeding or hearing as the official record. She stated that staff recommended support of the bill.

Ms. Kramm stated that the American Arbitration Association (AAA) and Financial Industry Regulatory Authority (FINRA) rules dictate that their proceedings be tape-recorded and maintain that the court reporter is only there as a notetaker. She stated that it is unfair that a tape recording be used as an official record when arbitrators are the ones turning it off and on. With rustling papers and other background noises, there is no way to make a good record. She asserted that it is good for the people of California and all litigants in arbitration to be able to have an official record from a court reporter if they choose to pay for one. Ms. Fenner confirmed that the law would cover arbitrations held by AAA and FINRA. Ms. Kramm believed the Board should support this bill.

Ms. Lasensky believed that not having the court reporter in arbitration created an unfair playing field and so supported the bill. Ms. Hurt added that having the court reporter present is a way of protecting consumer appeal rights.

Ms. Kramm moved to write a letter in support of SB 1007. Ms. Lasensky seconded the motion. Ms. Hurt called for public comment. No comments were offered. A vote was conducted by roll call.

For: Ms. Kramm, Ms. Lasensky, Mr. Liu, Ms. O'Neill, and Ms. Hurt.
Opposed: None
Absent: None
Abstain: None
Recusal: None

The Board took a break at 12:11 p.m. and returned to open session at 12:28 p.m.

III. REPORT OF THE EXECUTIVE OFFICER

A. CRB Budget Report

Ms. Fenner provided a brief update to the expenditure projection as reflected on page 96 of the Board agenda packet. Ms. Hurt commented that the second largest expense for the Board is the pro rata line item next to salaries. It is essential that we make good use of services at every turn. Ms. Fenner indicated that Ms. Bruning continually looks for ways to further the Board's strategic plan through the services and resources offered by DCA that are covered by pro rata.

B. Transcript Reimbursement Fund

Statistical information was included in the Board agenda packet on page 98, but was not commented on during the meeting.

C. Exams

Ms. Fenner indicated that the historical examination pass rates are included in the packet as usual. In addition, a statistic sheet for the March 2016 dictation examination was included on page 105 of the Board agenda packet. This examination sparked controversy and discussion since the overall pass rate was under 10 percent with a significant difference between the overall and first-time pass rates. Historically, there is a large difference in the two rates. Staff believes this is in large part because it is a skills driven test. Ms. Fenner compared machine practice to preparing for a marathon. A runner would not wait until the week before the race to start running, but would train to become faster over time. Unfortunately, candidates are not returning to school, writing on their machines, transcribing notes, and maintaining or improving their skills. The overall pass rate is highly driven by the number of repeat candidates. The Board can only suggest to them that going back to school or participating in a practice program would benefit them and improve their skills.

Ms. Hurt pointed out that there was a high number of repeat candidates compared to first-time takers at the March 2016 dictation examination. Ms. Fenner added that a low

number of first-time candidates skews the overall pass rate, and with such low numbers of overall candidates, one or two individuals can make a significant change to the overall rates.

Ms. Fenner stated that the low number of first-time candidates may be reflective of low enrollment at schools, which may be a concern for the Board when considering potential workforce issues in the future.

Ms. Fenner indicated that the dictation examination has been put together by the same people for many years. It is not a new group trying to make it more difficult. The words included are standard, entry-level words counted out by syllable and timed. The exit surveys are overwhelmingly positive, so there does not appear to be a way to improve the test.

Ms. Fenner shared that information online and in e-mail form from working reporters stating that punctuation on transcripts is optional and should not be graded on the examination. Although it would be contrary to current policy, the Board could pursue changing the way the examination is graded. Currently, punctuation is graded for what is required. If there is any type of style choice, it is not graded as an error. For example, in a place where one could use a comma or a semicolon, it is not graded as an error; however, an erroneously missed or inserted period would be counted as error.

Ms. Lasensky stated that punctuation tells so much. Mr. Liu agreed, adding that in the context of legal arguments, punctuation is important. Ms. O'Neill believed the Board's current grading policy with respect to punctuation is more than fair.

Ms. O'Neill added that the reporters in her court receive an annual evaluation which includes a review of transcripts. In addition, the pro tem reporters are required to turn in work samples. The reviews have confirmed a problem with the quality of the punctuation. She realizes court reporting programs are challenged to find a way to remedy the problem considering that there is often a deficit in punctuation knowledge and skills for new students.

Ms. Kramm shared that she has asked newer reporters to correct the punctuation of their transcripts. Some have actually questioned her as to why they would need to do so. In addition, she has spoken with scopists who claim reporters are leaving the punctuation out of their stenographic notes to write faster. She expressed that this is a bad habit and does not want the profession to become a commodity where "good enough" is the standard. Poor punctuation reflects upon the whole profession, and she suggested people respect punctuation.

Ms. Hurt inquired as to the mandate of court reporting schools. Ms. Fenner responded that the Board is charged with overseeing court reporting programs and grants recognition of programs that fulfill the application process and initial requirements. The Board must then ensure the curriculum complies with what is set out in regulation. Schools must also comply with such things as the required qualifications of instructors and recordkeeping.

Ms. Hurt asked when was the last time the schools were visited and reviewed for curriculum. Ms. Fenner said it has been many years as a result of budgetary

restrictions. However, a team has been created with an expert consultant as its leader to begin site visits in the near future.

Ms. Lasensky recognized there are two parts to the issue, one being the examination with punctuation, and the other is working reporters who are not following punctuation. She suggested the Board address the licensed reporters via a newsletter article or the like.

Ms. Kramm acknowledged that two of the new reporters she is working with are doing an excellent job with speed, punctuation and everything else. She shared that she recently wrote a blog piece about seven suggestions for new reporters. Ms. O'Neill asked if the Board could reprint it in the CRB Today newsletter. Ms. Kramm offered to expand on the article for the newsletter.

Mr. Liu agreed that a best practice document would be beneficial to address the issue with current reporters. He inquired if schools are analyzing the examination results to understand where curriculum needs should be focused. Ms. Fenner responded that curriculum is different than the skills portion. With curriculum you go back to study, but with skills you need to practice. Mr. Liu suggested the Board issue guidance, such as a minimum number of hours a day needed for practice. Ms. Fenner responded that the results letter that goes to candidates who do not pass the examination includes information on how to reapply and a paragraph about the importance of practice at school or via another practice program.

Ms. O'Neill said she reads a lot of court-reporter-related Facebook pages to keep a pulse on the industry. She noticed several threads in the past few weeks about people not passing the dictation examination. The responses have been supportive of practicing three to four hours a day.

Ms. Lasensky asked if the candidates get something that shows the number of errors made if they fail. Ms. Fenner indicated that the candidates may request a copy of their transcript where they can see the grading.

Ms. Hurt requested that staff work with Ms. Kramm on an article for the newsletter. Ms. Kramm invited CCRA and CalDRA to create a video of reporters who have passed to be cheerleaders for students.

Karly Powers, chair of the CCRA Support Our Students Committee, shared that she had also received many e-mails regarding the last dictation examination. She stated that CCRA is working internally to promote students to pass the exam. She reported that teachers are also frustrated, but doing the best they can with what they have.

Ms. Powers asserted that there is a disconnect in the teaching world between style preference in reporting punctuation versus what is necessary. She requested the Board issue clear guidelines on what is style versus necessary. Ms. Fenner responded that the Board can address specific questions, but would not be able to issue a style guideline. She added that candidates can appeal errors if they believe it is part of style. The Appeals Committee would then make a determination if it was a style preference or a grammar rule that must be followed.

Ms. Powers asked who decides the punctuation for the tests. Ms. Fenner answered that she reviews it along with an independent working court reporter and an English teacher. Ms. Powers shared that there is community perception that the test is inconsistent when it comes to punctuation. She suggested the Board update its punctuation grading policy to be current with 2016. She also requested that the Board grade for entry-level punctuation. Ms. Fenner asserted that punctuation does not change. She reiterated that there are no errors marked for style punctuation. She stated that if a comma is added for style and it is still grammatically correct, it will not be counted as an error.

IV. ONLINE SKILLS EXAM

Ms. Fenner shared that the Office of Professional Examination Services (OPES) confirmed that the Board could move forward with a contract without the bidding process. She is expecting an interagency agreement to arrive in the coming week. Once completed, OPES will begin their audit, which may take up to six months.

Ms. O'Neill confirmed that she and Ms. Lasensky would chair the Online Skills Exam Task Force. The Board previously decided to move forward with exploring the online exam. The purpose of the task force is to determine how the process will work, what regulations will be necessary, and what rules need to be set out. The task force will consider the process being used by the National Court Reporters Association (NCRA) as a model.

Ms. O'Neill shared that the chairs and staff are working on identifying the categories of members for the task force, such as school teachers and newer reporters, to guarantee an overall representation of stakeholders. Once completed, task force members will be chosen and invited. She added that the task force meetings will be open meetings with opportunity for public input. The initial meetings will be split between Northern California and Southern California in summer and fall 2016.

Bonnie Comstock, Argonaut Court Reporting instructor, shared her concerns with the online skills examination. She asked if myRealtimeCoach (RTC) provides the examination, would it be a video of real readers versus a light coming on. Ms. O'Neill confirmed it would be real readers. Ms. Comstock asked if the Board will review tests that RTC provides to ensure they are exactly how they should be. Ms. O'Neill responded that the task force may establish a test-writing committee. She stated that NCRA still creates their own examinations, and RTC administers it. Ms. Comstock expressed concern about the technical issues that may be experienced.

Ms. Comstock asked if tests will be offered at physical testing sites for a transitional period. Ms. O'Neill said the task force would make that evaluation considering the fiscal impact. Ms. Hurt requested that Ms. Comstock send her ideas to the task force in an e-mail.

Ms. O'Neill stated that a long-term goal would be to build a bank of tests to make it possible to offer the skills examination more often. She recommended being very cautious moving forward and to set it up with utmost integrity with the goal of benefitting students and consumers. Ms. Hurt reminded the group that the task force is an exploration of everything that needs to be considered if the Board decides to move forward with an online skills examination.

Ms. Comstock and Ms. Powers volunteered to serve on the task force.

V. STRATEGIC PLAN

Update on Action Plan Accomplishments

Ms. Fenner referred to the CRB Action Plan Timeline in the Board agenda packet on page 108, which indicates goals that are reached to further the Strategic Plan. She stated that nothing new had been accomplished since the Board met in the prior month.

VI. UPDATE ON SUNSET REVIEW

Ms. Fenner stated that information was provided under Agenda Item II.B. – Legislation, in reference to AB 2192 (Salas). She reiterated that the bill was anticipated to be coming out of the Assembly Committee on Appropriations suspense file soon. She clarified that any bill that involves more than $150,000 automatically goes to Suspense.

VIII. STATUS OF, TITLE 16 CCR SECTION 2403(b)(3) – SCOPE OF PRACTICE

Ms. Fenner reported that the regulation was approved by the Office of Administrative Law and will be effective July 1, 2016. The regulation affected a technical correction to a subsection.

IX. PRESENTATION ON HOLDING OF NORTH CAROLINA STATE BOARD OF DENTAL EXAMINERS v. FEDERAL TRADE COMMISSION CASE

Mr. Chan-You, DCA staff counsel, provided an oral presentation from a script.

During the portion of the presentation discussing state supervision, Mr. Chan-You was asked who would be responsible for the state supervision. He responded that it is unclear. The Supreme Court said in order for boards with a controlling number of active market participants to get immunity from an anti-trust law suit, they must be acting pursuant to a very clear state policy to regulate and to replace competition with regulation, and there must be active state supervision.

Ms. Hurt responded that a meeting she attended designated the supervisor as the Director of DCA, which makes it more complicated in his role over all the boards. Mr. Chan-You said that it is in flux.

Mr. Liu shared that in the North Carolina case, the board did not have the power to regulate teeth whitening, but prohibited people from doing it because licensees complained that the teeth whitening business was being taken away from them. That was not appropriate regulation because the board did not have that power. It was shifting the playing field toward their regulated people.

Mr. Chan-You shared that the Supreme Court was not clear as to what is a controlling number. Mr. Liu commented that controlling may be read as influential as opposed to actual voting control. Mr. Chan-You added that theoretically one member could be found to be controlling; therefore, the decision will affect all boards with licensee members.

Mr. Liu stated that the thinking that is going to incur is that there will need to be mechanisms in place so the State is actively supervising. Mr. Chan-You added that the Legislature is trying to harmonize the way the boards are structured with the North Carolina decision.

Mr. Liu asked if a retired person would still be deemed a market player because they hold a license as opposed to not holding a license at all. Mr. Chan-You did not recall that being addressed in the opinion, so the issue may be further explored in the coming years through case law.

Ms. Hurt asked about possible training coming down the line. Mr. Chan-You responded that the script was written in the prior year; however, the Board is encouraged to consult with staff counsel whenever it faces anti-competitive aspects or market-sensitive decisions. He further suggested the Board keep ample records and minutes whenever dealing with issues with an influence on the market.

Mr. Liu asked if the U.S. Legal situation is a regulating issue or a violation of anti-trust law in the sense that they are arguing that the services they are providing are not court reporting services. Mr. Chan-You said he would research the matter further.

Ms. Kramm asked if found to not have immunity, who would represent the Board. Mr. Chan-You responded that he believed it would be the AG's Office. He added that just because there is not immunity does not mean that the other party that brings a lawsuit automatically wins. The State would defend and indemnify members of the Board against anti-trust lawsuits to the same extent it defends and indemnifies state officers against other forms of civil litigation. The State would be responsible for paying damages other than punitive damages.

Mr. Liu asked if the licensee Board members are more exposed to damages than the public members on the theory that there is no economic benefit for the public members. Mr. Chan-You offered to research the matter.

Ms. Hurt indicated that comments and questions could be put in the letter to the Director of DCA as directed during the discussion on SB 1195 (Agenda Item II.B. – Legislation).

XIV. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA

No comments were offered.

The Board took a break at 1:44 p.m. and convened into closed session at 1:55 p.m.

X. CLOSED SESSION

The Board convened into closed session pursuant to Government Code section 11126(e)(1)(C)(i).

Mr. Liu left the meeting at 3:05 p.m.

The Board returned to open session at 3:21 p.m.

XI. FUTURE MEETING DATES

Ms. Hurt asked if any members had any issues requiring immediate scheduling of a meeting. Hearing none, Ms. Fenner said she would coordinate with the members when a meeting became necessary.

ADJOURNMENT

Ms. Hurt adjourned the meeting at 3:22 p.m.

DAVINA HURT, Board Chair	DATE	YVONNE K. FENNER, Executive Officer	DATE

AGENDA ITEM IV – Legislation

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Agenda Description:

A. Update on Sunset Review and Licensee Fee Cap Increase – AB 2192

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Brief Summary:

AB 2192 (Salas)
(Governor)
This bill would extend the sunset date of the Court Reporters Board to January 1, 2020, and increase the license fee cap from $125 to $250. Additionally, this bill would extend the TRF until January 1, 2020, increasing the amount available for the Pro Per Program to $75,000. It also adds a reporting requirement due November 1, 2018, and allows the Board to make transfers in increments of $100,000 as necessary up to $300,000 annually.

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Recommended Action: Staff recommends the Board take a position of support and instruct a letter of support go out from the Chair to the Governor's Office. Staff also recommends a thank you letter go to the author, Assemblyman Salas, and the legislative consultants who worked on passage of the bill.

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Agenda Description:

B. Briefing on current legislation related to the court reporting industry and/or the Court Reporters Board with discussion and possible action.

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Brief Summary: (Bills with a notation of *** are of particular interest or impact to court reporting or the Court Reporters Board specifically)

AB 12 (Cooley) – State government: administrative regulations: review
(Failed to pass)
This bill would require every state agency to review and revise regulations to eliminate inconsistent overlapping, duplicative and outdated provisions. Further, these entities would be required to adopt these revisions as emergency regulations by January 1, 2018.

AB 507 (Olsen) – Department of Consumer Affairs: BreEZe system: annual report
(Failed to pass)
This bill would, on and after January 31, 2016, require the department to submit an annual report to the Legislature and the Department of Finance that includes, among other things, the department's plans for implementing the BreEZe system at specified regulatory entities included in the department's third phase of the BreEZe implementation project, including, but not limited to, a timeline for the implementation.

AB 1033 (Garcia, Eduardo) – Economic impact assessment: small business definition
(Governor)
This bill would authorize state agencies to utilize an alternative definition of "small businesses" when determining the number of small businesses impacted by a regulation within the overall economy, a specific industry or geographic region. The alternative definition identifies a small business as independently owned, independently operated, not dominant in its field of operation and employing fewer than 100 individuals.

*****AB 1834 (Wagner) – Electronic court reporting**
(Failed to pass)
This bill would allow a court to use electronic recording equipment in a family law case if an official reporter or an official reporter pro tempore is unavailable.

AB 1868 (Wagner) – Regulations: legislative notice
(Failed to pass)
This bill would require a regulatory notice of proposed action to be submitted by state agencies to the Legislature if it includes information relative to economic cost impacts to businesses or private individuals.

AB 1887 (Low) – State government: discrimination: travel
(Governor)
This bill would prohibit state funded or sponsored travel to any state that passed a law on or after June 26, 2015, to repeal existing laws that protect against discrimination on the basis of sexual orientation, gender identity, or gender expression or has enacted a law that authorizes or requires discrimination against same-sex couples or their families.

AB 1939 (Patterson) – Licensing Requirements
(Failed to pass)
This bill would require the Director of DCA to conduct a study and submit to the Legislature by July 1, 2017, a report identifying, exploring, and addressing occupational licensing requirements that create unnecessary barriers to labor market entry or mobility specifically as it pertains to dislocated workers, transitioning service members, and military spouses.

AB 2611 (Low) – The California Public Records Act: exemptions
(Failed to pass)
This bill would exempt any audio or video recording depicting death or serious bodily injury from the California Public Records Act.

*****AB 2629 (Hernandez) – Court Reporters**
(Governor)
This bill would increase the fee charged for original transcripts and copies purchased at the same time, and copies purchased thereafter without the original transcript, incrementally commencing January 1, 2017, except as specified. The bill would also provide that the fee for transcription is an additional 50% for special daily copy service. The bill would require the Judicial Council to report to the Legislature by January 1, 2021, with regard to transcript fees, as specified.

*****AB 2859 (Low) – Professions and vocations: retired category: licenses**
(Governor)
This bill would allow all programs within DCA to establish, by regulation, a system to issue retired licenses, with specific limitations.

SB 66 (Leyva) – Career Technical Education
(Governor)
This bill would authorize the DCA to provide specific licensure data to the California Community Colleges Chancellor's Office in order to measure employment outcomes of students who partake in California community College's career technical education programs.

*****SB 270 (Mendoza) – Court Reporters Board: civil actions: corporations**
(Failed to pass)
This bill would authorize the Court Reporters Board of California to seek injunctive relief or issue citations, fines, and other penalties in accordance with existing law against corporations, persons, or entities, whether foreign or domestic, that for a fee or other financial consideration, offer, offer to arrange for, render, or provide the services of a certified shorthand reporter, for violations of provisions governing oral depositions inside this state imposed by the Civil Discovery Act, Moscone-Knox Professional Corporation Act, and laws governing the practice of shorthand reporting. The bill also would describe activities that this bill would not be construed to authorize, prohibit, or regulate, as provided.

Recommended Action: Staff recommends a thank you letter go to the author, Senator Mendoza and the sponsor, CCRA.

*****SB 1007 (Wieckowski) – Professions and vocations**
(Governor)
This bill would require a court to dismiss an arbitration award if the court determines that the rights of a party were substantially prejudiced by the refusal of the arbitrators to allow the party, at the party's expense, to have a certified shorthand reporter transcribe any deposition, proceeding, or hearing as the official record.

SB 1140 (Moorlach) – Legislature: operation of statutes
(Failed to pass)
This bill would require the automatic repeal of a regulatory authorization statute two years after the statute goes into effect, except under specified circumstances.

SB 1155 (Morell) – Professions and vocations: licenses: military service
(Failed to pass)
This bill would require DCA to develop a program to waive the initial application and license fees for veterans who have been honorably discharged from the California National Guard or U.S. Armed Forces.

SB 1176 (Galgiani) – Small Business Procurement and Contract Act: business size
(Governor)
This bill would raise the amount of average annual gross receipts to be considered a small business or microbusiness.

SB 1195 (Hill) – Professions and vocations: board actions: competitive impact
(Failed to pass)
This bill would do the following: 1) authorize the Department's director to review a decision or other action of a board within the Department to determine whether it unreasonably restrains trade and to approve, disapprove, or modify the board decision or action, as specified; 2) allow the Director to veto a regulatory package for anticompetitive impacts; 3) provide state indemnification for liability of board members for antitrust violations; 4) require boards to include information regarding anticompetitive impacts in their regulatory packages; 5) add competitive impact a an additional standard for the Office of Administrative Law to review: 6) prohibit the Board of Registered Nursing from employing an executive office that is a Board licensee; 7) extend the effective date of the Veterinary Medical Board to January 1, 2021; 8) allow drug compounding; 9) authorize a university license type; and 10) prohibit premise registration after five years of nonrenewal among other technical changes.

SB 1348 (Cannella) – Licensure application: military experience
(Approved by Governor and filed with Secretary of State August 22, 2016)
This bill would require all DCA programs that accept military education, experience, or training to amend their applications to advise veteran applicants of the ability to apply that education, experience, or training.

SB 1444 (Hertzberg) – Personal information: privacy: state agencies: security plans
(Failed to pass)
This bill would require a state agency that owns or licenses personal information data to prepare a mitigation and response plan for breach of the database.

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Support Documents:

Attachment – AB 2192 (Salas)
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Report Originator: Yvonne Fenner, 9/12/2016
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ENROLLED AUGUST 25, 2016
PASSED IN SENATE AUGUST 18, 2016
PASSED IN ASSEMBLY AUGUST 24, 2016
AMENDED IN SENATE AUGUST 15, 2016
AMENDED IN SENATE JUNE 30, 2016
AMENDED IN SENATE JUNE 22, 2016
AMENDED IN ASSEMBLY APRIL 6, 2016

CALIFORNIA LEGISLATURE— 2015–2016 REGULAR SESSION

Assembly Bill No. 2192

Introduced by *Assembly Member Salas*
(Principal coauthor: Senator Hill)

February 18, 2016

An act to amend Sections 8000, 8005, 8030.2, 8030.4, 8030.6, 8030.8, and 8031 of, to add Section 8030.1 to, to add and repeal section 8030.9 of, and to repeal Section 8030.5 of, the Business and Professions Code, relating to professions and vocations, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 2192, Salas. Court Reporters Board of California: Shorthand reporters fees: Transcript Reimbursement Fund.

(1) Existing law provides for the licensure and regulation of shorthand reporters by the Court Reporters Board of California, which is within the Department of Consumer Affairs, and authorizes the board to appoint an executive officer and committees and to employ other employees, as specified. Existing law repeals these provisions on January 1, 2017.

This bill would extend the operation of the board and the authorization of the board to appoint specified personnel and committees until January 1, 2020.

(2) Existing law authorizes the board, by resolution, to establish a fee for the renewal of a certificate issued by the board, and prohibits the fee from exceeding $125, as specified. Under existing law, all fees and revenues received by the board are deposited into the Court Reporters' Fund, which is a continuously appropriated fund as it pertains to fees collected by the board.

This bill would raise that fee limit to $250. By authorizing an increase in a fee deposited into a continuously appropriated fund, this bill would make an appropriation.

(3) Existing law requires, until January 1, 2017, certain fees and revenues collected by the board from licensees to be deposited into the Transcript Reimbursement Fund, which is established as a continuously appropriated fund, to be available to provide reimbursement for the cost of providing shorthand reporting services to low-income litigants in civil cases. Existing law authorizes, until January 1, 2017, low-income persons appearing pro se to apply for funds from the Transcript Reimbursement Fund, subject to specified requirements and limitations, including that total disbursements are prohibited from exceeding $30,000 annually and $1,500 per case. Existing law requires the board, until January 1, 2017, to publicize the availability of the Transcript Reimbursement Fund to prospective applicants. Existing law requires the unencumbered funds remaining in the Transcript Reimbursement Fund as of January 1, 2017, to be transferred to the Court Reporters' Fund.

The bill would provide that the Transcript Reimbursement Fund is to be funded by a transfer of funds from the Court Reporters' Fund in the amount of $300,000 annually and authorizes the board to transfer funds in increments of $100,000. The bill would provide that the board may use existing resources to publicize the availability of the Transcript Reimbursement Fund to prospective applicants, as specified. The bill would instead prohibit disbursements from the Transcript Reimbursement Fund to pro se litigants from exceeding $75,000 annually. The bill would prohibit a vexatious litigant, as defined, from receiving funds from the Transcript Reimbursement Fund, except as specified. The bill would require the board to prepare and submit a report to the Legislature on or before November 1, 2018, regarding the condition of the Court Reporters' Fund, the condition of the Transcript Reimbursement Fund, and alternative funding sources to cover the costs associated with transcripts provided to indigent litigants, as specified. This bill would extend the operation of the provisions regarding the Transcript Reimbursement Fund until January 1, 2020, and recast and revise certain provisions regarding that fund.

By extending the operation of the Transcript Reimbursement Fund, which is a continuously appropriated fund, the bill would make an appropriation.

(4) This bill would include a change in state statute that would result in a taxpayer paying a higher tax within the meaning of Section 3 of Article XIII A of the California Constitution, and thus would require for passage the approval of 2/3 of the membership of each house of the Legislature.

Digest Key

Vote: 2/3 Appropriation: YES Fiscal Committee: YES Local Program: NO

The people of the State of California do enact as follows:

SECTION 1. Section 8000 of the Business and Professions Code is amended to read:

8000. (a) There is in the Department of Consumer Affairs a Court Reporters Board of California, which consists of five members, three of whom shall be public members and two of whom shall be holders of certificates issued under this chapter who have been actively engaged as shorthand reporters within this state for at least five years immediately preceding their appointment.

(b) This section shall remain in effect only until January 1, 2020, and as of that date is repealed.

(c) Notwithstanding any other law, repeal of this section renders the board subject to review by the appropriate policy committees of the Legislature.

SEC. 2. Section 8005 of the Business and Professions Code is amended to read:

8005. (a) The Court Reporters Board of California is charged with the executive functions necessary for effectuating the purposes of this chapter. It may appoint committees as it deems necessary or proper. The board may appoint, prescribe the duties, and fix the salary of an executive officer. Except as provided by Section 159.5, the board may also employ other employees as may be necessary, subject to civil service and other law.

(b) This section shall remain in effect only until January 1, 2020, and as of that date is repealed.

SEC. 3. Section 8030.1 is added to the Business and Professions Code, to read:

8030.1. The board may use existing resources to undertake efforts to publicize the availability of the Transcript Reimbursement Fund, established pursuant to Section 8030.2, to prospective applicants through appropriate entities serving these applicants, including the State Bar of California, the California Commission on Access to Justice, and the Legal Aid Association of California. These efforts shall be described in the report required by Section 8030.9.

SEC. 4. Section 8030.2 of the Business and Professions Code is amended to read:

8030.2. (a) To provide shorthand reporting services to low-income litigants in civil cases, who are unable to otherwise afford those services, funds generated by fees received by the board pursuant to subdivision (c) of Section 8031 in excess of funds needed to support the board's operating budget for the fiscal year in which a transfer described below is made shall be used by the board for the purpose of establishing and maintaining a Transcript Reimbursement Fund. The Transcript Reimbursement Fund shall be funded by a transfer of funds from the Court Reporters' Fund in the amount of three hundred thousand dollars ($300,000) annually. The board is authorized to transfer funds in increments of one hundred thousand dollars ($100,000) for a total of three hundred thousand dollars ($300,000). Notwithstanding any other provision of this article, a transfer to the Transcript Reimbursement Fund in excess of the fund balance established at the beginning of each fiscal year shall not be made by the board if the transfer will result in the reduction of the balance of the Court Reporters' Fund to an amount less than six months' operating budget.

(b) Refunds and unexpended funds that are anticipated to remain in the Transcript Reimbursement Fund at the end of the fiscal year shall be considered by the board in establishing the fee assessment pursuant to Section 8031 so that the assessment shall maintain the level of funding for the Transcript Reimbursement Fund, as specified in subdivision (a), in the following fiscal year.

(c) The Transcript Reimbursement Fund is hereby created in the State Treasury. Notwithstanding Section 13340 of the Government Code, moneys in the Transcript Reimbursement Fund are continuously appropriated for the purposes of this chapter.

(d) (1) Applicants who have been reimbursed pursuant to this chapter for services provided to litigants and who are awarded court costs or attorney's fees by judgment or by settlement agreement shall refund the full amount of that reimbursement to the fund within 90 days of receipt of the award or settlement.

(2) An applicant appearing pro se who has been reimbursed for services provided to litigants under this chapter shall refund the full amount reimbursed if a court orders the applicant's fee waiver withdrawn or denied retroactively pursuant to Section 68636 of the Government Code, within 90 days of the court's order withdrawing or denying the fee waiver.

(e) Subject to the limitations of this chapter, the board shall maintain the fund at a level that is sufficient to pay all qualified claims. To accomplish this objective, the board shall utilize all refunds, unexpended funds, fees, and any other moneys received by the board.

(f) Notwithstanding Section 16346 of the Government Code, all unencumbered funds remaining in the Transcript Reimbursement Fund as of January 1, 2019, shall be transferred to the Court Reporters' Fund.

(g) This section shall remain in effect only until January 1, 2020, and as of that date is repealed.

SEC. 5. Section 8030.4 of the Business and Professions Code is amended to read:

8030.4. As used in this chapter:

(a) "Applicant" means a qualified legal services project, qualified support center, other qualified project, or pro bono attorney applying to receive funds from the Transcript Reimbursement Fund established by this chapter. The term "applicant" includes an indigent person appearing pro se to represent himself or herself at any stage of the case and applying to receive funds from the Transcript Reimbursement Fund established in Section 8030.2.

(b) "Case" means a single legal proceeding from its inception, through all levels of hearing, trial, and appeal, until its ultimate conclusion and disposition.

(c) "Certified shorthand reporter" means a shorthand reporter certified pursuant to Article 3 (commencing with Section 8020) performing shorthand reporting services pursuant to Section 8017.

(d) "Developmentally Disabled Assistance Act" means the Developmentally Disabled Assistance and Bill of Rights Act of 1975 (Public Law 94-103), as amended.

(e) "Fee-generating case" means any case or matter that, if undertaken on behalf of an eligible client by an attorney in private practice, reasonably may be expected to result in payment of a fee for legal services from an award to a client, from public funds, or from an opposing party. A reasonable expectation as to payment of a legal fee exists wherever a client enters into a contingent fee agreement with his or her lawyer. If there is no contingent fee agreement, a case is not considered fee generating if adequate representation is deemed to be unavailable because of the occurrence of any of the following circumstances:

(1) If the applicant has determined that referral is not possible because of any of the following:

(A) The case has been rejected by the local lawyer referral service, or if there is no such service, by two private attorneys who have experience in the subject matter of the case.

(B) Neither the referral service nor any lawyer will consider the case without payment of a consultation fee.

(C) The case is of the type that private attorneys in the area ordinarily do not accept, or do not accept without prepayment of a fee.

(D) Emergency circumstances compel immediate action before referral can be made, but the client is advised that, if appropriate and consistent with professional responsibility, referral will be attempted at a later time.

(2) If recovery of damages is not the principal object of the case and a request for damages is merely ancillary to an action for equitable or other nonpecuniary relief or inclusion of a counterclaim requesting damages is necessary for effective defense or because of applicable rules governing joinder of counterclaims.

(3) If a court appoints an applicant or an employee of an applicant pursuant to a statute or a court rule or practice of equal applicability to all attorneys in the jurisdiction.

(4) In any case involving the rights of a claimant under a public-supported benefit program for which entitlement to benefit is based on need.

(f) (1) "Indigent person" means any of the following:

(A) A person whose income is 125 percent or less of the current poverty threshold established by the United States Office of Management and Budget.

(B) A person who is eligible for supplemental security income.

(C) A person who is eligible for, or receiving, free services under the federal Older Americans Act or the Developmentally Disabled Assistance Act.

(D) A person whose income is 75 percent or less of the maximum level of income for lower income households as defined in Section 50079.5 of the Health and Safety

Code, for purposes of a program that provides legal assistance by an attorney in private practice on a pro bono basis.

(E) A person who qualifies for a waiver of fees pursuant to Section 68632 of the Government Code.

(2) For the purposes of this subdivision, the income of a person who is disabled shall be determined after deducting the costs of medical and other disability-related special expenses.

(g) "Lawyer referral service" means a lawyer referral program authorized by the State Bar of California pursuant to the rules of professional conduct.

(h) "Legal Services Corporation" means the Legal Services Corporation established under the Legal Services Corporation Act of 1974 (Public Law 93-355), as amended.

(i) "Older Americans Act" means the Older Americans Act of 1965 (Public Law 89-73), as amended.

(j) "Other qualified project" means a nonprofit organization formed for charitable or other public purposes, that does not receive funds from the Legal Services Corporation or pursuant to the federal Older Americans Act, and provides free legal services to indigent persons.

(k) "Pro bono attorney" means any attorney, law firm, or legal corporation, licensed to practice law in this state, that undertakes, without charge to the party, the representation of an indigent person, referred by a qualified legal services project, qualified support center, or other qualified project, in a case not considered to be fee generating, as defined in this chapter.

(l) "Qualified legal services project" means a nonprofit project, incorporated and operated exclusively in California, that provides as its primary purpose and function legal services without charge to indigent persons, has a board of directors or advisory board composed of both attorneys and consumers of legal services, and provides for community participation in legal services programming. A legal services project funded, either in whole or in part, by the Legal Services Corporation or with the federal Older Americans Act funds is presumed to be a qualified legal services project for the purposes of this chapter.

(m) "Qualified support center" means an incorporated nonprofit legal services center that has an office or offices in California that provide legal services or technical assistance without charge to qualified legal services projects and their clients on a multicounty basis in California. A support center funded, either in whole or in part, by the Legal Services Corporation or with the federal Older Americans Act funds is presumed to be a qualified legal services project for the purposes of this chapter.

(n) "Rules of professional conduct" means those rules adopted by the State Bar of California pursuant to Sections 6076 and 6077.

(o) "Supplemental security income recipient" means an individual receiving or eligible to receive payments under Title XVI of the Social Security Act (Public Law 92-603), as amended, or payment under Chapter 3 (commencing with Section 12000) of Part 3 of Division 9 of the Welfare and Institutions Code.

(p) "Vexatious litigant" means a person as defined in subdivision (b) of Section 391 of the Code of Civil Procedure.

(q) This section shall remain in effect only until January 1, 2020, and as of that date is repealed.

SEC. 6. Section 8030.5 of the Business and Professions Code is repealed.

SEC. 7. Section 8030.6 of the Business and Professions Code is amended to read:

8030.6. The board shall disburse funds from the Transcript Reimbursement Fund for the costs, exclusive of per diem charges by official reporters, of preparing either an original transcript and one copy thereof, or where appropriate, a copy of the transcript, of court or deposition proceedings, or both, incurred as a contractual obligation between the shorthand reporter and the applicant, for litigation conducted in California. If there is no deposition transcript, the board may reimburse the applicant or the certified shorthand reporter designated in the application for per diem costs. The rate of per diem for depositions shall not exceed seventy-five dollars ($75) for one-half day, or one hundred twenty-five dollars ($125) for a full day. If a transcript is ordered within one year of the date of the deposition, but subsequent to the per diem having been reimbursed by the Transcript Reimbursement Fund, the amount of the per diem shall be deducted from the regular customary charges for a transcript. Reimbursement may be obtained through the following procedures:

(a) The applicant or certified shorthand reporter shall promptly submit to the board the certified shorthand reporter's invoice for transcripts together with the appropriate documentation as is required by this chapter.

(b) Except as provided in subdivision (c), the board shall promptly determine if the applicant or the certified shorthand reporter is entitled to reimbursement under this chapter and shall make payment as follows:

(1) Regular customary charges for preparation of original deposition transcripts and one copy thereof, or a copy of the transcripts.

(2) Regular customary charges for expedited deposition transcripts up to a maximum of two thousand five hundred dollars ($2,500) per case.

(3) Regular customary charges for the preparation of original transcripts and one copy thereof, or a copy of transcripts of court proceedings.

(4) Regular customary charges for expedited or daily charges for preparation of original transcripts and one copy thereof or a copy of transcripts of court proceedings.

(5) The charges shall not include notary or handling fees. The charges may include actual shipping costs and exhibits, except that the cost of exhibits may not exceed thirty-five cents ($0.35) each or a total of thirty-five dollars ($35) per transcript.

(c) The maximum amount reimbursable by the fund under subdivision (b) shall not exceed twenty thousand dollars ($20,000) per case per year.

(d) A vexatious litigant shall be ineligible to receive funds from the Transcript Reimbursement Fund. However, a vexatious litigant may become eligible to receive funds if he or she is no longer subject to the provisions of Title 3A of Part 2 of the Code of Civil Procedure pursuant to Section 391.8 of Code of Civil Procedure.

(e) Total disbursements to cover the costs of providing transcripts to all applicants appearing pro se pursuant to this section shall not exceed seventy-five thousand dollars ($75,000) annually and shall not exceed one thousand five hundred dollars ($1,500) per case.

(f) If entitled, and funds are available, the board shall disburse the appropriate sum to the applicant or the certified shorthand reporter when the documentation described in Section 8030.8 accompanies the application. A notice shall be sent to the recipient requiring the recipient to file a notice with the court in which the action is pending stating the sum of reimbursement paid pursuant to this section. The notice filed with the court shall also state that if the sum is subsequently included in any award of costs made in the action, that the sum is to be ordered refunded by the applicant to the Transcript Reimbursement Fund whenever the sum is actually recovered as costs. The court shall not consider whether payment has been made from the Transcript Reimbursement Fund in determining the

appropriateness of any award of costs to the parties. The board shall also notify the applicant that the reimbursed sum has been paid to the certified shorthand reporter and shall notify the applicant of the duty to refund any of the sum actually recovered as costs in the action.

(g) If not entitled, the board shall return a copy of the invoice to the applicant and the designated certified shorthand reporter together with a notice stating the grounds for denial.

(h) The board shall complete its actions under this section within 30 days of receipt of the invoice and all required documentation, including a completed application.

(i) Applications for reimbursements from the fund shall be filed on a first-come-first-served basis.

(j) Applications for reimbursement that cannot be paid from the fund due to insufficiency of the fund for that fiscal year shall be held over until the next fiscal year to be paid out of the renewed fund. Applications held over shall be given a priority standing in the next fiscal year.

(k) This section shall remain in effect only until January 1, 2020, and as of that date is repealed.

SEC. 8. Section 8030.8 of the Business and Professions Code is amended to read:

8030.8. (a) For purposes of this chapter, documentation accompanying an invoice is sufficient to establish entitlement for reimbursement from the Transcript Reimbursement Fund if it is filed with the executive officer on an application form prescribed by the board that is complete in all respects, and that establishes all of the following:

(1) The case name and number and that the litigant or litigants requesting the reimbursement are indigent persons. If the applicant is an indigent person appearing pro se the application shall be accompanied by a copy of the fee waiver form approved by the court in the matter for which the applicant seeks reimbursement.

(2) The applicant is qualified under the provisions of this chapter.

(3) The case is not a fee-generating case, as defined in Section 8030.4.

(4) The invoice or other documentation shall evidence that the certified shorthand reporter to be reimbursed was, at the time the services were rendered, a duly licensed certified shorthand reporter.

(5) The invoice shall be accompanied by a statement, signed by the applicant, stating that the charges are for transcripts actually provided as indicated on the invoice.

(6) The applicant has acknowledged, in writing, that as a condition of entitlement for reimbursement that the applicant agrees to refund the entire amount disbursed from the Transcript Reimbursement Fund from any costs or attorney's fees awarded to the applicant by the court or provided for in any settlement agreement in the case.

(7) The certified shorthand reporter's invoice for transcripts shall include separate itemizations of charges claimed, as follows:

(A) Total charges and rates for customary services in preparation of an original transcript and one copy or a copy of the transcript of depositions.

(B) Total charges and rates for expedited deposition transcripts.

(C) Total charges and rates in connection with transcription of court proceedings.

(b) For an applicant claiming to be eligible pursuant to subdivision (j), (l), or (m) of Section 8030.4, a letter from the director of the project or center, certifying that the project or center meets the standards set forth in one of those subdivisions and that the litigant or litigants are indigent persons, is sufficient documentation to establish eligibility.

(c) For an applicant claiming to be eligible pursuant to subdivision (k) of Section 8030.4, a letter certifying that the applicant meets the requirements of that subdivision, that the case is not a fee-generating case, as defined in subdivision (e) of Section 8030.4, and that the litigant or litigants are indigent persons, together with a letter from the director of a project or center

defined in subdivision (j), (l), or (m) of Section 8030.4 certifying that the litigant or litigants had been referred by that project or center to the applicant, is sufficient documentation to establish eligibility.

(d) The applicant may receive reimbursement directly from the board if the applicant has previously paid the certified shorthand reporter for transcripts as provided in Section 8030.6. To receive payment directly, the applicant shall submit, in addition to all other required documentation, an itemized statement signed by the certified shorthand reporter performing the services that describes payment for transcripts in accordance with the requirements of Section 8030.6.

(e) The board may prescribe appropriate forms to be used by applicants and certified shorthand reporters to facilitate these requirements.

(f) This chapter does not restrict the contractual obligation or payment for services, including, but not limited to, billing the applicant directly, during the pendency of the claim.

(g) This section shall remain in effect only until January 1, 2020, and as of that date is repealed.

SEC. 9. Section 8030.9 is added to the Business and Professions Code, to read:

8030.9. (a) The board shall prepare and submit to the Legislature, on or before November 1, 2018, a report on the condition of the Court Reporters' Fund, the condition of the Transcript Reimbursement Fund, and alternative funding sources to cover the costs associated with transcripts provided to indigent litigants, including, but not limited to, shorthand reporting services, such as transcript processing. The report shall include all of the following:

(1) Expenditures and claims relating to this article, including the initial balance of the Transcript Reimbursement Fund as of January 1, 2017.

(2) Funds received, including the amount of, and reason for, any refunds pursuant to Section 8030.2.

(3) Claims received, including the type of case, court involved, service for which reimbursement was sought, amount paid, and amount denied, if any, and the reason for denial.

(4) Efforts pursuant to Section 8030.1 to publicize the availability of the funds in the Transcript Reimbursement Fund to prospective applicants.

(5) Administrative fees.

(6) An analysis of the condition of the Transcript Reimbursement Fund, including a five-year projection of its fiscal solvency based on the licensee fee level for those years.

(7) Whether the amount transferred annually to the Transcript Reimbursement Fund is sufficient to maintain the fund at a level that is sufficient to pay all qualified claims.

(A) If the amount transferred annually is not sufficient to pay all qualified claims, the board shall recommend a level that would be sufficient.

(B) If the amount transferred annually is not sufficient to pay all qualified claims, the board shall investigate and recommend alternative sources of funding, if any.

(b) The report shall be provided using existing resources.

(c) The report prepared pursuant to subdivision (a) shall be submitted in accordance with Section 9795 of the Government Code.

(d) This section shall remain in effect only until January 1, 2020, and as of that date is repealed.

SEC. 10. Section 8031 of the Business and Professions Code is amended to read:

8031. The amount of the fees required by this chapter is that fixed by the board in accordance with the following schedule:

(a) The fee for filing an application for each examination shall be no more than forty dollars ($40).

(b) The fee for examination and reexamination for the written or practical part of the examination shall be in an amount fixed by the board, which shall be equal to the actual cost of preparing, administering, grading, and analyzing the examination, but shall not exceed seventy-five dollars ($75) for each separate part, for each administration.

(c) The initial certificate fee is an amount equal to the renewal fee in effect on the last regular renewal date before the date on which the certificate is issued, except that, if the certificate will expire less than 180 days after its issuance, then the fee is 50 percent of the renewal fee in effect on the last regular renewal date before the date on which the certificate is issued, or fifty dollars ($50), whichever is greater. The board may, by appropriate regulation, provide for the waiver or refund of the initial certificate fee where the certificate is issued less than 45 days before the date on which it will expire.

(d) By a resolution adopted by the board, a renewal fee may be established in such amounts and at such times as the board may deem appropriate to meet its operational expenses and funding responsibilities as set forth in this chapter. The renewal fee shall not be more than two hundred fifty dollars ($250) nor less than ten dollars ($10) annually, with the following exception:

Any person who is employed full time by the State of California as a hearing reporter and who does not otherwise render shorthand reporting services for a fee shall be exempt from licensure while in state employment and shall not be subject to the renewal fee provisions of this subdivision until 30 days after leaving state employment. The renewal fee shall, in addition to the amount fixed by this subdivision, include any unpaid fees required by this section plus any delinquency fee.

(e) The duplicate certificate fee shall be no greater than ten dollars ($10).

(f) The penalty for failure to notify the board of a change of name or address as required by Section 8024.6 shall be no greater than fifty dollars ($50).

AGENDA ITEM V – DISCUSSION AND POSSIBLE ACTION REGARDING STATUTORY AND/OR REGULATORY VIOLATIONS BY NON-CSR OWNED FIRMS.

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Agenda Description: Enforcement Options for Violations by Non-Certified-Shorthand-Reporter Owned Firms

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Brief Summary:

In 2008 the Board identified multiple consumer issues from businesses involved with the provision of court reporting services. These issues range from firms providing transcript to non-parties without following the 30-day notification requirements to reformatting transcripts to increase the number of pages billed to the consumer. However, existing laws only grant authority to the Board to discipline certified shorthand reporters (CSR) for (in)actions regarding court reporting services that would in effect constitute unprofessional conduct. This disciplinary process thereby also creates an inequity in the workplace as CSR-owned firms are held to a much different standard than non-CSR owned firms, which impacts consumers as identified above. A bill was introduced with language to bring all entities providing court reporting services under the same standards, but ultimately failed passage.

In 2010 the Board issued a citation and fine to US Legal for violations of the gift giving regulation. US Legal asserted the Board did not have jurisdiction as US Legal was not providing court reporting services, merely arranging for them. Ultimately the court found while US Legal was indeed offering court reporting services, the Board did not have jurisdiction because US Legal is a foreign corporation and the Board does not have express authority in statute over foreign corporations.

In 2015 the California Court Reporters Association sponsored SB 270 authored by Senator Mendoza which attempted to legislatively close this loophole. The bill underwent multiple iterations, including at one point the concept of firm registration. The bill ultimately failed to pass.

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Report Originator: Yvonne Fenner, 9/12/2016

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Recommended Board Action: Staff recommends a full discussion of options.

AGENDA ITEM VI – Report of the Executive Officer

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Agenda Description: Report on:

A. CRB Budget Report
B. Transcript Reimbursement Fund
C. Exams
D. Enforcement
E. School Update – Reviews and ACICS

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Support Documents:

Attachment 1, Item A – Budget Report, FM 13 Projection 2015-16
Attachment 2, Item A – Budget Report, FM 01 Projection 2016-17
Attachment 3, Item A – Fund Condition Analysis for Fund 0771, CRB
Attachment 4, Item B – Fund Condition Analysis for Fund 0410, TRF
Attachment 5, Item C – Historical Examination Pass Rates
Attachment 6, Item D – Enforcement Statistics
Attachment 7, Item E – ACICS Letter

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Fiscal Impact: None.

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Report Originator: Yvonne Fenner, 9/12/2016

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Recommended Board Action: (Informational)

COURT REPORTERS OF CALIFORNIA
BUDGET REPORT
FY 2015-16 EXPENDITURE PROJECTION
FM 13
Updated 9/13/2016

OBJECT DESCRIPTION	FY 2014-15 ACTUAL EXPENDITURES (MONTH 13)	FY 2014-15 PRIOR YEAR EXPENDITURES FM 13	Governor's Budget 2015-16	FY 2015-16 CURRENT YEAR EXPENDITURES FM 13	FY 2015-16 PERCENT SPENT	FY 2015-16 PROJECTIONS TO YEAR END	FY 2015-16 UNENCUMBERED BALANCE
PERSONNEL SERVICES							
Civil Service - Perm	242,350	242,350	225,000	226,688	100%	**226,688**	(1,688)
Statutory Exempt (EO)	87,511	87,511	84,000	88,008	100%	**88,008**	(4,008)
Temp Help (907)	2,581	2,581	11,000	13,614	100%	**13,614**	(2,614)
Board Member Per Diem	3,700	3,700	8,000	3,800	100%	**3,800**	4,200
Overtime	9,357	9,357	6,000	9,480	100%	**9,480**	(3,480)
Staff Benefits	193,154	193,154	151,000	189,237	100%	**189,237**	(38,237)
TOTALS, PERSONNEL SVC	538,653	**538,653**	485,000	**530,827**	**100%**	**530,827**	(45,827)
OPERATING EXPENSE AND EQUIPMENT							
General Expense	4,716	4,716	0	3,401	100%	**3,401**	(3,401)
Fingerprint Reports	686	686	9,000	341	100%	**341**	8,659
Minor Equipment	1,251	1,251	3,000	1,164	100%	**1,164**	1,836
Printing (General)	1,230	1,230	0	3,021	100%	**3,021**	(3,021)
Communication	4,774	4,774	1,000	4,597	100%	**4,597**	(3,597)
Postage (General)	11,317	11,317	6,000	9,124	100%	**9,124**	(3,124)
Travel In State	19,382	19,382	23,000	26,437	100%	**26,437**	(3,437)
Training	0	0	2,000	0		**0**	2,000
Facilities Operations	43,690	43,690	29,000	44,747	100%	**44,747**	(15,747)
C & P Services - Interdept.	0	0	84,000	0		**0**	84,000
C & P Services - External (General)	0	0	27,000	3,852	100%	**3,852**	23,148
DEPARTMENTAL SERVICES:							
OIS Pro Rata	71,740	71,740	107,000	61,970	100%	**61,970**	45,030
Indirect Distributed	57,025	57,025	54,000	53,943	100%	**53,943**	57
IA with OPES	38,226	38,226	0	47,938		**47,938**	(47,938)
DOI-ProRata Internal	1,779	1,779	1,000	983	100%	**983**	17
Communication Pro	2,063	2,063	1,000	3,000	100%	**3,000**	(2,000)
PPRD Pro Rata	1,995	1,995	2,000			**0**	2,000
INTERAGENCY SERVICES:							
Consolidated Data Center	59	59	3,000	41	100%	**41**	2,959
Data Processing	2,538	2,538	2,000	1,005	100%	**1,005**	995
Central Admin Svc-ProRata	36,375	36,375	47,000	46,897	100%	**46,897**	103
EXAM EXPENSES:							
Exam Rent - Non State	25,934	25,934	0	25,406	100%	**25,406**	(25,406)
Administrative - Ext	14,160	14,160	0	15,399		**15,399**	(15,399)
C/P Svcs-External Expert Examiners	19,749	19,749	39,000	22,259	100%	**22,259**	16,741
ENFORCEMENT:							
Attorney General	47,055	47,055	167,000	37,156	100%	**37,156**	129,844
Office Admin. Hearings	10,395	10,395	16,000	4,239	100%	**4,239**	11,761
Court Reporters Service	100	100	0	625		**625**	(625)
Evidence/Witness Fees	5,000	5,000	26,000	2,500		**2,500**	23,500
Major Equipment	0	0	0			**0**	0
Other Items of Expense	0	0	1,000	0		**0**	1,000
TOTALS, OE&E	421,239	421,239	650,000	420,045	100%	420,045	229,955
TOTAL EXPENSE	959,892	959,892	1,135,000	950,872	100%	950,872	184,128
Sched. Reimb. - Fingerprints	(490)	(490)	(17,000)	(539)		**(539)**	(16,461)
Sched. Reimb. - External/Private/Grant	(940)	(940)	(1,000)	(940)		**(940)**	(60)
Unsched. Reimb. - Inves Cost Recovery	(6,738)	(6,738)	0	(7,780)		**(7,780)**	7,780
NET APPROPRIATION	951,724	951,724	1,117,000	941,613	100%	**941,613**	**175,387**
					SURPLUS/(DEFICIT):		**15.7%**

COURT REPORTERS OF CALIFORNIA
BUDGET REPORT
FY 2016- 17 FORECAST
FM 01
Updated 9/13/2016

OBJECT DESCRIPTION	FY 2015-16 ACTUAL EXPENDITURES (MONTH 13)	FY 2015-16 PRIOR YEAR EXPENDITURES FM 01	FY 2016-17 Budget Act 2016-17	FY 2016-17 CURRENT YEAR EXPENDITURES FM 01	FY 2016-17 PERCENT SPENT	FY 2016-17 CURRENT YEAR PROJECTIONS TO YEAR END	FY 2016-17 UNENCUMBERED BALANCE
PERSONNEL SERVICES							
Civil Service - Perm	226,688	18,475	225,000	18,741	8%	**231,222**	(6,222)
Statutory Exempt (EO)	88,008	7,334	84,000	7,334	8%	**89,768**	(5,768)
Temp Help (907)	13,614	2,394	11,000	0	0%	**13,886**	(2,886)
Board Member Per Diem	3,800	0	8,000	0	0%	**3,876**	4,124
Overtime	9,480	0	6,000	0	0%	**9,670**	(3,670)
Staff Benefits	189,237	16,452	151,000	16,078	8%	**193,022**	(42,022)
TOTALS, PERSONNEL SVC	530,827	**44,655**	485,000	**42,153**	8%	**541,444**	(56,444)
OPERATING EXPENSE AND EQUIPMENT							
General Expense	3,401	0	0	(208)	-6%	**3,469**	(3,469)
Fingerprint Reports	341	0	9,000	0	0%	**348**	8,652
Minor Equipment	1,164	0	3,000	0	0%	**1,187**	1,813
Printing (General)	3,021	300	0	0	0%	**3,081**	(3,081)
Communication	4,597	0	1,000	0	0%	**4,689**	(3,689)
Postage (General)	9,124	149	6,000	799	9%	**9,306**	(3,306)
Travel In State	26,437	1,379	23,000	0	0%	**26,966**	(3,966)
Training	0		2,000	0		**0**	2,000
Facilities Operations	44,747	42,804	29,000	43,848	96%	**45,642**	(16,642)
C & P Services - Interdept.	0	0	84,000	0		**0**	84,000
C & P Services - External (General)	3,852	0	27,000	0	0%	**3,929**	23,071
DEPARTMENTAL SERVICES:						**0**	
OIS Pro Rata	61,970	26,500	107,000	8,250	8%	**107,000**	0
Indirect Distributed	53,943	13,250	54,000	4,333	8%	**54,000**	0
IA with OPES	47,938	0	0	0		**0**	0
DOI-ProRata Internal	983	250	1,000	83	8%	**1,000**	0
Communication Pro	3,000	250	1,000	667	67%	**1,000**	0
PPRD Pro Rata	0	500	2,000	0		**2,000**	0
INTERAGENCY SERVICES:						**0**	
Consolidated Data Center	41	0	3,000	0	0%	**42**	2,958
Data Processing	1,005	0	2,000	0	0%	**1,025**	975
Central Admin Svc-ProRata	46,897	0	47,000	0	0%	**47,835**	(835)
EXAM EXPENSES:						**0**	
Exam Rent - Non State	25,406	41,902	0	34,722	100%	**34,722**	(34,722)
Administrative - Ext	15,399	0	0	16,638		**16,638**	
C/P Svcs-External Expert Examiners	22,259	706	39,000	0	0%	**22,704**	16,296
ENFORCEMENT:						**0**	
Attorney General	37,156	0	167,000	0	0%	**75,000**	92,000
Office Admin. Hearings	4,239	0	16,000	0	0%	**7,000**	9,000
Court Reporters Service	625	0	0	0		**638**	(638)
Evidence/Witness Fees	2,500	0	26,000	0		**5,000**	21,000
Major Equipment	0	0	0	0		**0**	0
Other Items of Expense	0	0	1,000	0		**0**	1,000
TOTALS, OE&E	420,045	127,990	650,000	109,132	23%	474,221	192,417
TOTAL EXPENSE	950,872	172,645	1,135,000	151,285	15%	1,015,665	136,973
Sched. Reimb. - Fingerprints	(539)		(17,000)	(49)		**(550)**	(16,450)
Sched. Reimb. - External/Private/Grant	(940)		(1,000)			**(959)**	(41)
Unsched. Reimb. - Inves Cost Recovery	(7,780)	(1,096)	0	(1,824)		**(7,936)**	7,936
NET APPROPRIATION	941,613	171,549	1,117,000	149,412	15%	**1,006,221**	**127,417**
					SURPLUS/(DEFICIT):		**11.4%**

0771 - Court Reporters Board
Analysis of Fund Condition

Prepared on
9/13/2016

(Dollars in Thousands)

2016 Budget Act

		ACTUALS 2015-16	Budget Act 2016-17	BY 2017-18
BEGINNING BALANCE		$ 1,135	$ 1,136	$ 777
Prior Year Adjustment		$ 6	$ -	$ -
Adjusted Beginning Balance		$ 1,141	$ 1,136	$ 777
REVENUES AND TRANSFERS				
Revenues:				
125600	Other regulatory fees	$ 11		$ -
125700	Other regulatory licenses and permits	$ 38	$ 39	$ 39
125800	Renewal fees	$ 866	$ 869	$ 869
125900	Delinquent fees	$ 17	$ 18	$ 18
150300	Income from surplus money investments	$ 5	$ 2	$ 1
161400	Miscellaneous revenues	$ 1	$ -	$ -
Totals, Revenues		$ 938	$ 928	$ 927
Transfers to Other Funds				
T00410	TRF per B&P Code Section 8030.2	$ -	$ -100	
Totals, Revenues and Transfers		$ 938	$ 828	$ 927
Totals, Resources		$ 2,079	$ 1,964	$ 1,704
EXPENDITURES				
Disbursements:				
1110 Program Expenditures (State Operations)		$ 942	$ -	$ -
1111 Program Expenditures (State Operations)		$ -	$ 1,186	$ 1,210
8880 Financial Information System for California (State Operatior		$ 2	$ 1	$ 1
Total Disbursements		$ 944	$ 1,187	$ 1,211
FUND BALANCE				
Reserve for economic uncertainties		$ 1,136	$ 777	$ 493
Months in Reserve		11.5	7.7	4.8

NOTES:

A. ASSUMES WORKLOAD AND REVENUE PROJECTIONS ARE REALIZED IN BY+1 AND ON-GOING.
B. ASSUMES APPROPRIATION GROWTH OF 2% PER YEAR BEGINNING IN BY+1.
C. ASSUMES INTEREST RATE AT 0.3%.

0410 - Transcript Reimbursement Fund
Analysis of Fund Condition
(Dollars in Thousands)

Updated
9/13/2016

2016 Budget Act

	ACTUALS 2015-16	Budget Act 2016-17	BY 2017-18
BEGINNING BALANCE	$ 209	$ 105	$ 106
Prior Year Adjustment	$ -85	$ -	$ -
Adjusted Beginning Balance	$ 124	$ 105	$ 106
REVENUES AND TRANSFERS			
Revenues:			
125600 Other regulatory fees	$ -	$ -	$ -
125700 Other regulatory licenses and permits	$ -	$ -	$ -
125800 Renewal fees	$ -	$ -	$ -
125900 Delinquent fees	$ -	$ -	$ -
141200 Sales of documents	$ -	$ -	$ -
142500 Miscellaneous services to the public	$ -	$ -	$ -
150300 Income from surplus money investments	$ 1	$ 1	$ 1
160400 Sale of fixed assets	$ -	$ -	$ -
161000 Escheat of unclaimed checks and warrants	$ -	$ -	$ -
161400 Miscellaneous revenues	$ -	$ -	$ -
Totals, Revenues	$ 1	$ 1	$ 1
Transfers from Other Funds			
F00771			
Court Reporters Fund per B&P Code Section 8030.2	$ -	$ 100	$ -
Totals, Revenues and Transfers	$ 1	$ 101	$ 1
Totals, Resources	$ 125	$ 206	$ 107
EXPENDITURES			
Disbursements:			
0840 State Controller (State Operations)	$ -		
1110 Program Expenditures (State Operations)	$ 19	$ -	$ -
1111 Program Expenditures (State Operations)		$ 100	$ 102
8880 Financial Information System for California (State Operations)	$ 1	$ -	$ -
Total Disbursements	$ 20	$ 100	$ 102
FUND BALANCE			
Reserve for economic uncertainties	$ 105	$ 106	$ 5
Months In Reserve	12.6	12.5	0.6

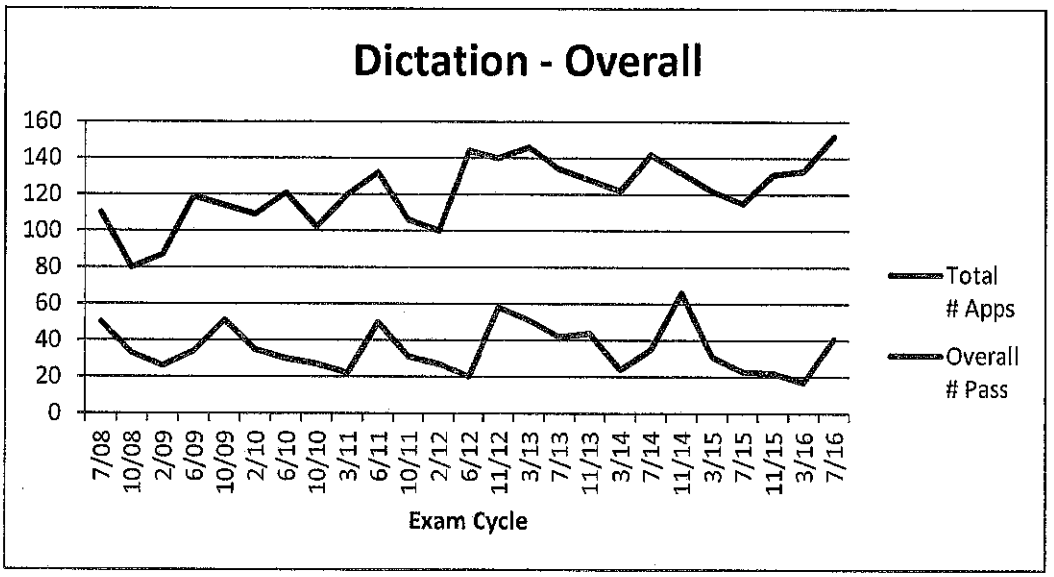
NOTES:

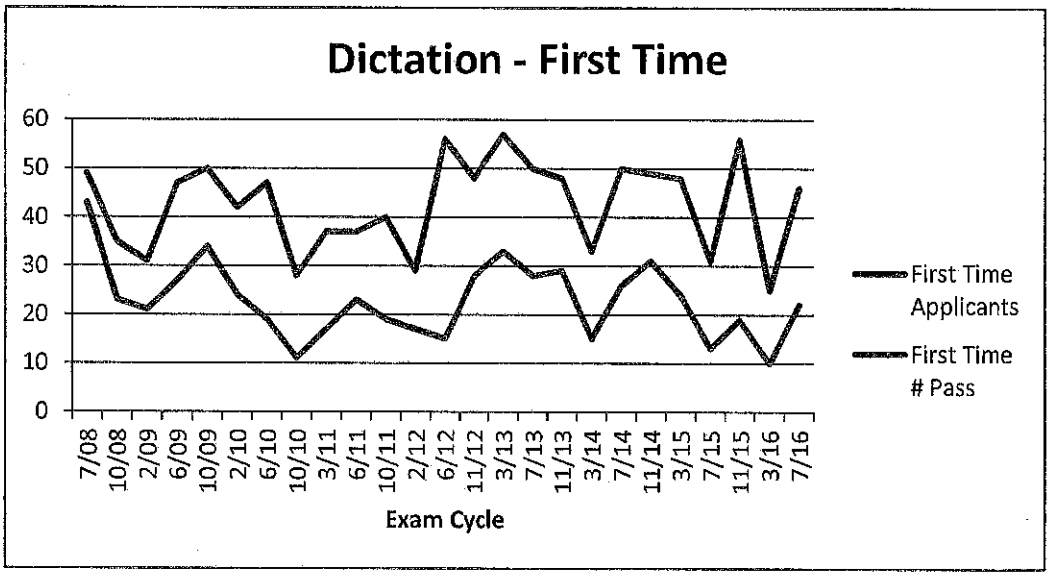
A. ASSUMES WORKLOAD AND REVENUE PROJECTIONS ARE REALIZED IN BY+1 AND ON-GOING.
B. ASSUMES APPROPRIATION GROWTH OF 2% PER YEAR BEGINNING IN BY+1.
C. ASSUMES INTEREST RATE AT 0.3%.

Dictation Exam

Exam Cycle	Total # Apps	Overall # Pass	Overall % Pass	First Time Applicants	First Time # Pass	First Time % Pass
Jul 2008	110	50	45.45%	49	43	87.76%
Oct 2008	80	33	41.25%	35	23	65.71%
Feb 2009	87	26	29.89%	31	21	67.74%
Jun 2009	119	34	28.57%	47	27	57.45%
Oct 2009	114	51	44.74%	50	34	68.00%
Feb 2010	109	35	32.11%	42	24	57.14%
Jun 2010	121	30	24.79%	47	19	40.43%
Oct 2010	102	27	26.47%	28	11	39.29%
Mar 2011	120	22	18.33%	37	17	45.95%
Jun 2011	132	50	37.88%	37	23	62.16%
Oct 2011	106	31	29.25%	40	19	47.50%
Feb 2012	100	27	27.00%	29	17	58.62%
Jun 2012	144	20	13.89%	56	15	26.79%
Nov 2012	140	58	41.40%	48	28	58.33%
Mar 2013	146	51	34.90%	57	33	57.90%
Jul 2013	134	42	31.30%	50	28	56.00%
Nov 2013	128	44	34.40%	48	29	60.40%
Mar 2014	122	24	19.70%	33	15	45.50%
Jul 2014	142	35	24.60%	50	26	52.00%
Nov 2014	132	66	50.0%	49	31	63.3%
March 2015	122	31	25.4%	48	24	50.0%
July 2015	115	23	20.0%	31	13	41.9%
Nov 2015	131	22	16.8%	56	19	33.9%
March 2016	133	17	12.8%	25	10	40.0%
July 2016	152	41	27.0%	46	22	47.8%

Dictation Exam

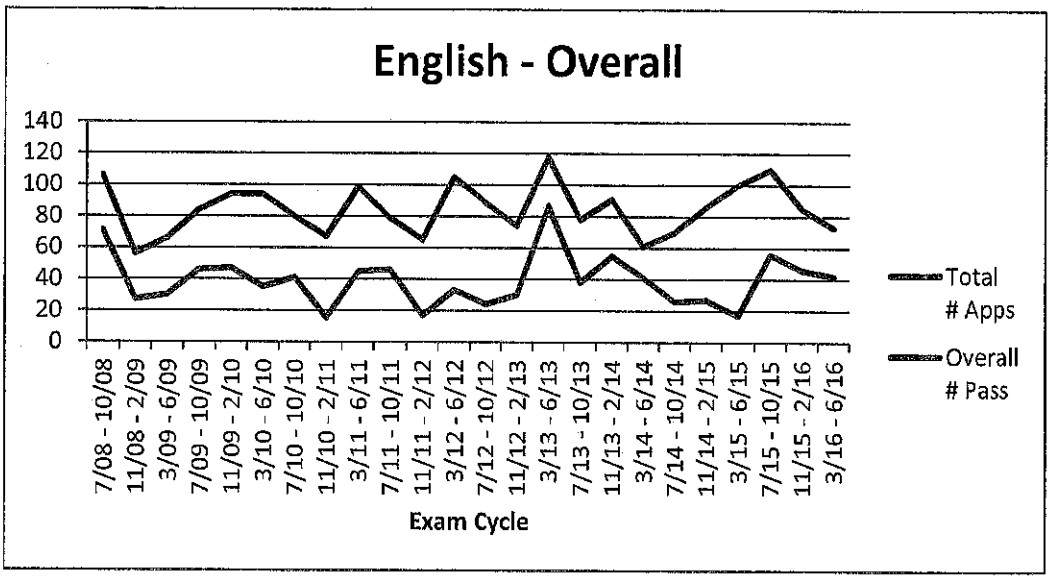


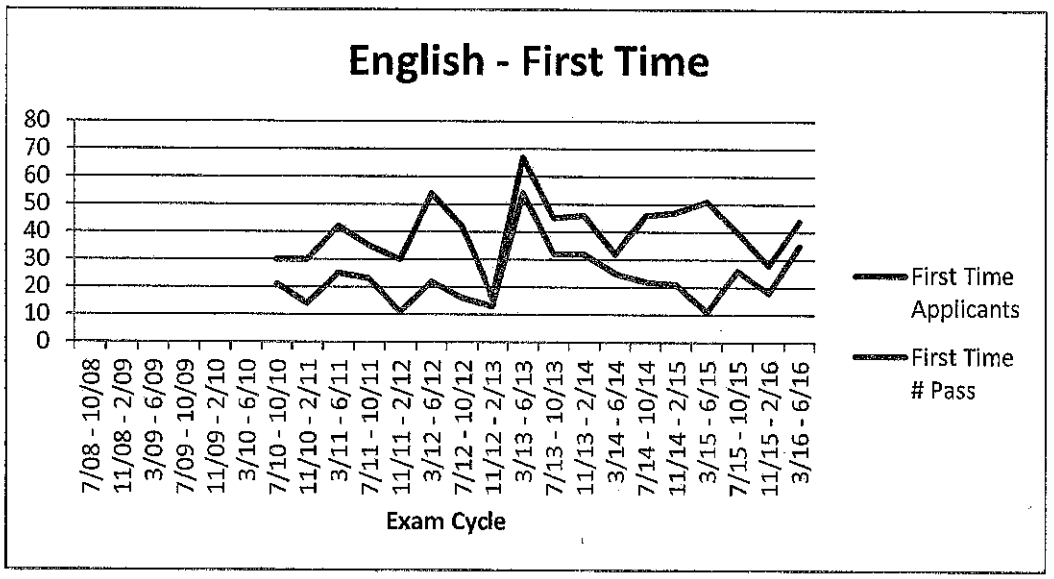


English Exam

Exam Cycle	Total # Apps	Overall # Pass	Overall % Pass	First Time Applicants	First Time # Pass	First Time % Pass
Jul 2008 - Oct 2008	106	71	65.7%			
Nov 2008 - Feb 2009	56	27	48.2%			
Mar 2009 - Jun 2009	66	30	45.5%			
Jul 2009 - Oct 2009	84	46	54.8%			
Nov 2009 - Feb 2010	94	47	50.0%			
Mar 2010 - Jun 2010	94	35	37.2%			
Jul 2010 - Oct 2010	80	41	51.3%	30	21	70.0%
Nov 2010 - Feb 2011	67	15	22.4%	30	14	46.7%
Mar 2011 - Jun 2011	99	45	45.5%	42	25	59.5%
Jul 2011 - Oct 2011	79	46	58.2%	35	23	65.7%
Nov 2011 - Feb 2012	65	17	26.2%	30	11	36.7%
Mar 2012 - Jun 2012	105	33	31.4%	54	22	40.7%
Jul 2012 - Oct 2012	89	24	27.0%	42	16	38.1%
Nov 2012 - Feb 2013	74	30	40.5%	16	13	81.3%
Mar 2013 - Jun 2013	118	87	73.7%	67	54	80.6%
Jul 2013 - Oct 2013	78	38	48.7%	45	32	71.1%
Nov 2013 - Feb 2014	91	55	60.4%	46	32	69.6%
Mar 2014 - Jun 2014	61	41	67.2%	32	25	78.1%
Jul 2014 - Oct 2014	70	26	37.1%	46	22	47.8%
Nov 2014 - Feb 2015	86	27	31.4%	47	21	44.7%
Mar 2015 - June 2015	100	17	17.0%	51	11	21.6%
Jul 2015 - Oct 2015	110	56	50.9%	40	26	65.0%
Nov 2015 - Feb 2016	85	46	54.1%	28	18	64.3%
Mar 2016 - Jun 2016	73	42	57.5%	44	35	79.5%

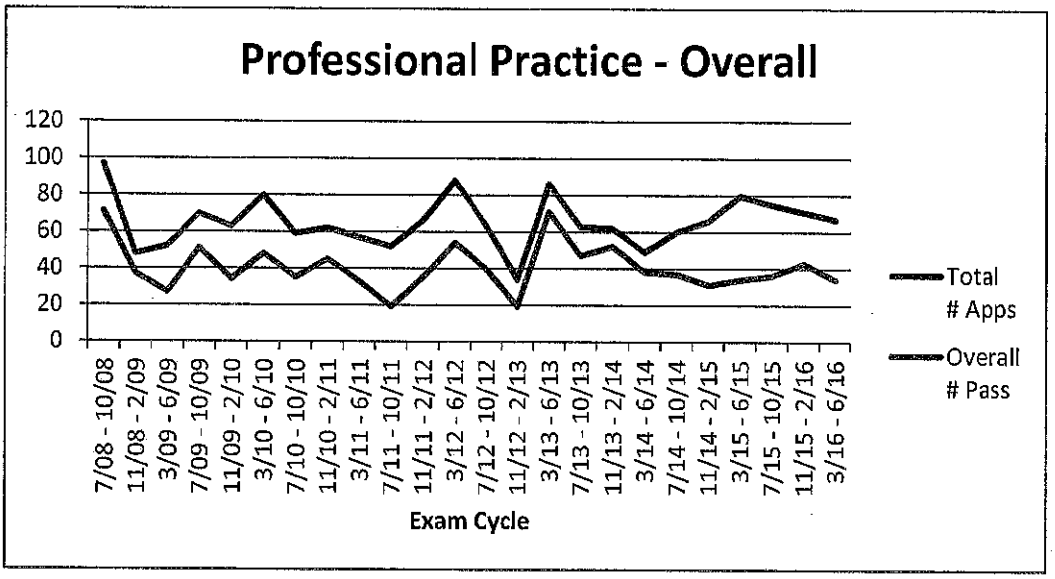
English Exam

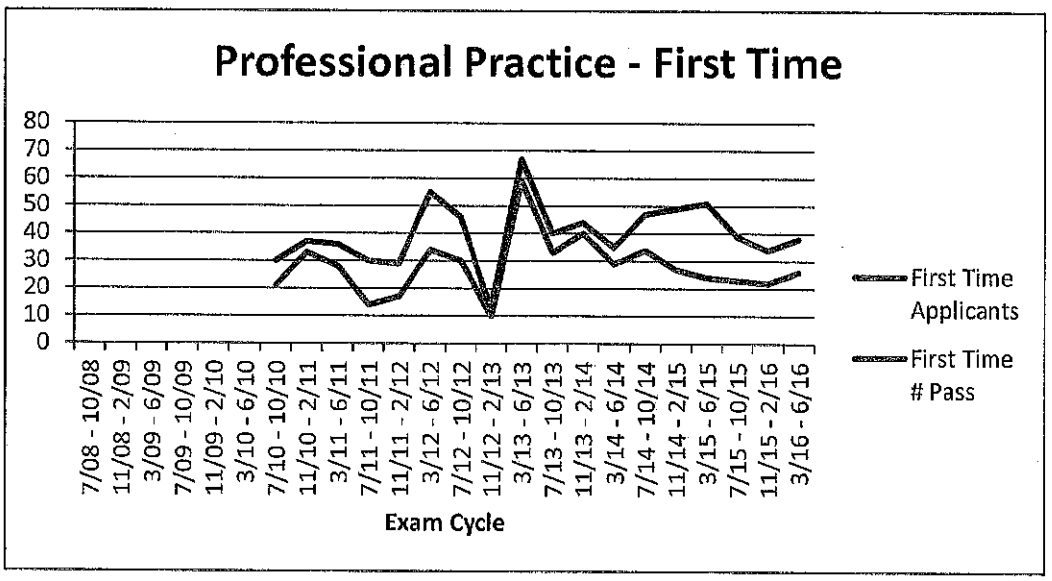




Professional Practice Exam

Exam Cycle	Total # Apps	Overall # Pass	Overall % Pass	First Time Applicants	First Time # Pass	First Time % Pass
Jul 2008 - Oct 2008	97	71	73.2%			
Nov 2008 - Feb 2009	48	37	77.1%			
Mar 2009 - Jun 2009	52	27	51.9%			
Jul 2009 - Oct 2009	70	51	72.9%			
Nov 2009 - Feb 2010	63	34	54.0%			
Mar 2010 - Jun 2010	80	48	60.0%			
Jul 2010 - Oct 2010	59	35	59.3%	30	21	70.0%
Nov 2010 - Feb 2011	62	45	72.6%	37	33	89.2%
Mar 2011 - Jun 2011	57	33	57.9%	36	28	77.8%
Jul 2011 - Oct 2011	52	19	36.5%	30	14	46.7%
Nov 2011 - Feb 2012	66	35	53.0%	29	17	58.6%
Mar 2012 - Jun 2012	88	54	61.4%	55	34	61.8%
Jul 2012 - Oct 2012	64	40	62.5%	46	30	65.2%
Nov 2012 - Feb 2013	34	19	55.9%	13	10	76.9%
Mar 2013 - Jun 2013	86	71	82.6%	67	59	88.1%
Jul 2013 - Oct 2013	63	47	74.6%	40	33	82.5%
Nov 2013 - Feb 2014	62	52	83.9%	44	40	90.9%
Mar 2014 - Jun 2014	49	38	77.6%	35	29	82.9%
Jul 2014 - Oct 2014	60	37	61.7%	47	34	72.3%
Nov 2014 - Feb 2015	66	31	47.0%	49	27	55.1%
Mar 2015 - June 2015	80	34	42.5%	51	24	47.1%
Jul 2015 - Oct 2015	75	36	48.0%	39	23	59.0%
Nov 2015 - Feb 2016	71	43	60.6%	34	22	64.7%
Mar 2016 - Jun 2016	67	34	50.7%	38	26	68.4%


Professional Practice - Overall
120
100
80
60
40
20
0
7/08 - 10/08
11/08 - 2/09
3/09 - 6/09
7/09 - 10/09
11/09 - 2/10
3/10 - 6/10
7/10 - 10/10
11/10 - 2/11
3/11 - 6/11
7/11 - 10/11
11/11 - 2/12
3/12 - 6/12
7/12 - 10/12
11/12 - 2/13
3/13 - 6/13
7/13 - 10/13
11/13 - 2/14
3/14 - 6/14
7/14 - 10/14
11/14 - 2/15
3/15 - 6/15
7/15 - 10/15
11/15 - 2/16
3/16 - 6/16
Exam Cycle
Total # Apps
Overall # Pass


Professional Practice - First Time
80
70
60
50
40
30
20
10
0
7/08 - 10/08
11/08 - 2/09
3/09 - 6/09
7/09 - 10/09
11/09 - 2/10
3/10 - 6/10
7/10 - 10/10
11/10 - 2/11
3/11 - 6/11
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11/11 - 2/12
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11/13 - 2/14
3/14 - 6/14
7/14 - 10/14
11/14 - 2/15
3/15 - 6/15
7/15 - 10/15
11/15 - 2/16
3/16 - 6/16
Exam Cycle
First Time Applicants
First Time # Pass

Consumer Protection Enforcement Initiative
Fiscal Year 2015-2016 Enforcement Report
July 1, 2015 - June 30, 2016

Complaint Intake

Complaints	July	August	Sept.	Oct.	Nov.	Dec.	January	Feb.	March	April	May	June	Total
Received	7	1	13	5	9	11	7	7	27	2	6	17	112
Closed without Assignment for Investigation	0	0	0	0	0	0	0	0	0	0	0	0	0
Assigned for Investigation	7	1	13	5	9	11	7	7	27	2	6	17	112
Average Days to Close or Assign for Investigation	1	1	1	1	1	1	1	1	1	1	1	1	1
Pending	0	0	0	0	0	0	0	0	0	0	0	0	0 *

Convictions/Arrests Reports	July	August	Sept.	Oct.	Nov.	Dec.	January	Feb.	March	April	May	June	Total
Received	0	1	0	0	0	0	0	0	0	0	0	0	1
Closed	0	0	0	0	0	0	0	0	1	0	0	0	1
Average Days to Close	0	0	0	0	0	0	0	0	214	0	0	0	214
Pending	0	1	1	1	1	1	1	1	0	0	0	0	1*

Investigation

Desk Investigations	July	August	Sept.	Oct.	Nov.	Dec.	January	Feb.	March	April	May	June	Total
Initial Assignment for Desk Investigation	7	1	13	5	9	11	7	7	27	2	6	17	112
Closed	8	23	10	9	1	13	7	7	6	15	17	6	122
Average Days to Close [Straightline]	122	65	108	89	146	45	50	73	93	60	54	44	70
Pending	39	17	19	15	23	21	21	18	39	25	14	25	23 *

Field Investigations/Sworn	July	August	Sept.	Oct.	Nov.	Dec.	January	Feb.	March	April	May	June	Total
Assignment for Sworn Field Investigation	0	0	0	0	0	0	0	0	0	0	0	0	0
Closed	0	0	0	0	0	0	0	0	0	0	0	0	0
Average Days to Close	0	0	0	0	0	0	0	0	0	0	0	0	0
Pending	0	0	0	0	0	0	0	0	0	0	0	0	0

All Investigations	July	August	Sept.	Oct.	Nov.	Dec.	January	Feb.	March	April	May	June	Total
Closed	8	23	10	9	1	13	7	7	6	15	17	6	122
Average Days to Close [Straightline]	122	65	108	89	146	45	50	73	93	60	54	44	70
Pending	39	17	19	15	23	21	21	18	39	25	14	25	23 *

*Average number of cases pending per month

Enforcement Actions

Enforcement Actions

AG Cases	July	August	Sept.	Oct.	Nov.	Dec.	January	Feb.	March	April	May	June	Totals
AG Cases Initiated	1	0	2	0	0	0	0	3	1	1	0	0	8
AG Cases Pending	6	6	8	8	6	6	5	8	9	10	10	10	8 *

SOIs/Accusations	July	August	Sept.	Oct.	Nov.	Dec.	January	Feb.	March	April	May	June	Totals
SOIs Filed	0	0	0	0	0	0	0	1	0	0	0	0	1
SOIs Withdrawn	0	0	0	0	0	0	0	0	0	0	0	0	0
SOIs Dismissed	0	0	0	0	0	0	0	0	0	0	0	0	0
SOIs Declined	0	0	0	0	0	0	0	0	0	0	0	0	0
Average Days to Complete SOIs	0	0	0	0	0	0	0	160	0	0	0	0	160
Accusations Filed	0	0	0	0	0	0	0	1	0	0	0	1	2
Accusations Withdrawn	0	0	0	0	0	0	0	0	0	0	0	0	0
Accusations Dismissed	0	0	0	0	0	0	0	0	0	0	0	0	0
Accusations Declined	0	0	0	0	0	0	0	0	0	0	0	0	0
Average Days to Complete Accusations	0	0	0	0	0	0	0	209	0	0	0	130	170

Decisions/Stipulations	July	August	Sept.	Oct.	Nov.	Dec.	January	Feb.	March	April	May	June	Totals
Proposed/Default Decisions	0	0	0	0	0	1	0	0	0	0	0	0	1
Stipulations	0	0	0	2	0	0	0	0	0	0	0	1	3

Disciplinary Orders	July	August	Sept.	Oct.	Nov.	Dec.	January	Feb.	March	April	May	June	Totals
Final Orders (Proposed Decisions Adopted, Default Decisions, Stipulations)	0	0	0	0	2	0	1	0	0	0	0	0	3
Average Days to Complete [Straightline]	0	0	0	0	710	0	290	0	0	0	0	0	570
Interim Suspension Orders	0	0	0	0	0	0	0	0	0	0	0	0	0

Citations	July	August	Sept.	Oct.	Nov.	Dec.	January	Feb.	March	April	May	June	Totals
Final Citations	0	6	0	2	0	1	1	0	2	2	1	1	16
Average Days to Complete [Straightline]	0	62	0	38	0	21	68	0	101	74	52	85	64

*Average number of cases pending per month

Consumer Protection Enforcement Initiative
Fiscal Year 2016-2017 Enforcement Report
July 1, 2016 - August 31, 2016

Complaint Intake

Received	6	7											13
Closed without Assignment for Investigation	0	0											0
Assigned for Investigation	6	7											13
Average Days to Close or Assign for Investigation	1	1											1
Pending	0	0											0 *

Received	1	0											1
Closed	0	0											0
Average Days to Close	0	0											0
Pending	1	1											1 *

Investigation

Desk Investigation	July	August	Sept	Oct	Nov	Dec	January	Feb	March	April	May	June	Total
Initial Assignment for Desk Investigation	6	7											13
Closed	4	9											13
Average Days to Close [Straightline]	77	36											48
Pending	27	25											26 *

Field Investigation (Sworn)	July	August	Sept	Oct	Nov	Dec	January	Feb	March	April	May	June	Total
Assignment for Sworn Field Investigation	0	0											0
Closed	0	0											0
Average Days to Close	0	0											0
Pending	0	0											0

All Investigations	July	August	Sept	Oct	Nov	Dec	January	Feb	March	April	May	June	Total
Closed	4	9											13
Average Days to Close [Straightline]	77	36											48
Pending	27	25											26 *

*Average number of cases pending per month

Enforcement Actions

AG Cases	July	August	Sept	Oct	Nov	Dec	January	Feb	March	April	May	June	Total
AG Cases Initiated	0	0											0
AG Cases Pending	9	8											9 *

SOIs/Accusations	July	August	Sept	Oct	Nov	Dec	January	Feb	March	April	May	June	Total
SOIs Filed	0	0											0
SOIs Withdrawn	0	0											0
SOIs Dismissed	0	0											0
SOIs Declined	0	0											0
Average Days to Complete SOIs	0	0											0
Accusations Filed	2	0											2
Accusations Withdrawn	0	0											0
Accusations Dismissed	0	0											0
Accusations Declined	0	0											0
Average Days to Complete Accusations	217	0											217

Decisions/Stipulations	July	August	Sept	Oct	Nov	Dec	January	Feb	March	April	May	June	Total
Proposed/Default Decisions	0	1											1
Stipulations	1	0											1

Disciplinary Orders	July	August	Sept	Oct	Nov	Dec	January	Feb	March	April	May	June	Total
Final Orders (Proposed Decisions Adopted, Default Decisions, Stipulations)	1	1											2
Average Days to Complete [Straightline]	329	336											333
Interim Suspension Orders	0	0											0

Citations	July	August	Sept	Oct	Nov	Dec	January	Feb	March	April	May	June	Total
Final Citations	0	1											1
Average Days to Complete [Straightline]	0	41											41

*Average number of cases pending per month

COURT REPORTERS BOARD
OF CALIFORNIA
2535 Capitol Oaks Drive, Suite 230, Sacramento, CA 95833
Phone (916) 263-3660 / Toll Free: 1-877-327-5272
Fax (916) 263-3664 / www.courtreportersboard.ca.gov

Attachment 7
Agenda Item VI.E

August 5, 2016

Emma Vadehra
Chief of Staff to the Secretary of Education
U.S. Department of Education
400 Maryland Avenue SW
Washington, D.C. 20202

Dear Ms. Vadehra,

I write to you today in support of ACICS retaining recognition by the Department of Education (DOE). While we understand the real concern that some private schools have posed to the DOE with this accreditation, please consider carefully the impact of totally denying recognition to ACICS and lumping all private schools into the troubled few.

In California, we have five ACICS-accredited private court reporting colleges that have produced 71 percent of the licensed court reporters in the state since 2009. Removal of the ACICS accreditation would put extreme hardship in both time and money on the private court reporting programs; more specifically, the student population and their families who have invested in their court reporting education.

If a loss of accreditation led to the closure of these private schools, students would be forced to move to a public school program, many of which have limited capacity to accept new students. If the public programs do not have space or are geographically impractical, the student is then limited to online-only schools, which presents many challenges to learning a skills-based profession that on average takes 3 to 5 years to complete.

Additionally, the court reporting industry as a whole will suffer by a decision of the DOE to remove ACICS. This industry includes attorneys, judges, courts, deposition agencies, colleges where CART is provided for the deaf and hard-of-hearing, and captioning of certain venues required by legislation. Disruption of the judicial system is as impactful as reduced access to education by the deaf and hard-of-hearing community.

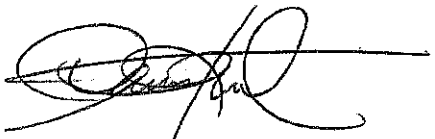
The adverse publicity and the costs associated with re-approval by the state Bureau of Private Post-secondary Education and the time and expense involved in finding a new accrediting agency will negatively impact these small colleges that are already vulnerable because of declining enrollments at a time when the need for court reporters is at the highest level nationwide and a shortage is projected to be imminent.

If these colleges cease to exist, the livelihoods of many involved in the schools will also be impacted. Those adversely affected, include, but are not limited to software vendors, school employees, deposition agencies, future court reporters, and the general public who rely on an accurate record --

along with the justice system in the State of California and in other states that recruit graduates from these five schools.

It is our hope that you are able to work out an alternative solution that would better address the problem without negatively impacting over 300 colleges nationwide and 700,000 students. Court reporters play a vital role in the administration of justice, and lessening the number of accredited court reporting schools at this time only replaces one problem with another.

Best regards,



Davina Hurt
Chairperson

AGENDA ITEM VII – Online Skills Exam

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Agenda Description:

A. Update regarding the Online Testing Policy and Procedures Task Force.

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Brief Summary:

At the April 8, 2016 meeting, the Board considered a proposal to administer the skills portion of the license exam online via a third-party vendor. The proposed vendor gave a presentation and answered questions from the Board and audience.

The Board also heard from Tracy Montez of DCA's Office of Professional Examination Services (OPES) regarding the advisability of having OPES conduct an audit of the vendor to ensure the legal defensibility of the skills portion of the license exam.

The Board ultimately voted to go forward with the OPES audit and to establish a task force to create policies and procedures for an online skills test. Toni O'Neill and Elizabeth Lasensky agreed to co-chair the task force.

The Online Skills Examination Policy and Procedures Task Force met on September 9, 2016. While clearly the Board has not voted to move forward with online testing for the skills portion of the exam, the answers to most of the questions and concerns would require policies and procedures to be in place. The task force is moving forward to create a draft policy and procedures document to submit to the Board to aid in the Board being able to make an informed decision in the future.

==========

Agenda Description:

B. Update on OPES Audit.

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Brief Summary:

Since the April meeting, DCA's Office of Professional Examination Services (OPES) has determined an audit of the skills test is not indicated, as previously thought, but OPES continues to be involved from an advisory standpoint at our task force meetings.

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Recommended Board Action: Informational only

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Report Originator: Yvonne Fenner, 9/12/2016

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AGENDA ITEM VIII – Strategic Plan

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Agenda Description: Update on Action Plan Accomplishments

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Brief Summary:

At its June 26, 2015 meeting, the Board approved an Action Plan for the 2015-2018 Strategic Plan. The Action Plan Timeline is used as a tool to update the Board on the progress of achieving the strategic plan goals.

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Support Documents:

Attachment – Action Plan Timeline

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Fiscal Impact: None

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Report Originator: Yvonne Fenner, 9/9/2016

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Recommended Board Action: Staff requests feedback on Action Plan.

Court Reporters Board of California
2015-2018 Action Plan Timeline

Attachment
Agenda Item VIII

Action Items	Target Date	Status
Perform new occupational analysis to confirm that tested knowledge, skills and abilities are relevant to the industry	June 2017	In budget approval process
Conduct exam development workshops to produce a robust bank of test questions to safeguard the integrity of the exam	Dec 2018	Contract with OPES with 2016 calendar
Research realtime captioning standards and assess industry practices for the Board to evaluate the need for consumer protection	Sept 2018	
Educate the Governor's Office on the importance of mandatory continuing education	Dec 2016	Talking points to CCRA. Bill vetoed.
Identify entities providing court reporting services in California that are violating applicable laws and take correction action to effect compliance.	Dec 2018	
Conduct cross-training to protect the continuity and timeliness of the consumer complaint process	Dec 2016	
Educate stakeholders (such as courts, the general public and legal community) on the Board's complaint process to prevent or proactively address consumer harm	Sept 2018	Comm plan
Expand compliance and education for licensees to prevent enforcement issues.	Dec 2018	Best Practice Pointers – Developed ten
Support schools' recruitment efforts to preserve the integrity and continuity of the court reporter workforce for consumer protection	Sept 2018	Comm plan
Increase court reporter school site visits to more effectively monitor compliance with applicable laws and regulations	Dec 2018	Contract with reviewer
Launch a strategic awareness campaign in collaboration with external stakeholders (such as state bar, industry associations, law libraries, self-help centers, court Web sites, schools and legal non-profits) to educate consumers about the Board's services and standards	Dec 2018	Comm plan
Cross-train staff to protect continuity of effective and efficient service	Jan 2017	
Investigate and implement strategies to increase Web site use to maximize efficiency in addressing consumer information requests	Sept 2016	Comm plan

AGENDA ITEM IX – Discussion and Possible Action Regarding the Communications Plan

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Agenda Description: Communications Plan Timeline

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Brief Summary:

At the April 8, 2016 meeting, the Board approved the Communications Plan proposed by DCA's Office of Public Affairs (OPA). Since that time, CRB staff met with OPA staff to collaborate on an action plan for the Communications Plan. Attached is OPA's submission for the Board's consideration.

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Support Documents:

Attachment – Communications Plan Timeline

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Fiscal Impact: None

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Report Originator: Yvonne Fenner, 9/12/2016

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Recommended Board Action:

Staff requests feedback on Communications Plan Timeline.

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OF CALIFORNIA

2016 CRB Communication Plan Timeline - DRAFT

AUGUST / SEPTEMBER 2016	DELIVERABLES	NOTES
Aug. 29th - Sept. 9th	Development of Complaint Process Outreach Campaign	
	Facebook campaign highlighting bullet points about the complaint process for consumers and licensees.	OPA to create copy and taglines. PDE to develop creative to compliment campaign.
	Bi-weekly postings of a fact about the complaint process w/corresponding copy/creative if necessary. With link to CRB's webpage for the unabridged version(s). To be shared on DCA's Facebook and Twitter.	Concept style similar to Nat. Car Care Month - OPA/PDE will provide 2-3 creative concepts for CRB's review/approval. Will submit to OPA Deputy Dir. for approval. Target approval date TBD.
		Social media provides the greatest cost effective audience reach and can link back to the board's website to complete complaint form online or print the downloadable form. CRB will ask stakeholders to share Facebook posts. DCA will share on its Facebook and Twitter pages.

SEPTEMBER 2016	DELIVERABLES	NOTES
Sept. 1st - 30th	OPA to Review/Evaluate CRB's Website	
	Evaluate and suggest recommendations to CRB.	Submit to CRB via email upon receipt of approval of OPA Deputy Dir.
Sept. 19th	Submit Complaint Process Outreach Campaign Concepts to CRB	
	Facebook campaign concepts submitted to the board for review/approval.	Upon receipt of approval, OPA will flush out remianing concepts and taglines. Timing contingent upon CRB's approval/direction.

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2016 CRB Communication Plan Timeline - DRAFT

OCTOBER 2016	DELIVERABLES	NOTES
Oct. 3rd - Oct. 31st	Update Launching A Career As A Court Reporter Brochure - Support School's Recruitment Efforts	
	PDE will update existing brochure and create two versions. Change cover, make it fresh/alive, add diversity e.g., Men/Women, people of color. One version primary male audience. Posted to the board's website.	CRB will consult on content copy for both versions.
Oct. 3rd - Ongoing	CRB Best Practices Video Series (10 total)	
	Video #1 - The Art of Interruption (Mock deposition live or animated).	As of 6.29.16, CRB is currently developing a script.
		Videos will be archived on CRB & DCA YouTube channels, will live on CRB's website and be shared via social media.
NOVEMBER 2016	**DELIVERABLES**	**NOTES**
Nov. 1st - Ongoing	Launching A Career As A Court Reporter - Support School's	
	Updated brochures	Distribution method, electronic only?
	Print Media	
	Article in Consumer Connection - Winter 2016 (TBD) *Court Reporter's Can Do More Beyond the Court Room*	OPA will write an article to highlight alternate career paths with a CR degree. Highlight licensees that are in "non-traditional" careers.
	Social Media	
	Social Media campaign to compliment the brochure (similar look/tone), tag CR schools & associations to encourage sharing to make viral state/nationwide. Link to corresponding brochure(s).	Concept style similar to National Nurses Week - OPA/PDE will provide 2-3 creative concepts for CRB's review/approval. Will submit to OPA Deputy Dir. for approval. Target approval date 9/16.

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2016 CRB Communication Plan Timeline - DRAFT

NOVEMBER 2016	DELIVERABLES	NOTES
	Share social media posts from students and stakeholders about what they are doing with their court reporter degree.	Upon receipt of approval, OPA will flush out remianing concepts and taglines. Timing contingent upon CRB's approval/direction.
	DCA Blog post about the career versatility with a CR degree.	Post date TBD
Nov. 1st - Ongoing	CRB Youth Focused PSA	
	CRB PSA will focus on recruitment to underrepresented groups.	Per 6.29.16 mtg., V. Harms will contact Senator Mendoza to gage his interest in creating the PSA for CRB.
DECEMBER 2016	DELIVERABLES	NOTES
Ongoing	Relevant Health Related Celebratory Acknowledgements	
	Social Media Campaign (e.g., Nat. Car Care Month)	Depending on the topic CRB will either retweet posts from other entities, or tweet their own. Depending on the scope of the
Ongoing	Relevant Health Related Celebratory Acknowledgements	
JANUARY 2017	DELIVERABLES	NOTES
Ongoing	Relevant Health Related Celebratory Acknowledgements	
	Social Media Campaign (e.g., Nat. Car Care Month)	Depending on the topic CRB will either retweet posts from other entities, or tweet their own. Depending on the scope of the event (e.g., Nat. Car Care Month) OPA will create taglines and PDE will develop creative to compliment the campaign.

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2016 CRB Communication Plan Timeline - DRAFT

FEBRUARY 2017	DELIVERABLES	NOTES
Feb. 11th - Feb. 18th	National Court Reporting & Captioning Week	
	Social Media Campaign (e.g., Nat. Car Care Month)	**Dates for 2017 are not posted to website yet.** Depending on the topic CRB will either retweet posts from other entities, or tweet their own. Depending on the scope of the event (e.g., Nat. Car Care Month) OPA will create taglines and PDE will develop creative to compliment the campaign.

MARCH 2017	DELIVERABLES	NOTES
Date TBD	National Consumer Protection Week	
	Social Media Campaign (e.g., Nat. Car Care Month)	**Dates for 2017 are not posted to website yet.** Depending on the topic CRB will either retweet posts from other entities, or tweet their own. Depending on the scope of the event (e.g., Nat. Car Care Month) OPA will create taglines and PDE will develop creative to compliment the campaign.

APRIL 2017 - DECEMBER 2017	DELIVERABLES	NOTES
Ongoing through 2016	Relevant Health Related Celebratory Acknowledgements	
	Social Media Campaign (e.g., Nat. Car Care Month)	Depending on the topic CRB will either retweet posts from other entities, or tweet their own. Depending on the scope of the event (e.g., Nat. Car Care Month) OPA will create taglines and PDE will develop creative to compliment the campaign.

AGENDA ITEM X – Future Meeting Dates

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Agenda Description: Proposed Meeting Dates

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Support Documents:

Attachment – 2016 Board Calendar

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Current scheduled activities:

Exam Workshop:
September 30-October 1, 2016 – Sacramento
October 21-22, 2016 – Sacramento

CSR Dictation Exam:
November 18, 2016 – Sacramento

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Recommended Board Action: Information exchange

Attachment
Agenda Item X

A YEAR-AT-A-GLANCE CALENDAR 2016
COURT REPORTERS BOARD OF CALIFORNIA

JANUARY 2016

S	M	T	W	Th	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

FEBRUARY 2016

S	M	T	W	Th	F	S
	1	2	3	4	5	6 TH-SAC
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29					

MARCH 2016

S	M	T	W	Th	F	S
		1	2	3	4	5
6	7	8	9	10 TH-LA	11 Exa TF-LA	12
13	14	15	16	17	18 Workshop	19
20	21	22	23	24	25	26
27	28	29	30	31		

APRIL 2016

S	M	T	W	Th	F	S
					1	2
3	4	5	6	7	8 TC-SAC	9
10	11	12	13	14	15	16
17	18	19	20	21	22 Workshop	23
24	25	26	27	28	29	30

MAY 2016

S	M	T	W	Th	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26 SD-SAC	27	28
29	30	31				

JUNE 2016

S	M	T	W	Th	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

JULY 2016

S	M	T	W	Th	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15 Exa TF-LA	16
17	18	19	20	21	22 Workshop	23
24	25	26	27	28	29	30
31						

AUGUST 2016

S	M	T	W	Th	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26 Workshop	27
28	29	30	31			

SEPTEMBER 2016

S	M	T	W	Th	F	S
				1	2	3
4	5	6	7	8	9 TF-Online Exam	10
11	12	13	14	15	16	17
18	19	20	21	22	23 Exa TF-SD	24
25	26	27	28	29	30 Workshop	

OCTOBER 2016

S	M	T	W	Th	F	S
						1 Workshop
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21 Workshop	22
23	24	25	26	27	28	29
30	31					

NOVEMBER 2016

S	M	T	W	Th	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18 Exa TC-SAC	19
20	21	22	23	24	25	26
27	28	29	30			

DECEMBER 2015

S	M	T	W	Th	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

ACTIVITY

- BD - Board Meeting or Activity
- Exam - Dictation Exam
- Workshop - Exam Workshop
- TF - Task Force Meeting
- TH - Town Hall Meeting
- Shaded Dates - Board Office Is Closed

CITY

LA-LOS ANGELES
SAC-SACRAMENTO
SD-SAN DIEGO
SF-SAN FRANCISCO

GENERAL LOCATION

NC-NORTHERN CALIFORNIA
SC-SOUTHERN CALIFORNIA

AGENDA ITEM XI – Public Comment for Items Not on the Agenda

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Public members are encouraged to provide their name and organization (if any). The Board cannot discuss any item not listed on this agenda, but can consider items presented for future board agendas.

AGENDA ITEM XII – Election of Officers

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Agenda Description: Election of Chair and Vice-Chair.

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Brief Summary:

The election of Board officers shall occur on an annual basis at the first regular meeting of the Board after June 1 of each year. The purpose of this item is to conform to this policy.

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Support Documents:

Attachment 1 – Board policy on election of officers.
Attachment 2 – Chair and Board member duties.

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Report Originator: Paula Bruning, 9/9/2015

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Recommended Board Action: Hold elections.

ANNUAL MEETINGS

The CSR Board shall hold an annual meeting for the purpose of electing a chairperson and a vice-chairperson in accordance with Business and Professions Code, Section 8003. Said annual meeting shall be held at the first regular meeting held after June 1 of each year.

Adopted: August 1987

CERTIFIED SHORTHAND COURT REPORTERS BOARD

Chairperson of the Board

Definition: The Chairperson is responsible for the effective functioning of the Board, the integrity of the Board process, and assuring that the Board fulfills its responsibilities for governance. The Chairperson instills vision, values, and strategic planning in Board policy making. The Chairperson sets an example reflecting the Board's mission as a State licensing and law enforcement agency. The Chairperson optimizes the Board's relationship with its executive officer and the public.

Specific Duties and Responsibilities:

- Chairs meetings to ensure fairness, public input, and due process;
- Prepares Board meeting notices and agendas;
- Appoints Board committees;
- Supports the development and assists performance of Board colleagues;
- Obtains the best thinking and involvement of each Board member. Stimulates each Board member to give their best effort;
- Implements the evaluation of the executive officer to the Board;
- Continually focuses the Board's attention on policy making, governance, and monitoring of staff adherence to and implementation of written Board policies;
- Facilitates the Board's development and monitoring of sound policies that are sufficiently discussed and considered and that have majority Board support;
- Serves as a spokesperson; and
- Is open and available to all Board members, staff and governmental agencies, remaining careful to support and uphold proper management and administrative procedure.

CERTIFIED SHORTHAND COURT REPORTERS BOARD

Board Members

Definition: As Board members, the Board is responsible for good governance of the Board. Appointed as representatives of the public, the Board presses for realization of opportunities for service and fulfillment of its obligations to all constituencies. The Board meets fiduciary responsibility, guards against the taking of undue risks, determines priorities, and generally directs organizational activity. The Board delegates certain administrative duties and responsibilities to its executive officer, but remains involved through oversight and policy making. The Board members are ultimately accountable for all Board actions.

Specific Duties and Responsibilities:

- Develops and sets policy and procedures as a State licensing and law enforcement agency;
- Supports and articulates the Board's mission, values and policies and procedures;
- Serves as spokespersons;
- Reviews and assures the executive officer's performance in managing the implementation of Board policies and procedures;
- Ensures that staff implementation is prudent, ethical, effective and timely;
- Assures that management and staff training and succession is being properly provided;
- Assures the ongoing (quarterly) performance review of the executive officer by the Chairperson, with an annual written evaluation by the Board which is to be conducted at a public Board meeting;
- Assures that the executive officer effectively administers appropriate staff policies;
- Maximizes accountability to the public; and
- Ensures staff compliance with all laws applicable to the Board.

AGENDA ITEM XIII – Closed Session

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Agenda Description:

Pending Litigation pursuant to Government Code section 11126(e)(1) and disciplinary matters pursuant to Government Code section 11126(c)(3).

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Fiscal Impact: None

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Report Originator: Yvonne Fenner, 9/12/2016