



Professional Fiduciaries Bureau
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Professional Fiduciaries Bureau Advisory Committee Meeting

**Thursday, October 13, 2011
10:00 a.m. – 2:00 p.m.**

Meeting Location:

**Department of Consumer Affairs HQ
1625 N. Market Blvd., 1st Floor, Hearing Room
Sacramento, CA 95834**

Webcast

Committee Members: Daniel Stubbs-Chair, Sharon O'Neill -Vice-Chair, Lisa Berg, Clark Parker, Donna Estacio

AGENDA

1. Call to Order – Daniel Stubbs, Chair
2. Roll Call, Establishment of a Quorum – Gil DeLuna, Acting Chief
3. Introductions
4. Yearly election of new Chair and Vice-Chair
5. Approval of Minutes from the September 27, 2010 and April 21, 2011 Meetings
6. Bureau Updates – Gil DeLuna, Acting Chief
 - i. Status of the Department and Office
 - ii. Status of SB 543
 - iii. Status of Regulations
 - iv. Complaint process
 - v. FY 2010/2011 Statistics
7. Discussion - Approval Process for Approved Education Providers
8. Budget Report – Cynthia Alameda, Budget office
9. BreEZe Project – BreEZe Representative

10. Sub – Committee Reports: finalize goals, responsibilities and objectives – Evin Van Outryve

- Education / Outreach – Lisa Berg, Chair
- Enforcement – Daniel Stubbs, Chair,
- Licensing Chair – Sharon O'Neill, Chair
- Legislative/Regulatory Affairs – Donna Estacio, Chair

11. Future Meeting Dates and Agenda items

12. Public Comment on Items Not on the Agenda

13. Adjournment

Notice: The meeting is accessible to the physically disabled. A person who needs disability-related accommodations or modifications in order to participate in the meeting shall make a request no later than five working days before the meeting to the Bureau by contacting Gil DeLuna at (916) 574-7754, gil.deluna@dca.ca.gov or sending a written request to that person at the Professional Fiduciaries Bureau, 1625 North Market Blvd., Ste. S-202, Sacramento, California 95834. Requests for further information should be directed to Mr. DeLuna at the same address and telephone number.



MEMORANDUM

DATE	October 13, 2011
TO	Advisory Committee Members Professional Fiduciaries Bureau
FROM	Gil DeLuna, Acting Chief
SUBJECT	Agenda Item #1 & #2 Call to order/ Roll Call

Present:

- Daniel Stubbs, Chair
- Sharon O'Neill, Vice Chair
- Lisa Berg
- Clark Parker
- Donna Estacio



MEMORANDUM

DATE	October 13, 2011
TO	Advisory Committee Members Professional Fiduciaries Bureau
FROM	Gil DeLuna, Acting Chief
SUBJECT	Agenda Item #3 - Introductions

Present:



MEMORANDUM

DATE	October 13, 2011
TO	Advisory Committee Members Professional Fiduciaries Bureau
FROM	Gil DeLuna, Acting Chief
SUBJECT	Agenda Item #4 – Election of New Chair and Vice-Chair

Process:

The Advisor Committee Members will nominate candidates for a new Chair and Vice-Chair and obtain a majority vote for a 1 year term.

Public Comment:



MEMORANDUM

DATE	October 13, 2011
TO	Advisory Committee Members Professional Fiduciaries Bureau
FROM	Gil DeLuna, Acting Chief
SUBJECT	Agenda Item #5 – Approval of Minutes

1) Approval of the September 27, 2010 minutes. (Attachment)

Public Comment:

2) Approval of the April 21, 2011 minutes. (Attachment)

Public Comment:



**Professional Fiduciaries Bureau
Advisory Committee Meeting
September 27, 2010
Department of Consumer Affairs
Hearing Room, 1st Floor
1625 N. Market Blvd.
Sacramento, CA 95834**

DRAFT

Committee Members Present

Daniel Stubbs, CLPF- Chair
Sharon O'Neill, Supervising Probate Court Investigator- Vice Chair
Lisa Berg, CLPF
Clark Parker, Public Member

Committee Members Absent

Cynthia Morrow, Public Member

Staff Present

Gil DeLuna, Acting Bureau Chief
Angela Bigelow, Program Analyst
Gary Duke, Department of Consumer Affairs Legal Counsel

Guests Present

Bev Brito, PFAC Regional President
Joe Calderaro, CSEA
Sandra Carey, PFAC Advocate

James C. Counts II, CPA
Andrea Logue, Legal Services
Stella Shvil, PFAC President

- I. Call to Order – Chair
The meeting was called to order by Chair Daniel Stubbs, at 10:05am.
- II. Roll Call – Chief
There were 4 members present and 1 absent.
- III. Introductions
Those in attendance introduced themselves.

IV. Approval of minutes from the August 23, 2010 Meeting

Ms. O'Neill motioned to approve the minutes as drafted. Ms. Berg seconded the motion. No one opposed. The motion was carried.

V. Approval of the 2010 Strategic Plan

Mr. DeLuna explained the plan was developed during the last two meetings and it is in line with the Department's plan. The public was asked to comment on the plan, and then the committee members will vote.

Mr. Parker stated it would be helpful to the members to hear what the public thinks. Ms. Shivil is pleased with the effort taken by the Bureau to create the plan and that PFAC is willing to help with the plan. Mr. Parker stated it is important to have staff involved in setting the goals in this type of plan to ensure professionalism. Mr. Stubbs believes the plan creates a good foundation to start with.

Mr. Parker motioned to adopt the plan as written. Ms. O'Neill seconded the motion. No one opposed. The motion was carried.

VI. Bureau Updates – Chief

- i. Status of the Office – There is a hiring freeze but the Bureau was able to hire a retired annuitant as a complaint investigator. He worked at the Athletic Commission; he was also the Executive Officer of Medical Board and Chief of Enforcement. He was also a California Highway Patrol Officer previously. His name is Dave Thornton. The Bureau is attempting to contract with a subject matter expert to assist with the investigation of complaints when it comes to the practices of fiduciaries, and to assist with unlicensed activity. We will send out cease and desist letters and once the Cite and Fine Regulations are in place, issue cites and fines where applicable.
- ii. Status of Sunset Review – Date is set tentatively for November 9th or 10th. All of the Department's Boards and Bureaus that are up for review will testify on one of these dates. Public comment will be taken at the hearing. This will be posted on the Web site once it is finalized. Sunset Review document at this time has gone across the Governor's desk and has been sent to the Department of Finance. Questions from the Department of Finance were minimal but are not yet public record.
- iii. Status of Regulations – Initial Statement of Reasons was not clear enough and is being redone by Gil and Gary. Advertising regulations will be included with the new submission to require the fiduciary number on all advertising sent out to the public. Once they are drafted a public hearing will be held to start the rulemaking process. The Bureau is hoping this will be done prior to the Sunset Review hearing. Once regulations are passed, there should be more of the budget going to enforcement. Cite and Fine regulation will give the Bureau authority to issue citations on certain infractions like unlicensed activity or a fiduciary not providing paperwork as requested. Mr. Duke stated citations are not disciplinary action; it is meant to prod the licensee to do what they are required to do, similar to a speeding ticket. Mr. Counts asks if Cite and Fine will be posted on the Web site. Mr. DeLuna stated accusations are different from citations and are posted on the Web site. Mr. DeLuna does not see a reason we would post the citations on the Web site, unless the committee members feel differently, as other Boards and Bureaus post citations for transparency in government. Mr. Counts asked if the loans have been paid off, and if the Bureau will need additional loans in the future. Mr. DeLuna stated the budget has not been passed. We still have the second loan we hope to pay off this Fiscal Year, and there will be more money for enforcement. Once regulations are approved we will use additional funds for enforcement. Mr.

Counts asked about the current count of licensees. Mr. DeLuna stated the current number is 452. Ms. Bigelow stated it is 461.

- iv. Status of Center for Guardianship Certification (CGC) Contract – Contract expired and Bureau is in the process of setting up a 3-year contract to continue services with CGC for our new applicant examination administration.

VII. DCA Updates – DCA Representative

Mr. DeLuna states there is a hiring freeze unless it is mission critical or can cause consumer harm. The Breeze project is on target for a completion date. This project will allow licensees to apply on-line, pay on-line, and we will be able to develop enforcement statistics. First Boards and Bureaus are set to come up on this system November, 2012. All Boards and Bureaus will be complete by November, 2014. If anyone is interested, Mr. DeLuna stated he could have the Breeze project manager do a presentation at the next committee meeting. We will be posting the materials on-line prior to the meeting hopefully 2 weeks prior to the meeting. We will be Web-casting all meetings as we have the last two meetings. Ms. Carey expressed that we are very lucky to have Mr. DeLuna working for the Bureau, and Mr. Stubbs agreed. Mr. DeLuna expressed that he is happy to have Ms. Bigelow as his go-to person, and others agreed. Mr. Stubbs acknowledged Mr. Duke also.

VIII. Committee Structure:

- i. Types of Committees – Committees will be put together by the next meeting. Committees represent heart and soul in terms of finance, enforcement, continuing education, and the formation of clear regulations. We have a legal opinion that the committees can reach out to the public to join the committees. Mr. DeLuna states we can form the types of committees today:
 - Education and outreach – Development of consumer outreach projects (newsletter, Web site, e-government issues, outside organization presentations, and representing the Bureau at outside presentations). Also, social media is big right now: twittering, blogging. Mr. DeLuna would also like the committee to help find a candidate to fill the non-profit committee member vacancy.
 - Enforcement – Develop and review policies, guidelines, and make recommendations to enforcement actions that need to be addressed.
 - Legislative and Regulatory Affairs – Identify, track, and make recommendations to the Bureau about legislation that may impact the Bureau's mandate and/or operation in consultation with legal counsel, Board staff, and other interested parties. Propose language for new legislation and regulations. Also, identify regulatory and statutory needs.Mr. DeLuna will type this up and send out on listserv to get volunteers if this is acceptable with the committee. Mr. Stubbs asked for any objections and did not receive any, so Mr. DeLuna will move forward.
- ii. Roles – Not established.

IX. Public Comment on Items Not on the Agenda

Ms. Shivil brought up an issue from the minutes of the last meeting about Pooled Trust. She had a conversation with an attorney who stated it is important to have a licensed fiduciary for pooled trusts. She stated there is still the issue of the entire Board being up to speed for the requirements, and the attorney would like a letter from Gil about the requirements of the Board. Ms. Shivil expressed that this is also an issue for trusts within nonprofit organizations. Mr. Duke asked which trust Ms. Shivil was referring to and she stated it was the Special Needs Trust Foundation in San Diego. There are 65 beneficiaries at this point and there is not a

licensed fiduciary on the committee or Board. Mr. Duke asked Ms. Shivil to meet after the meeting to obtain contact information for this attorney.

Mr. Counts thinks if a licensed fiduciary will be required to serve on these trusts that guidelines need to be drafted as to the requirements and responsibilities of this person. It should be determined if it is an advisory position or if it will be a technical position.

Mr. Clark asked if statute covers this area of fiduciary relationship and is it being contemplated in the regulations now before the OAL.

Mr. Duke stated the proposed regulations only cover Cite and Fine at this time. Also, the definition of Professional Fiduciary is extremely broad and would probably encompass this group of fiduciaries.

Mr. DeLuna suggested we set up the next meeting and any items that need to be addressed at the next meeting.

There was one request which was not caught on the tape.

Ms. Shivil asked the advisory committee members' expiration date.

Mr. DeLuna stated they all expire January, 2011; however, there is a one year grace period.

The Governor is not making appointments at this time but anyone interested should still put in an application on the Governor's Web site.

Ms. Shivil asked whether people should wait to volunteer for the subcommittees until it is on the Web site.

Mr. DeLuna said it is ok to email the Bureau directly, but that the information should be posted on the Bureau's Web site in the next week.

Mr. Counts would like the budget reviewed at the next meeting.

Ms. Shivil would like a paper copy of the budget.

Mr. DeLuna said he will have budgets personnel make a presentation.

X. Adjournment

The meeting was adjourned by Chair, Daniel Stubbs, at 10:50am.



**Professional Fiduciaries Bureau
Advisory Committee Meeting
April 21, 2011
Department of Consumer Affairs
Lake Tahoe Room, 1st Floor
2005 Evergreen Street
Sacramento, CA 95815**

DRAFT

Committee Members Present

Daniel Stubbs, CLPF- Chair
Sharon O'Neill, Supervising Probate Court Investigator- Vice Chair
Lisa Berg, CLPF
Donna Estacio, Public Member (Arrived at)

Committee Members Absent

Clark Parker, Public Member

Staff Present

Gil DeLuna, Acting Bureau Chief
Angela Bigelow, Program Analyst
Gary Duke, Department of Consumer Affairs Legal Counsel
Jenny Turner, Analyst
Tom Langtry, Analyst
Dave Thornton, Investigator

Guests Present

James C. Counts II, CPA
Sandra Carey, Representative for PFAC
Stella Shvil, PFAC President
Barry Matulich, Attorney
Cindy Kanamoto, DCA Representative
Sean Cogan, DCA Budgets
Hugh Slayden, Attorney
Jackie Miller, PFAC Executive Director

I. Call to Order – Chair

The meeting was called to order by Chair Daniel Stubbs, at 9:30am.

II. Roll Call – Chief

There were three members present and two members absent at time of Roll Call. Mr. DeLuna stated this does not constitute a quorum but the meeting did not have to be cancelled. Unfortunately, Ms. Estacio was not able to make her plane but would arrive later.

III. Introductions

Those in attendance introduced themselves.

IV. Swearing in – New Advisory Member

This item was tabled since Ms. Estacio had not arrived.

V. Approval of Minutes from the September 27, 2010 Meeting

Mr. Duke stated since a quorum was not established, this item will have to be deferred because this is considered to be an action. Mr. Stubbs asked if there was any public comment, hearing none, the item is deferred to the next meeting or until a quorum is established. Mr. DeLuna stated the Director would not be able to make it to the meeting to swear in the new member, so this item will be tabled until the next meeting.

VI. Bureau Updates – Chief

i. Status of the Office –

Mr. DeLuna is still Acting Chief of the Professional Fiduciaries Bureau, as the Governor has not made an appointment to this position yet. There is one full time staff which is Angela, and Dave a part-time investigator. To date there are about 535 licenses issued and processing time is very good. It takes about ten days processing time for a completed initial application to be approved and notified they are eligible to take the exam. If something is missing, it will take a little longer. When the budget passes, we look forward to having a full year of allocation at our disposal and with both loans being paid off, we can put that additional money into enforcement and outreach and other Bureau issues.

ii. Status of Sunset Review –

We testified March 21st in front of Senate Business and Professions Committee. They asked good questions and heard good testimony. It is still too early to know what will come out of the review but we will keep you posted on the outcome.

iii. Status of Regulations –

We submitted the Cite & Fine Regulations to the Office of Administrative Law early in April, and they were published April 15. It took longer than we wanted but wanted to make sure it was done right. Initially, we were going to combine the Cite and Fine Regulations with the Advertising Regulations, but we thought it might slow down the approval process and we are going to re-do the Advertising Regulations in a workshop this afternoon. Some of the highlights of the Cite and Fine regulations and clean-up of existing regulations are:

-This will amend 4422 as a technical clean up instead of using the word licensee, it will be changed to applicant.

-Pre-licensing education and continuing education amended 4446 added 2 additional approved providers. One is any long-term care Ombudsman Program certified by the Department of Aging. The other is the Internal Revenue Service-Office of Professional Responsibility approved program sponsor for Continuing Education for Enrolled Agents.

-Another amendment is to the Code of Ethics Subsection (f) & (g) of 4470 requiring an affirmative duty of the licensee to provide and arrange services in the best interest of the consumer.

-Subsection (g) of 4482 prohibits a licensee from recovering expenses associated with compliance or defending themselves against a citation issued by the Bureau.

-Next is Reporting Requirements this section specifies the licensees on-going reporting duties, specifically, the time-frame they are required to report within 15 days on an address or status change.

-We would be adding to Section 4602 to establish the Bureau's authority to issue Citations and establish a Citation format. Also, it would define a maximum administrative fine of \$5,000 that can be assessed by Bureau.

-Section 4604 specifies factors to consider when determining the amount of the Administrative Fine.

-Section 4606 establishes the process to contest a Citation issued by the Bureau and how to hold an Informal Conference.

-Section 4608 authorizes the Bureau to take Administrative action against the licensee when they fail to comply with the citation.

-Section 4610 establishes an Order of Abatement procedure.

-Section 4620 specifies substantially related criteria for license suspension or revocation.

-Section 4622 specifies rehabilitation criteria for license suspension or revocation.

-Section 4624 specifies disciplinary guidelines for enforcement actions.

-Finally, there will be a Public comment hearing on June 2, 2011 in Van Nuys many of our licensee base seems to be down South. If you would like to make a public comment it must reach us at the hearing or by 5pm that day.

Mr. Counts asked if Mr. DeLuna's hat is in the ring to be appointed as Chief of the Bureau. Mr. DeLuna stated he has not applied for the position and the Governor is able to appoint anyone he wants to the position.

Mr. Counts also asked about the jump in the number of licensees to 535, and if Mr. DeLuna thinks this is a temporary, fast jump or a trend. Mr. DeLuna believes this is a growing trend and as our elder population grows so will the number of fiduciaries. He thinks this trend will continue based

on speaking to California State University Fullerton and University of California Riverside that their programs are reaching capacity.

iv. Advisory Committee Training –

The Committee Members are treated the same as Board Members since the Committee is mandated in Statute. This means they are required to complete mandatory training; Board Member Orientation, Sexual Harassment Prevention, Ethics, Conflict of Interest. Enclosed in the meeting packet are forms for the mandatory training the Members will need to sign up for.

v. Outreach –

Mr. DeLuna stated he has been up and down the state speaking at various events. Elder Abuse is on the rise and partnering with other agencies will be the best resource to protect the consumers. Mr. DeLuna will be speaking at a Probate Conference and Professional Fiduciary Association or California Conference. The Bureau has also been partnering with the Contractors State Licensing Board, going to Consumer Senior Centers talking about the Bureau and how seniors can protect themselves. Also, Mr. DeLuna has reviewed the program at University of California Riverside, which is a very good program, and they are happy to continue the program. Mr. Stubbs commented Mr. DeLuna also spoke at Attorney appreciation dinner and it is still receiving compliments.

vi. Travel Claims / Per Diem –

Ms. Bigelow explained to the Committee Members about how to be reimbursed for travel and their daily per diem for all meetings attended for the Bureau.

vii. Budget Report –

Mr. Cogan presented and explained the budget for the Bureau. For the first couple of years we are trying to hit the mark of how much it will cost to run the Bureau, revenue needed to take in and it is estimated based on tried and true methods. The Bureau will pay off the last loan this year and we are well within that budget of 281,000. Some of the main things are costs like Attorney General's office from enforcement, personnel and general expense. We will need to do budget change proposal (BCP) throughout the years for enforcement costs. On the expenditure report we are reverting about 14% of department budget and this will go into reserve fund.

Additionally, revenue this year so far we have received about 80% of our expected revenue.

In the fund condition report the total revenue is \$298,000 then to \$399,000 and up. Because we are public agency we want to see that the Bureau is taking in as much as it is spending. As the reserve builds we may be able to hire more employees and spend more on enforcement. As we license more individuals and cite and fines are issued the revenue will increase. You don't want to see the reserve numbers go too high. Ms Berg ask for the months in reserve goal and Mr. Cogan states the PFB goal is a minimum of 3 months and a maximum of 24 months but 6-10 months is what we really want. If it goes above 24 we would look at reducing fees. Mr. Duke stated the law requires fee reduction if the reserve goes over 2 years. Mr. DeLuna asked for the deadline for BCP submission. Mr. Cogan stated the plans are done about 1 ½ years prior to the fiscal year and it is too late to submit one in for this year. If we develop one now it will be for fiscal year 12/13. Mr. Counts understands with the lack of history it is hard to project but feels we should be able to project more licensees in the future. He would also like the percentage of licensees not renewing. Ms. Bigelow stated about 20

have not renewed since beginning of program. Mr. Counts feels Bureau needs to expand personnel to be able to do more. Mr. Cogan said there will be higher revenue each year these are projections and will be adjusted each year. Ms. Berg asked if enforcement be creeping up as well and Mr. Cogan stated yes. It will be one of the first areas increased with BCP's. A member of the audience pointed out a data entry error on the spreadsheet. It was also asked, what the significance of the shaded area is and Mr. Cogan replied it is departmental billing and administrative service based on the programs personnel use and it is done for all programs within the Department of Consumer Affairs. Mr. Counts asked if this is basically overhead charges. Mr. Cogan stated is it executive costs, budgets, human resources, legal office, etc. Next year is not too detailed because there was not a BCP. This is a snapshot of how we create the budget.

VII. DCA Updates – DCA Representative

Cindy Kanamoto on behalf of Director Stiger provided updates on projects and matters of interest for the department. First, the Governor appointed a new State and Consumer Agency Secretary on March 22, 2011 her name is Anna Caballero. A hiring freeze was put into effect Tuesday, February 15th. Governor Brown issued a hiring freeze; however, there is an exemption for core functions needed to complete statutory missions. There is a process for submitting exemption requests which will be reviewed by the department, Consumer Services Agency, Department of Finance, and the Governor's Office. The Board or Bureau must show critical need in order to receive an exemption. Next, consumer protection enforcement mission measures will show how long from receipt of a complaint it takes the Board or Bureau to take disciplinary action. As for Appointments, the Department is requesting all board members to go to the Governor's web site to submit an application if they are interested. The department is very pleased with the Sunset review the Bureau has recently gone through and thank you to Gil DeLuna for all he does. The BreEZe project has received final proposals. The cost is higher than anticipated and department is in negotiation now with the vendors. It is anticipated start the project will begin August 11, 2011. Mr. Duke asked for description of BreEZe. Ms. Kanamoto explained it is a new technology system to replace two current databases for licensing and enforcement. Consumers will be able to go online to track their license applications. Gil will have someone from the BreEZe project team at next meeting. Mr. Counts asked if it is a relational database and Ms Kanamoto stated it is.

VIII. Legislative Update – Gil DeLuna

AB997

This bill clarifies the definition of a Professional Fiduciary and provides limited exemptions that would exempt charitable trusts that meet certain qualifications. A status hearing will be held April 26, 2011. And the department has taken no official position. The bill is opposed by the Professional Fiduciaries Association of California. Ms. Berg feels there should be a Professional Fiduciary on these boards. Ms. Shivil agrees with Ms. Berg. Mr. Counts stated there may be a problem getting volunteers to serve on the 401C because they cannot pay them. Ms. Carey stated it would be a hired consultant not a board member. Mr. Matulich who worked on this bill and had concern. This is actually about the fact that they do not want to hire and pay a Professional Fiduciary when the trust they are handling, they will ultimately be the beneficiary of the trust. Mr. Duke stated the existing regulation statute is vague but there is further definition provided in Bureau regulations. Mr. Matulich stated Stanford's problem was about completing an application and reporting all cases they have ever had. They do not

even have records of all the cases they have handled. The purpose of the law was to protect the consumer and it seems that everyone is trying to be exempted from the law.

AB1288

This bill extends the authority of Public Guardians or Conservators to take control of property and assets for 30 days. A status hearing will be held May 10, 2011. The department has taken no official position. Ms O'Neill suggested the board support this bill. Mr. Matulich stated the Trust and Estates Committee had concerns with the language of the bill as taking control of the assets could have severe tax consequences. Ms. O'Neill stated taking control means freezing assets as status quo. Ms. Berg agrees with Ms. O'Neill. Mr. Matulich is concerned that they will be able to grab assets that they would not have control over usually. Mr. Duke stated this bill does not directly affect the Bureau since public guardians are exempt in the Fiduciaries Act.

AB1324

This is a spot bill that serves as a placeholder should the author choose to insert something at a later time.

AB40

This bill is about Elder Abuse reporting which establishes a procedure for reporting requirements, investigation and prosecution of Elder abuse. This bill requires a person to be named as a mandated reporter to report to local law enforcement or Ombudsman. A status hearing will be held May 3, 2011. There are three opposing this bill. Mr. Counts stated the basic language is geared toward care facilities and doctors, but the first three lines are a sort of catch all to include everyone. Mr. Counts would like to see the bill expanded so Certified Public Accountants would be allowed to report abuse even though they are bound to client confidentiality. Mr. Counts also thinks the department should support this.

AB354

This bill would protect Estates and Trusts from wrongful taking using undue influence. No hearing date has been set. The BAR Association supports this bill and there is no opposition. Mr. Counts asked about the meaning of the word taking. Ms. Berg asked Barry if this was created to close up a loop hole in regards to caregivers and he believes it is.

SB542

This bill extends the sunset date for the Board of Accountancy and Professional Fiduciaries Bureau from January 1, 2012 to January 1, 2016. The bill also revises the exemption for Enrolled Agents by allowing them to only provide ancillary services to clients the Enrolled Agent has an existing professional relationship with and authorizes Bureau to instead of issuing a cite and fine or Statement of Issues to enter into a settlement with the licensee or applicant. No hearing date set. There are no parties opposing or supporting this bill. Ms. Carey stated hearing is set for this bill on May 2, 2011. Ms. Berg opposes an additional exemption for Enrolled Agents and Ms. Shivil and Ms. Carey agree with Ms. Berg. Mr. Counts questioned the meaning of an existing professional relationship. He does not feel it is defined in the bill.

SB103

The Author is Liu and requires that upon request of a member of a state body, that state body must hold an open or closed meeting by teleconference unless deemed too

expensive by the chair of that body. It also requires any state body with a web site to provide live video of any meeting open to the public. Mr. Duke stated this is for all state entities. This bill would make it mandatory for all entities. Mr. Duke stated the intent is towards cost savings so that people are not flying all over the state; however, this bill can actually limit public participation.

11:00am, 10 Minute Break

IX. Expert Consultant – Contract/Fee - Dave Thornton

This is in regards to the April 5th memo regarding reimbursement of expert consultants. From time to time during an investigation, it is necessary to utilize an expert consultant because a licensee is sometimes needed to render an opinion on acts such as gross negligence. Also it would cover incompetence which is a lack of knowledge or ability. Unless the investigator is a licensee his opinion would not stand up in the event of a hearing. The consultant would help by looking at the complaint to render opinion if such an act has occurred by a licensee. Expert Consultants have been used by Boards and Bureaus for decades. In the past, most Boards and Bureaus enter into a contract without going through a formal contract process. The Department is looking for a way to streamline the contract process. Currently there is a bill SB541 by Senator Price going through legislation to include certain boards to exempt them from the current contracting process, but the author is reaching out to see if other Boards and Bureaus are interested in the same process. The Bureau would like advice from the committee of what a fair rate of reimbursement would be for an Expert Consultant. Mr. Thornton has checked with other Boards and Bureaus for their rates and listed for the committee those rates. These rates vary quite a bit depending on the type of license. Most Boards and Bureaus do not reimburse at prevailing rate. Mr. DeLuna is recommending reimburse for investigation of complaints set at \$75 for record review and report preparation, \$90 for testimony at hearing, and a maximum of \$720/day plus expenses. Mr. Stubbs stated complaints with difficult accountings would need a forensic accounting and wants to know if the Bureau has experience with forensic accountings. Mr. Thornton stated the Bureau would use professional fiduciary because review of this type should be a peer review. Mr. DeLuna stated the Bureau had to factor in our budget constraints when deciding on a rate of reimbursement, this does not reflect the profession compared to any other profession. Mr. Counts feels a forensic accounting would be needed for complaint received because of "garbage" accounting which needs to be reconstructed. Mr. Thornton stated this would have to be decided on a case by case basis. Mr. Thornton also stated we may be able to utilize contracts from other agencies in these instances. Mr. Stubbs asked Mr. Thornton to explain the process in retaining an Expert Consultant. Mr. Thornton stated the process is still being created. A manual is being created by Mr. DeLuna with criteria such as minimum standards being a valid license, no open complaints, no disciplinary action, and the criteria is still being developed. Another consideration would be that the Expert Consultant not have some type of relationship with the respondent. The goal would be to obtain someone unbiased. Mr. Slayden stated a competent expert will save the Bureau and professional fiduciary a lot of money. An Expert Consultant will make settlement much easier. Mr. Duke stated the committee can provide advice on the process and reimbursement rate and the committee stated the Bureau should move ahead with the contract.

X. Formation of Sub-Committees – Gil DeLuna

We are looking for volunteers from the committee to chair the sub-committees

- Education/Outreach – Lisa Berg volunteered
- Enforcement – Dan Stubbs volunteered

- Licensing – Sharon O’Neill volunteered
- Legislative/Regulatory Affairs – is not filled at this time
 - a) Roles and Responsibilities – develop committees and timelines
 - b) Meeting Format - The meeting (due to budget constraints) will be done by teleconference. The meetings will be noticed to the interested parties list.
 - c) Reports – will be presented by the chair at the next meeting

XI. Future Meeting Dates

July 28th in San Diego the bureau will explore a venue and get back to everyone.

XII. Public Comment on Items Not on the Agenda

Ms. Carey feels it is critical that Mr. DeLuna continue on as Chief. Mr. Stubbs is incredibly impressed and does not want to see DeLuna leave. Ms. Shvil stated Mr. DeLuna has reached out to so many of us and it is much appreciated. Mr. Counts asked Ms. Estacio for a background. Ms. Estacio is currently Director of Government Relations for American Airlines on the West Coast. She has a general understanding of government and how it works and is looking forward to working with everyone.

XIII. Adjournment

The meeting was adjourned by Chair, Daniel Stubbs, at 12:05pm.



MEMORANDUM

DATE	October 13, 2011
TO	Advisory Committee Members Professional Fiduciaries Bureau
FROM	Gil DeLuna, Acting Chief
SUBJECT	Agenda Item #6 – Bureau Updates

- i. Status of the Office (**Attachment**)

- ii. Status of SB 543 (**Attachment**)

- iii. Status of Regulations

- iv. Complaint Process

- v. FY 2010/2011 Statistics

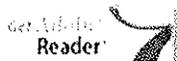
Public Comment:

Department of Consumer Affairs
Professional Fiduciaries Bureau

Advisory Committee Members

Member	Appointment Type	Appointed By	Appointment Date	Appointment Expires
Sharon O'Neill, Vice Chair	Probate Court Investigator	Governor	11/2008	1/1/2011
Lisa Berg	CLPF	Governor	10/2008	1/1/2011
Daniel Stubbs, Chair	CLPF	Governor	11/2008	1/1/2011
Donna Estacio	Public Member	Senate Rules Committee	03/2011	1/1/2015
Clark Parker	Public Member	Speaker of the Assembly	10/2009	1/1/2011
Vacant	CLPF	Governor		
Vacant	Nonprofit organization advocating on behalf of the elderly	Governor		

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Senate Bill No. 543

CHAPTER 448

An act to amend Sections 144, 205, 210, 5000, 5015.6, 5076, 5076.1, 5510, 5517, 5552.5, 5620, 5621, 5622, 6510, 6710, 6714, 6763.1, 7000.5, 7011, 7200, 7215.6, 7885, 7886, 7887, 8710, 18602, 18613, and 18618 of, to add Sections 5063.10 and 6582.2 to, and to add and repeal Section 2674 of, the Business and Professions Code, relating to business and professions, and making an appropriation therefor.

[Approved by Governor October 3, 2011. Filed with
Secretary of State October 3, 2011.]

LEGISLATIVE COUNSEL'S DIGEST

SB 543, Steinberg. Business and professions: regulatory boards.

(1) Existing law authorizes a board to suspend or revoke a license on various grounds, including, but not limited to, conviction of a crime, if the crime is substantially related to the qualifications, functions, or duties of the business or profession for which the license was issued. Existing law requires applicants to certain boards to provide a full set of fingerprints for the purpose of conducting criminal history record checks.

This bill would make the fingerprinting requirement applicable to the Board for Professional Engineers, Land Surveyors, and Geologists. The bill would also make technical, nonsubstantive changes to those provisions to correct references to the names of various boards and would correct references to the name of a specified fund.

(2) Existing law authorizes the Department of Consumer Affairs to enter into a contract with a vendor for the licensing and enforcement BreEZe system no sooner than 30 days after written notification to certain committees of the Legislature. Existing law requires the amount of contract funds for the system to be consistent with costs approved by the office of the State Chief Information Officer, based on information provided by the department in a specified manner. Existing law provides that this cost provision is applicable to all Budget Act items for the department that have an appropriation for the BreEZe system.

This bill would authorize the Department of Finance to augment the budgets of those boards, bureaus, commissions, committees, programs, and divisions of the Department of Consumer Affairs for expenditure of non-General Fund moneys to pay BreEZe project costs, as specified, thereby making an appropriation.

(3) Existing law, the Physical Therapy Practice Act, creates the Physical Therapy Board of California and makes it responsible for the licensure and regulation of physical therapists. Existing law authorizes the board to discipline licensees, including the suspension and revocation of licenses.

Existing law regulating professional corporations provides that certain healing arts practitioners may be shareholders, officers, directors, or professional employees of a professional corporation, subject to certain limitations. A violation of these provisions by a licensee constitutes unprofessional conduct under the act.

This bill would, until January 1, 2013, prohibit the board from taking disciplinary action against a licensee providing physical therapy services as a professional employee of a medical corporation, podiatric medical corporation, or chiropractic corporation.

(4) Existing law provides for the licensure and regulation of various businesses and professions by boards within the Department of Consumer Affairs, including the California Board of Accountancy, the California Architects Board, the Landscape Architects Technical Committee, the Professional Fiduciaries Bureau, the Board for Professional Engineers, Land Surveyors, and Geologists, the Contractors' State License Board, the State Board of Guide Dogs for the Blind, and the State Athletic Commission. Existing law requires or authorizes these boards and the State Athletic Commission, with certain exceptions, to appoint an executive officer and existing law authorizes the Governor to appoint the chief of the Professional Fiduciaries Bureau. Existing law repeals these provisions on January 1, 2012. Under existing law, boards scheduled for repeal are required to be evaluated by the Joint Sunset Review Committee.

This bill would extend the operation of these provisions until January 1, 2016, except the State Board of Guide Dogs for the Blind and the State Athletic Commission, which would be extended until January 1, 2014, and except the Professional Fiduciaries Bureau, which would be extended until January 1, 2015. The bill would instead specify that these boards would be subject to review by the appropriate policy committees of the Legislature.

(5) With respect to accounting firms, existing law, until January 1, 2014, requires a firm, in order to renew its registration, to have a specified peer review report accepted by a California Board of Accountancy-recognized peer review group. Existing law, until January 1, 2014, requires the board to appoint a peer review oversight committee of certified public accountants to provide recommendations to the board relating to the effectiveness of mandatory peer review. Existing law also requires the board, by January 1, 2013, to provide the Legislature and the Governor with a report regarding specified peer review requirements that includes specified information.

This bill would extend the operation of the peer review report requirement and the peer review oversight committee indefinitely. The bill would require the report to the Legislature and the Governor to be submitted by January 1, 2015, and would require the report to include certain additional information and recommendations.

Existing law requires an accountant licensee to report to the board the occurrence of certain events taking place after January 1, 2003, including any restatement of a financial statement.

This bill would exempt any restatement that is included in any report filed with the United States Securities and Exchange Commission from this requirement.

(6) Existing law authorizes the California Architects Board to, by regulation, implement an intern development program until July 1, 2012.

This bill, by deleting that termination date, would instead authorize the board to, by regulation, implement the intern development program indefinitely.

(7) Existing law prohibits a person from holding himself or herself out as a professional fiduciary without a license issued by the Professional Fiduciaries Bureau. Under existing law, a license may be suspended, revoked, denied, or other disciplinary action may be imposed for various reasons.

This bill would authorize the bureau, instead of issuing an accusation or statement of issues against a licensee or applicant, to enter into a specified settlement with a licensee or applicant.

(8) Existing law authorizes the State Board of Guide Dogs for the Blind to establish an arbitration panel pilot project, until January 1, 2012, for the purpose of resolving disputes between a guide dog user and a licensed guide dog school, as specified.

This bill would instead authorize the arbitration panel pilot project until January 1, 2014.

(9) Existing law requires an applicant to use the title “structural engineer” to have successfully passed both a written examination that incorporates a national examination for structural engineers and a supplemental California specific examination, as specified.

This bill would instead require these applicants to pass only a written examination for structural engineering that is administered by a nationally recognized entity approved by the board.

(10) Existing law establishes the Professional Engineer’s and Land Surveyor’s Fund, requires all money received by the Department of Consumer Affairs from the operation of the Professional Engineer’s Act and the Professional Land Surveyor’s Act to be deposited in the fund, and appropriates the moneys in the fund for the purposes of those acts. Existing law establishes the Geology and Geophysics Fund and requires the Board for Professional Engineers, Land Surveyors, and Geologists to provide all money received by the board under the Geologists and Geophysicists Act to the State Treasury for credit to the Geology and Geophysics Fund.

This bill would abolish the Geology and Geophysics Fund, create the Geology and Geophysics Account within the Professional Engineer’s and Land Surveyor’s Fund, and require all moneys received by the board under the Geologists and Geophysicists Act to be deposited in that account. The bill would require all moneys paid into the account pursuant to the Geologists and Geophysicists Act to be appropriated to carry out the provisions of the act, thereby making an appropriation.

(11) Existing law requires an applicant for registration as a geologist to pay an examination fee fixed by the board at an amount equal to the actual cost to the board to administer the examination, not to exceed \$450.

This bill would delete the provisions limiting the examination fee to \$450.

(12) Existing law requires the State Athletic Commission to provide a report to the Governor and the Legislature by July 30, 2010, regarding the condition of the State Athletic Commission Neurological Examination Account and the Boxers' Pension Fund, as specified.

This bill would require the commission to provide the report to the Legislature by July 30, 2012.

(13) This bill would incorporate additional changes in Section 205 of the Business and Professions Code proposed by SB 933, to be operative only if SB 933 and this bill are both chaptered and become effective January 1, 2012, and this bill is chaptered last.

Appropriation: yes.

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

SECTION 1. Section 144 of the Business and Professions Code is amended to read:

144. (a) Notwithstanding any other provision of law, an agency designated in subdivision (b) shall require an applicant to furnish to the agency a full set of fingerprints for purposes of conducting criminal history record checks. Any agency designated in subdivision (b) may obtain and receive, at its discretion, criminal history information from the Department of Justice and the United States Federal Bureau of Investigation.

(b) Subdivision (a) applies to the following:

- (1) California Board of Accountancy.
- (2) State Athletic Commission.
- (3) Board of Behavioral Sciences.
- (4) Court Reporters Board of California.
- (5) State Board of Guide Dogs for the Blind.
- (6) California State Board of Pharmacy.
- (7) Board of Registered Nursing.
- (8) Veterinary Medical Board.
- (9) Board of Vocational Nursing and Psychiatric Technicians.
- (10) Respiratory Care Board of California.
- (11) Physical Therapy Board of California.
- (12) Physician Assistant Committee of the Medical Board of California.
- (13) Speech-Language Pathology and Audiology and Hearing Aid Dispenser Board.
- (14) Medical Board of California.
- (15) State Board of Optometry.
- (16) Acupuncture Board.
- (17) Cemetery and Funeral Bureau.
- (18) Bureau of Security and Investigative Services.

- (19) Division of Investigation.
- (20) Board of Psychology.
- (21) California Board of Occupational Therapy.
- (22) Structural Pest Control Board.
- (23) Contractors' State License Board.
- (24) Naturopathic Medicine Committee.
- (25) Professional Fiduciaries Bureau.
- (26) Board for Professional Engineers, Land Surveyors, and Geologists.

(c) For purposes of paragraph (26) of subdivision (b), the term "applicant" shall be limited to an initial applicant who has never been registered or licensed by the board or to an applicant for a new licensure or registration category.

SEC. 2. Section 205 of the Business and Professions Code is amended to read:

205. (a) There is in the State Treasury the Professions and Vocations Fund. The fund shall consist of the following special funds:

- (1) Accountancy Fund.
- (2) California Architects Board Fund.
- (3) Athletic Commission Fund.
- (4) Barbering and Cosmetology Contingent Fund.
- (5) Cemetery Fund.
- (6) Contractors' License Fund.
- (7) State Dentistry Fund.
- (8) State Funeral Directors and Embalmers Fund.
- (9) Guide Dogs for the Blind Fund.
- (10) Home Furnishings and Thermal Insulation Fund.
- (11) California Architects Board-Landscape Architects Fund.
- (12) Contingent Fund of the Medical Board of California.
- (13) Optometry Fund.
- (14) Pharmacy Board Contingent Fund.
- (15) Physical Therapy Fund.
- (16) Private Investigator Fund.
- (17) Professional Engineer's and Land Surveyor's Fund.
- (18) Consumer Affairs Fund.
- (19) Behavioral Sciences Fund.
- (20) Licensed Midwifery Fund.
- (21) Court Reporters' Fund.
- (22) Veterinary Medical Board Contingent Fund.
- (23) Vocational Nurses Account of the Vocational Nursing and Psychiatric Technicians Fund.
- (24) Electronic and Appliance Repair Fund.
- (25) Geology and Geophysics Account of the Professional Engineer's and Land Surveyor's Fund.
- (26) Dispensing Opticians Fund.
- (27) Acupuncture Fund.
- (28) Physician Assistant Fund.
- (29) Board of Podiatric Medicine Fund.

- (30) Psychology Fund.
- (31) Respiratory Care Fund.
- (32) Speech-Language Pathology and Audiology Fund.
- (33) Board of Registered Nursing Fund.
- (34) Psychiatric Technician Examiners Account of the Vocational Nursing and Psychiatric Technicians Fund.
- (35) Animal Health Technician Examining Committee Fund.
- (36) State Dental Hygiene Fund.
- (37) State Dental Assistant Fund.
- (38) Hearing Aid Dispensers Account of the Speech-Language Pathology and Audiology Fund.

(b) For accounting and recordkeeping purposes, the Professions and Vocations Fund shall be deemed to be a single special fund, and each of the several special funds therein shall constitute and be deemed to be a separate account in the Professions and Vocations Fund. Each account or fund shall be available for expenditure only for the purposes as are now or may hereafter be provided by law.

SEC. 2.5. Section 205 of the Business and Professions Code is amended to read:

205. (a) There is in the State Treasury the Professions and Vocations Fund. The fund shall consist of the following special funds:

- (1) Accountancy Fund.
- (2) California Architects Board Fund.
- (3) Athletic Commission Fund.
- (4) Barbering and Cosmetology Contingent Fund.
- (5) Cemetery Fund.
- (6) Contractors' License Fund.
- (7) State Dentistry Fund.
- (8) State Funeral Directors and Embalmers Fund.
- (9) Guide Dogs for the Blind Fund.
- (10) Home Furnishings and Thermal Insulation Fund.
- (11) California Architects Board-Landscape Architects Fund.
- (12) Contingent Fund of the Medical Board of California.
- (13) Optometry Fund.
- (14) Pharmacy Board Contingent Fund.
- (15) Physical Therapy Fund.
- (16) Private Investigator Fund.
- (17) Professional Engineer's and Land Surveyor's Fund.
- (18) Consumer Affairs Fund.
- (19) Behavioral Sciences Fund.
- (20) Licensed Midwifery Fund.
- (21) Court Reporters' Fund.
- (22) Veterinary Medical Board Contingent Fund.
- (23) Vocational Nurses Account of the Vocational Nursing and Psychiatric Technicians Fund.
- (24) Electronic and Appliance Repair Fund.

- (25) Geology and Geophysics Account of the Professional Engineer's and Land Surveyor's Fund.
- (26) Dispensing Opticians Fund.
- (27) Acupuncture Fund.
- (28) Physician Assistant Fund.
- (29) Board of Podiatric Medicine Fund.
- (30) Psychology Fund.
- (31) Respiratory Care Fund.
- (32) Speech-Language Pathology and Audiology and Hearing Aid Dispensers Fund.
- (33) Board of Registered Nursing Fund.
- (34) Psychiatric Technician Examiners Account of the Vocational Nursing and Psychiatric Technicians Fund.
- (35) Animal Health Technician Examining Committee Fund.
- (36) State Dental Hygiene Fund.
- (37) State Dental Assistant Fund.

(b) For accounting and recordkeeping purposes, the Professions and Vocations Fund shall be deemed to be a single special fund, and each of the several special funds therein shall constitute and be deemed to be a separate account in the Professions and Vocations Fund. Each account or fund shall be available for expenditure only for the purposes as are now or may hereafter be provided by law.

SEC. 3. Section 210 of the Business and Professions Code is amended to read:

210. (a) (1) The department may enter into a contract with a vendor for the BreEZe system, the integrated, enterprisewide enforcement case management and licensing system described in the department's strategic plan, no sooner than 30 days after notification in writing to the chairpersons of the Appropriations Committees of each house of the Legislature and the Chairperson of the Joint Legislative Budget Committee.

(2) The amount of BreEZe system vendor contract funds, authorized pursuant to this section, shall be consistent with the project costs approved by the office of the State Chief Information Officer based on its review and approval of the most recent BreEZe Special Project Report to be submitted by the department prior to contract award at the conclusion of procurement activities.

(3) Paragraph (2) shall apply to all Budget Act items for the department that have an appropriation for the BreEZe system.

(b) (1) If the department enters into a contract with a vendor for the BreEZe system pursuant to subdivision (a), the department shall, by December 31, 2014, submit to the Legislature, the Senate Committee on Business, Professions and Economic Development, the Assembly Committee on Business, Professions and Consumer Protection, and the budget committees of each house, a report analyzing the workload of licensing personnel employed by boards within the department participating in the BreEZe system.

(2) A report to the Legislature pursuant to this subdivision shall be submitted in compliance with Section 9795 of the Government Code.

(3) This subdivision shall become inoperative on December 1, 2018, pursuant to Section 10231.5 of the Government Code.

(c) (1) Notwithstanding any other provision of law, upon the request of the Department of Consumer Affairs, the Department of Finance may augment the budgets of the boards, bureaus, commissions, committees, programs, and divisions that comprise the Department of Consumer Affairs, as defined in Section 101, for expenditure of non-General Fund moneys to pay BreEZe project costs. The augmentation may be made no sooner than 30 days after notification in writing to the chairpersons of the committees in each house of the Legislature that consider appropriations and the Chairperson of the Joint Legislative Budget Committee, or no sooner than whatever lesser time the chairperson of the joint committee may in each instance determine. The amount of funds augmented pursuant to the authority of this subdivision shall be consistent with project cost increases approved by the Secretary of California Technology based on the secretary's review and approval of the most recent BreEZe Special Project Report to be submitted at the conclusion of procurement activities. This subdivision shall apply to all Budget Act items for the boards, bureaus, commissions, committees, programs, and divisions that comprise the Department of Consumer Affairs, as defined in Section 101, that have an appropriation for the BreEZe system in the Budget Act of 2011.

(2) This subdivision shall become inoperative upon enactment of the Budget Act of 2012.

SEC. 4. Section 2674 is added to the Business and Professions Code, to read:

2674. (a) Notwithstanding any other provision of law, no physical therapist shall be subject to discipline by the board for providing physical therapy services as a professional employee of a professional corporation as described in subdivision (a), (b), or (k) of Section 13401.5 of the Corporations Code.

(b) Nothing in this section shall be construed to imply or suggest that a physical therapist providing physical therapy services as a professional employee of a corporation as described in subdivision (a), (b), or (k) of Section 13401.5 of the Corporations Code is in violation of or compliance with the law.

(c) This section shall remain in effect only until January 1, 2013, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2013, deletes or extends that date.

SEC. 5. Section 5000 of the Business and Professions Code is amended to read:

5000. There is in the Department of Consumer Affairs the California Board of Accountancy, which consists of 15 members, 7 of whom shall be licensees, and 8 of whom shall be public members who shall not be licentiates of the board or registered by the board. The board has the powers and duties conferred by this chapter.

The Governor shall appoint four of the public members, and the seven licensee members as provided in this section. The Senate Committee on Rules and the Speaker of the Assembly shall each appoint two public members. In appointing the seven licensee members, the Governor shall appoint members representing a cross section of the accounting profession with at least two members representing a small public accounting firm. For the purposes of this chapter, a small public accounting firm shall be defined as a professional firm that employs a total of no more than four licensees as partners, owners, or full-time employees in the practice of public accountancy within the State of California.

This section shall remain in effect only until January 1, 2016, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2016, deletes or extends that date.

Notwithstanding any other provision of law, the repeal of this section renders the board subject to review by the appropriate policy committees of the Legislature. However, the review of the board shall be limited to reports or studies specified in this chapter and those issues identified by the appropriate policy committees of the Legislature and the board regarding the implementation of new licensing requirements.

SEC. 6. Section 5015.6 of the Business and Professions Code is amended to read:

5015.6. The board may appoint a person exempt from civil service who shall be designated as an executive officer and who shall exercise the powers and perform the duties delegated by the board and vested in him or her by this chapter.

This section shall remain in effect only until January 1, 2016, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2016, deletes or extends that date.

SEC. 7. Section 5063.10 is added to the Business and Professions Code, to read:

5063.10. (a) Any restatement of a financial statement that is included in any report filed with the United States Securities and Exchange Commission shall be exempt from the requirement described in paragraph (1) of subdivision (b) of Section 5063.

(b) Nothing in this section shall be construed to require the reporting of any restatement of a financial statement that is not required to be submitted to the board pursuant to the regulations adopted by the board in effect on the date this section becomes operative.

SEC. 8. Section 5076 of the Business and Professions Code is amended to read:

5076. (a) In order to renew its registration, a firm, as defined in Section 5035.1, shall have a peer review report of its accounting and auditing practice accepted by a board-recognized peer review program no less frequently than every three years.

(b) For purposes of this article, the following definitions apply:

(1) "Peer review" means a study, appraisal, or review conducted in accordance with professional standards of the professional work of a firm,

and may include an evaluation of other factors in accordance with the requirements specified by the board in regulations. The peer review report shall be issued by an individual who has a valid and current license, certificate, or permit to practice public accountancy from this state or another state and is unaffiliated with the firm being reviewed.

(2) "Accounting and auditing practice" includes any services that are performed using professional standards defined by the board in regulations.

(c) The board shall adopt regulations as necessary to implement, interpret, and make specific the peer review requirements in this section, including, but not limited to, regulations specifying the requirements for board recognition of a peer review program, standards for administering a peer review, extensions of time for fulfilling the peer review requirement, exclusions from the peer review program, and document submission.

(d) The board shall adopt emergency regulations in accordance with the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code) to establish policies, guidelines, and procedures as outlined in subdivision (c). The adoption of the regulations shall be considered by the Office of Administrative Law to be necessary for the immediate preservation of the public peace, health and safety, or general welfare. The emergency regulations shall be submitted to the Office of Administrative Law for filing with the Secretary of State and publication in the California Code of Regulations, and shall be replaced in accordance with the Administrative Procedure Act.

(e) Nothing in this section shall prohibit the board from initiating an investigation and imposing discipline against a firm or licensee, either as the result of a complaint that alleges violations of statutes, rules, or regulations, or from information contained in a peer review report received by the board.

(f) A firm issued a substandard peer review report, as defined by the board in regulation, shall submit a copy of that report to the board. The board shall establish in regulation the time period that a firm must submit the report to the board. This period shall not exceed 60 days from the time the report is accepted by a board-recognized peer review program provider to the date the report is submitted to the board.

(g) (1) A board-recognized peer review program provider shall file a copy with the board of all substandard peer review reports issued to California-licensed firms. The board shall establish in regulation the time period that a board-recognized peer review program provider shall file the report with the board. This period shall not exceed 60 days from the time the report is accepted by a board-recognized peer review program provider to the date the report is filed with the board. These reports may be filed with the board electronically.

(2) Nothing in this subdivision shall require a board-recognized peer review program provider, when administering peer reviews in another state, to violate the laws of that state.

(h) The board shall, by January 1, 2010, define a substandard peer review report in regulation.

(i) Any requirements imposed by a board-recognized peer review program on a firm in conjunction with the completion of a peer review shall be separate from, and in addition to, any action by the board pursuant to this section.

(j) Any report of a substandard peer review submitted to the board in conjunction with this section shall be collected for investigatory purposes.

(k) Nothing in this section affects the discovery or admissibility of evidence in a civil or criminal action.

(l) Nothing in this section requires any firm to become a member of any professional organization.

(m) A peer reviewer shall not disclose information concerning licensees or their clients obtained during a peer review, unless specifically authorized pursuant to this section, Section 5076.1, or regulations prescribed by the board.

(n) (1) By January 1, 2015, the board shall provide the Legislature and Governor with a report regarding the peer review requirements of this section that includes, without limitation:

(A) The number of peer review reports completed to date and the number of reports which were submitted to the board as required in subdivision (f).

(B) The number of enforcement actions that were initiated as a result of an investigation conducted pursuant to subdivision (j).

(C) The number of firms that were recommended to take corrective actions to improve their practice through the mandatory peer review process, and the number of firms that took corrective actions to improve their practice following recommendations resulting from the mandatory peer review process.

(D) The extent to which mandatory peer review of accounting firms enhances consumer protection.

(E) The cost impact on firms undergoing mandatory peer review and the cost impact of mandatory peer review on the firm's clients.

(F) A recommendation as to whether the mandatory peer review program should continue.

(G) The extent to which mandatory peer review of small firms or sole practitioners that prepare nondisclosure compiled financial statements on an other comprehensive basis of accounting enhances consumer protection.

(H) The impact of peer review required by this section on small firms and sole practitioners that prepare nondisclosure compiled financial statements on an other comprehensive basis of accounting.

(I) The impact of peer review required by this section on small businesses, nonprofit corporations, and other entities that utilize small firms or sole practitioners for the purposes of nondisclosure compiled financial statements prepared on an other comprehensive basis of accounting.

(J) A recommendation as to whether the preparation of nondisclosure compiled financial statements on an other comprehensive basis of accounting should continue to be a part of the mandatory peer review program.

(2) A report to the Legislature pursuant to this section shall be submitted in compliance with Section 9795 of the Government Code.

SEC. 9. Section 5076.1 of the Business and Professions Code is amended to read:

5076.1. (a) The board shall appoint a peer review oversight committee of certified public accountants of this state who maintain a license in good standing and who are authorized to practice public accountancy to provide recommendations to the board on any matter upon which it is authorized to act to ensure the effectiveness of mandatory peer review.

(b) The committee may request any information from a board-recognized peer review program provider deemed necessary to ensure the provider is administering peer reviews in accordance with the standards adopted by the board in regulations. Failure of a board-recognized peer review program provider to respond to the committee shall result in referral by the committee of the provider to the board for further action. Any information obtained by the board, its representatives, or the peer review oversight committee in conjunction with its review of peer review program providers shall not be a public record, and shall be exempt from public disclosure, provided, however, this information may be disclosed under any of the following circumstances:

- (1) In connection with disciplinary proceedings of the board.
- (2) In connection with legal proceedings in which the board is a party.
- (3) In response to an official inquiry by a federal or state governmental regulatory agency.
- (4) In compliance with a subpoena or summons enforceable by court order.

(5) As otherwise specifically required by law.

(c) The members of the committee shall be appointed to two-year terms and may serve a maximum of four consecutive terms.

(d) The board may adopt, as necessary, regulations further defining the minimum qualifications for appointment as a committee member and additional administrative elements designed to ensure the effectiveness of mandatory peer review.

SEC. 10. Section 5510 of the Business and Professions Code is amended to read:

5510. There is in the Department of Consumer Affairs a California Architects Board which consists of 10 members.

Any reference in law to the California Board of Architectural Examiners shall mean the California Architects Board.

This section shall remain in effect only until January 1, 2016, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2016, deletes or extends that date. Notwithstanding any other provision of law, the repeal of this section renders the board subject to review by the appropriate policy committees of the Legislature.

SEC. 11. Section 5517 of the Business and Professions Code is amended to read:

5517. The board may appoint a person exempt from civil service who shall be designated as an executive officer and who shall exercise the powers and perform the duties delegated by the board and vested in him or her by this chapter.

This section shall remain in effect only until January 1, 2016, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2016, deletes or extends that date.

SEC. 12. Section 5552.5 of the Business and Professions Code is amended to read:

5552.5. The board may, by regulation, implement an intern development program.

SEC. 13. Section 5620 of the Business and Professions Code is amended to read:

5620. The duties, powers, purposes, responsibilities, and jurisdiction of the California State Board of Landscape Architects that were succeeded to and vested with the Department of Consumer Affairs in accordance with Chapter 908 of the Statutes of 1994 are hereby transferred to the California Architects Board. The Legislature finds that the purpose for the transfer of power is to promote and enhance the efficiency of state government and that assumption of the powers and duties by the California Architects Board shall not be viewed or construed as a precedent for the establishment of state regulation over a profession or vocation that was not previously regulated by a board, as defined in Section 477.

(a) There is in the Department of Consumer Affairs a California Architects Board as defined in Article 2 (commencing with Section 5510) of Chapter 3.

Whenever in this chapter "board" is used, it refers to the California Architects Board.

(b) Except as provided herein, the board may delegate its authority under this chapter to the Landscape Architects Technical Committee.

(c) After review of proposed regulations, the board may direct the examining committee to notice and conduct hearings to adopt, amend, or repeal regulations pursuant to Section 5630, provided that the board itself shall take final action to adopt, amend, or repeal those regulations.

(d) The board shall not delegate its authority to discipline a landscape architect or to take action against a person who has violated this chapter.

(e) This section shall remain in effect only until January 1, 2016, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2016, deletes or extends that date.

SEC. 14. Section 5621 of the Business and Professions Code is amended to read:

5621. (a) There is hereby created within the jurisdiction of the board, a Landscape Architects Technical Committee, hereinafter referred to in this chapter as the landscape architects committee.

(b) The landscape architects committee shall consist of five members who shall be licensed to practice landscape architecture in this state. The

Governor shall appoint three of the members. The Senate Committee on Rules and the Speaker of the Assembly shall appoint one member each.

(c) The initial members to be appointed by the Governor are as follows: one member for a term of one year; one member for a term of two years; and one member for a term of three years. The Senate Committee on Rules and the Speaker of the Assembly shall initially each appoint one member for a term of four years. Thereafter, appointments shall be made for four-year terms, expiring on June 1 of the fourth year and until the appointment and qualification of his or her successor or until one year shall have elapsed, whichever first occurs. Vacancies shall be filled for the unexpired term.

(d) No person shall serve as a member of the landscape architects committee for more than two consecutive terms.

(e) This section shall remain in effect only until January 1, 2016, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2016, deletes or extends that date.

SEC. 15. Section 5622 of the Business and Professions Code is amended to read:

5622. (a) The landscape architects committee may assist the board in the examination of candidates for a landscape architect's license and, after investigation, evaluate and make recommendations regarding potential violations of this chapter.

(b) The landscape architects committee may investigate, assist, and make recommendations to the board regarding the regulation of landscape architects in this state.

(c) The landscape architects committee may perform duties and functions that have been delegated to it by the board pursuant to Section 5620.

(d) The landscape architects committee may send a representative to all meetings of the full board to report on the committee's activities.

(e) This section shall remain in effect only until January 1, 2016, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2016, deletes or extends that date.

SEC. 16. Section 6510 of the Business and Professions Code is amended to read:

6510. (a) There is within the jurisdiction of the department the Professional Fiduciaries Bureau. The bureau is under the supervision and control of the director. The duty of enforcing and administering this chapter is vested in the chief of the bureau, who is responsible to the director. Every power granted or duty imposed upon the director under this chapter may be exercised or performed in the name of the director by a deputy director or by the chief, subject to conditions and limitations as the director may prescribe.

(b) The Governor shall appoint, subject to confirmation by the Senate, the chief of the bureau, at a salary to be fixed and determined by the director with the approval of the Director of Finance. The chief shall serve under the direction and supervision of the director and at the pleasure of the Governor.

(c) This section shall remain in effect only until January 1, 2015, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2015, deletes or extends that date.

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

Notwithstanding any other provision of law, upon the repeal of this section, the responsibilities and jurisdiction of the bureau shall be transferred to the Professional Fiduciaries Advisory Committee, as provided by Section 6511.

SEC. 17. Section 6582.2 is added to the Business and Professions Code, to read:

6582.2. (a) Notwithstanding Section 6582 and Section 11415.60 of the Government Code, the bureau may enter into a settlement with a licensee or applicant instead of the issuance of an accusation or statement of issues against that licensee or applicant.

(b) The settlement shall identify the factual basis for the action being taken and the statutes or regulations violated.

(c) Any settlement with a licensee executed pursuant to this section shall be considered discipline and a public record and shall be posted on the bureau's Internet Web site. Any settlement with an applicant executed pursuant to this section shall be considered a public record and shall be posted on the bureau's Internet Web site.

SEC. 18. Section 6710 of the Business and Professions Code is amended to read:

6710. (a) There is in the Department of Consumer Affairs a Board for Professional Engineers, Land Surveyors, and Geologists, which consists of 15 members.

(b) Any reference in any law or regulation to the Board of Registration for Professional Engineers and Land Surveyors, or the Board for Professional Engineers and Land Surveyors, is deemed to refer to the Board for Professional Engineers, Land Surveyors, and Geologists.

(c) This section shall remain in effect only until January 1, 2016, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2016, deletes or extends that date. Notwithstanding any other provision of law, the repeal of this section renders the board subject to review by the appropriate policy committees of the Legislature.

SEC. 19. Section 6714 of the Business and Professions Code is amended to read:

6714. The board shall appoint an executive officer at a salary to be fixed and determined by the board with the approval of the Director of Finance.

This section shall remain in effect only until January 1, 2016, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2016, deletes or extends that date.

SEC. 20. Section 6763.1 of the Business and Professions Code is amended to read:

6763.1. An applicant to use the title “structural engineer” shall have successfully passed a written examination for structural engineering that is administered by a nationally recognized entity approved by the board.

SEC. 21. Section 7000.5 of the Business and Professions Code is amended to read:

7000.5. (a) There is in the Department of Consumer Affairs a Contractors’ State License Board, which consists of 15 members.

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

(c) This section shall remain in effect only until January 1, 2016, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2016, deletes or extends that date.

SEC. 22. Section 7011 of the Business and Professions Code is amended to read:

7011. (a) The board, by and with the approval of the director, shall appoint a registrar of contractors and fix his or her compensation.

(b) The registrar shall be the executive officer and secretary of the board and shall carry out all of the administrative duties as provided in this chapter and as delegated to him or her by the board.

(c) For the purpose of administration of this chapter, there may be appointed a deputy registrar, a chief reviewing and hearing officer, and, subject to Section 159.5, other assistants and subordinates as may be necessary.

(d) Appointments shall be made in accordance with the provisions of civil service laws.

(e) This section shall remain in effect only until January 1, 2016, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2016, deletes or extends that date.

SEC. 23. Section 7200 of the Business and Professions Code is amended to read:

7200. (a) There is in the Department of Consumer Affairs a State Board of Guide Dogs for the Blind in whom enforcement of this chapter is vested. The board shall consist of seven members appointed by the Governor. One member shall be the Director of Rehabilitation or his or her designated representative. The remaining members shall be persons who have shown a particular interest in dealing with the problems of the blind, and at least two of them shall be blind persons who use guide dogs.

(b) This section shall remain in effect only until January 1, 2014, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2014, deletes or extends that date. Notwithstanding any other provision of law, the repeal of this section renders the board subject to review by the appropriate policy committees of the Legislature.

SEC. 24. Section 7215.6 of the Business and Professions Code is amended to read:

7215.6. (a) In order to provide a procedure for the resolution of disputes between guide dog users and guide dog schools relating to the continued

physical custody and use of a guide dog, in all cases except those in which the dog user is the unconditional legal owner of the dog, the following arbitration procedure shall be established as a pilot project.

(b) This procedure establishes an arbitration panel for the settlement of disputes between a guide dog user and a licensed guide dog school regarding the continued use of a guide dog by the user in all cases except those in which the dog user is the unconditional legal owner of the dog. The disputes that may be subject to this procedure concern differences between the user and school over whether or not a guide dog should continue to be used, differences between the user and school regarding the treatment of a dog by the user, and differences over whether or not a user should continue to have custody of a dog pending investigation of charges of abuse. It specifically does not address issues such as admissions to schools, training practices, or other issues relating to school standards. The board and its representative are not parties to any dispute described in this section.

(c) The licensed guide dog schools in California and the board shall provide to guide dog users graduating from guide dog programs in these schools a new avenue for the resolution of disputes that involve continued use of a guide dog, or the actual physical custody of a guide dog. Guide dog users who are dissatisfied with decisions of schools regarding continued use of guide dogs may appeal to the board to convene an arbitration panel composed of all of the following:

- (1) One person designated by the guide dog user.
- (2) One person designated by the licensed guide dog school.
- (3) A representative of the board who shall coordinate the activities of the panel and serve as chair.

(d) If the guide dog user or guide dog school wishes to utilize the arbitration panel, this must be stated in writing to the board. The findings and decision of the arbitration panel shall be final and binding. By voluntarily agreeing to having a dispute resolved by the arbitration panel and subject to its procedures, each party to the dispute shall waive any right for subsequent judicial review.

(e) A licensed guide dog school that fails to comply with any provision of this section shall automatically be subject to a penalty of two hundred fifty dollars (\$250) per day for each day in which a violation occurs. The penalty shall be paid to the board. The license of a guide dog school shall not be renewed until all penalties have been paid.

The fine shall be assessed without advance hearing, but the licensee may apply to the board for a hearing on the issue of whether the fine should be modified or set aside. This application shall be in writing and shall be received by the board within 30 days after service of notice of the fine. Upon receipt of this written request, the board shall set the matter for hearing within 60 days.

(f) As a general rule, custody of the guide dog shall remain with the guide dog user pending a resolution by the arbitration panel. In circumstances where the immediate health and safety of the guide dog user or guide dog is threatened, the licensed school may take custody of the dog at once.

However, if the dog is removed from the user's custody without the user's concurrence, the school shall provide to the board the evidence that caused this action to be taken at once and without fail; and within five calendar days a special committee of two members of the board shall make a determination regarding custody of the dog pending hearing by the arbitration panel.

(g) The arbitration panel shall decide the best means to determine final resolution in each case. This shall include, but is not limited to, a hearing of the matter before the arbitration panel at the request of either party to the dispute, an opportunity for each party in the dispute to make presentations before the arbitration panel, examination of the written record, or any other inquiry as will best reveal the facts of the disputes. In any case, the panel shall make its findings and complete its examination within 45 calendar days of the date of filing the request for arbitration, and a decision shall be rendered within 10 calendar days of the examination.

All arbitration hearings shall be held at sites convenient to the parties and with a view to minimizing costs. Each party to the arbitration shall bear its own costs, except that the arbitration panel, by unanimous agreement, may modify this arrangement.

(h) The board may study the effectiveness of the arbitration panel pilot project in expediting resolution and reducing conflict in disputes between guide dog users and guide dog schools and may share its findings with the Legislature upon request.

(i) This section shall remain in effect only until January 1, 2014, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2014, deletes or extends that date.

SEC. 25. Section 7885 of the Business and Professions Code is amended to read:

7885. (a) The board shall report each month to the State Controller the amount and source of all revenue received by it pursuant to this chapter and at the same time pay the entire amount thereof into the State Treasury for credit to the Geology and Geophysics Account, which is hereby created within the Professional Engineer's and Land Surveyor's Fund established in Section 6797.

(b) All moneys in the Geology and Geophysics Fund on January 1, 2012, shall be transferred on that date to the Geology and Geophysics Account of the Professional Engineer's and Land Surveyor's Fund.

SEC. 26. Section 7886 of the Business and Professions Code is amended to read:

7886. The moneys paid into the Geology and Geophysics Account of the Professional Engineer's and Land Surveyor's Fund pursuant to this chapter are hereby appropriated to be used by the board to carry out the provisions of this chapter.

SEC. 27. Section 7887 of the Business and Professions Code is amended to read:

7887. The amount of the fees prescribed by this chapter shall be fixed by the board in accordance with the following schedule:

(a) The fee for filing each application for registration as a geologist or a geophysicist or certification as a specialty geologist or a specialty geophysicist and for administration of the examination at not more than two hundred and fifty dollars (\$250).

(b) The registration fee for a geologist or for a geophysicist and the fee for the certification in a specialty shall be fixed at 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, with respect to certificates that will expire less than one year after issuance, the fee shall be fixed at an amount equal to 50 percent of the renewal fee in effect on the last regular renewal date before the date on which the certificate is issued. 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.

(c) The duplicate certificate fee at not more than six dollars (\$6).

(d) The temporary registration fee for a geologist or for a geophysicist at not more than eighty dollars (\$80).

(e) The renewal fee for a geologist or for a geophysicist shall be fixed by the board at not more than four hundred dollars (\$400).

(f) The renewal fee for a specialty geologist or for a specialty geophysicist at not more than one hundred dollars (\$100).

(g) Notwithstanding Section 163.5, the delinquency fee for a certificate is an amount equal to 50 percent of the renewal fee in effect on the last regular renewal date.

(h) Each applicant for registration as a geologist shall pay an examination fee fixed by the board at an amount equal to the actual cost to the board to administer the examination described in subdivision (d) of Section 7841.

(i) Each applicant for registration as a geophysicist or certification as an engineering geologist or certification as a hydrogeologist shall pay an examination fee fixed by the board at an amount equal to the actual cost to the board for the development and maintenance of the written examination, and shall not exceed one hundred dollars (\$100).

SEC. 28. Section 8710 of the Business and Professions Code is amended to read:

8710. (a) The Board for Professional Engineers, Land Surveyors, and Geologists is vested with power to administer the provisions and requirements of this chapter, and may make and enforce rules and regulations that are reasonably necessary to carry out its provisions.

(b) The board may adopt rules and regulations of professional conduct that are not inconsistent with state and federal law. The rules and regulations may include definitions of incompetence and negligence. Every person who holds a license or certificate issued by the board pursuant to this chapter, or a license or certificate issued to a civil engineer pursuant to Chapter 7 (commencing with Section 6700), shall be governed by these rules and regulations.

(c) This section shall remain in effect only until January 1, 2016, and as of that date is repealed, unless a later enacted statute, that is enacted before

January 1, 2016, deletes or extends that date. Notwithstanding any other provision of law, the repeal of this section renders the board subject to review by the appropriate policy committees of the Legislature.

SEC. 29. Section 18602 of the Business and Professions Code is amended to read:

18602. (a) Except as provided in this section, there is in the Department of Consumer Affairs the State Athletic Commission, which consists of seven members. Five members shall be appointed by the Governor, one member shall be appointed by the Senate Rules Committee, and one member shall be appointed by the Speaker of the Assembly.

The members of the commission appointed by the Governor are subject to confirmation by the Senate pursuant to Section 1322 of the Government Code.

No person who is currently licensed, or who was licensed within the last two years, under this chapter may be appointed or reappointed to, or serve on, the commission.

(b) In appointing commissioners under this section, the Governor, the Senate Rules Committee, and the Speaker of the Assembly shall make every effort to ensure that at least four of the members of the commission shall have experience and demonstrate expertise in one of the following areas:

(1) A licensed physician or surgeon having expertise or specializing in neurology, neurosurgery, head trauma, or sports medicine. Sports medicine includes, but is not limited to, physiology, kinesiology, or other aspects of sports medicine.

(2) Financial management.

(3) Public safety.

(4) Past experience in the activity regulated by this chapter, either as a contestant, a referee or official, a promoter, or a venue operator.

(c) Each member of the commission shall be appointed for a term of four years. All terms shall end on January 1. Vacancies occurring prior to the expiration of the term shall be filled by appointment for the unexpired term. No commission member may serve more than two consecutive terms.

(d) Notwithstanding any other provision of this chapter, members first appointed shall be subject to the following terms:

(1) The Governor shall appoint two members for two years, two members for three years, and one member for four years.

(2) The Senate Committee on Rules shall appoint one member for four years.

(3) The Speaker of the Assembly shall appoint one member for four years.

(e) This section shall remain in effect only until January 1, 2014, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2014, deletes or extends that date.

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

SEC. 30. Section 18613 of the Business and Professions Code is amended to read:

18613. (a) (1) The commission shall appoint a person exempt from civil service who shall be designated as an executive officer and who shall exercise the powers and perform the duties delegated by the commission and vested in him or her by this chapter. The appointment of the executive officer is subject to the approval of the Director of Consumer Affairs.

(2) The commission may employ in accordance with Section 154 other personnel as may be necessary for the administration of this chapter.

(b) This section shall remain in effect only until January 1, 2014, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2014, deletes or extends that date.

SEC. 31. Section 18618 of the Business and Professions Code is amended to read:

18618. The commission shall furnish to the Governor and the Legislature a report, on or before July 30, 2012, on the following:

(a) The condition of the State Athletic Commission Neurological Examination Account. This report shall include the amount of the assessment collected from each promoter pursuant to Section 18711, the purposes for which moneys in the account are expended, and findings and recommendations on the amounts, appropriateness, and effectiveness of these assessments. The report shall also include a recommendation on the viability and need for creating a medical database that would be used for identifying trends in medical records and data associated with injuries and deaths related to competing.

(b) The condition of the Boxers' Pension Fund. This report shall include a recommendation on whether the fund should be continued and, if so, whether it should be expanded to include all athletes licensed under this chapter and appropriate fees paid into the fund.

SEC. 32. Section 2.5 of this bill incorporates amendments to Section 205 of the Business and Professions Code proposed by both this bill and Senate Bill 933. It shall only become operative if (1) both bills are enacted and become effective on or before January 1, 2012, (2) each bill amends Section 205 of the Business and Professions Code, and (3) this bill is enacted after Senate Bill 933, in which case Section 2 of this bill shall not become operative.

Assembly Bill No. 997

CHAPTER 323

An act to amend Section 6501 of the Business and Professions Code, relating to professional fiduciaries.

[Approved by Governor September 26, 2011. Filed with Secretary of State September 26, 2011.]

LEGISLATIVE COUNSEL'S DIGEST

AB 997, Wagner. Professional fiduciaries.

Existing law, the Professional Fiduciaries Act, provides for the licensure and regulation of professional fiduciaries by the Professional Fiduciaries Bureau within the Department of Consumer Affairs. Existing law defines the term "professional fiduciary" and specifies those entities excluded from that term.

This bill would additionally provide that a specified nonprofit corporation or charitable trust meeting certain requirements is not a professional fiduciary subject to the act.

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

SECTION 1. Section 6501 of the Business and Professions Code is amended to read:

6501. As used in this chapter, the following terms have the following meanings:

- (a) "Act" means this chapter.
- (b) "Bureau" means the Professional Fiduciaries Bureau within the Department of Consumer Affairs, established pursuant to Section 6510.
- (c) "Client" means an individual who is served by a professional fiduciary.
- (d) "Department" means the Department of Consumer Affairs.
- (e) "Licensee" means a person who is licensed under this chapter as a professional fiduciary.
- (f) (1) "Professional fiduciary" means a person who acts as a conservator of the person, the estate, or person and estate, or guardian of the estate, or person and estate, for two or more individuals at the same time who are not related to the professional fiduciary or to each other.
- (2) "Professional fiduciary" also means a person who acts as a trustee, agent under a durable power of attorney for health care, or agent under a durable power of attorney for finances, for more than three individuals, at the same time.

In counting individuals under this paragraph to determine whether a person is a professional fiduciary:

(A) Individuals who are related to the fiduciary shall not be counted.

(B) All individuals who are related to each other shall be counted as one individual.

(C) All trustors who are related to each other shall be counted as one individual, and neither the number of trusts nor the number of beneficiaries of those trusts shall be counted.

(3) For purposes of this subdivision, “related” means related by blood, adoption, marriage, or registered domestic partnership.

(4) “Professional fiduciary” does not include any of the following:

(A) A trust company, as defined in Section 83 of the Probate Code.

(B) An FDIC-insured institution, or its holding companies, subsidiaries, or affiliates. For the purposes of this subparagraph, “affiliate” means any entity that shares an ownership interest with, or that is under the common control of, the FDIC-insured institution.

(C) Any public agency, including the public guardian, public conservator, or other agency of the State of California or of a county of California or any regional center for persons with developmental disabilities as defined in Section 4620 of the Welfare and Institutions Code.

(D) Any nonprofit corporation or charitable trust that is described in Section 501(c)(3) of the Internal Revenue Code and that satisfies all of the following requirements:

(i) Is an organization described in Section 509(a)(1), Section 509(a)(2), or Section 509(a)(3) of the Internal Revenue Code.

(ii) Has been in existence for at least five years.

(iii) Has total institutional funds as described in subdivision (e) of Section 18502 of the Probate Code according to its most recent audited financial statement with a value of at least two million dollars (\$2,000,000) net of encumbrances.

(iv) Is acting as a trustee, incidental to the purposes for which it was organized, of a trust that meets at least one of the following conditions:

(I) It is a trust from which annual distributions are limited to income, a sum certain, or a fixed percentage of the net fair market value of the trust assets as described in Section 664(d) of the Internal Revenue Code governing charitable remainder trusts.

(II) It is a trust from which annual distributions are limited to a guaranteed annuity or a fixed percentage of the fair market value of the property as described in Section 2055(e)(2)(B) or Section 2522(c)(2)(B) of the Internal Revenue Code.

(III) It is a trust from which annual distributions are limited to income, including a pooled income fund from which annual distributions are limited to income as described in Section 642(c)(5) of the Internal Revenue Code governing pooled income funds.

(IV) It is a trust as to which the value of the charitable interest was presently ascertainable upon creation of the trust and deductible for federal gift, estate, or income tax purposes under the Internal Revenue Code as in effect prior to enactment of the federal Tax Reform Act of 1969 (Public Law 91-172).

(E) A person employed by or acting as an agent on behalf of an entity or agency described in subparagraph (A), (B), (C), or (D) who is acting within the course and scope of that employment or agency, and a public officer of an agency described in subparagraph (C) acting in the course and scope of official duties.

(F) Any person whose sole activity as a professional fiduciary is as a broker-dealer, broker-dealer agent, investment adviser, or investment adviser representative registered and regulated under the Corporate Securities Law of 1968 (Division 1 (commencing with Section 25000) of Title 4 of the Corporations Code), the Investment Advisers Act of 1940 (15 U.S.C. Sec. 80b-1 et seq.), or the Securities Exchange Act of 1934 (15 U.S.C. Sec. 78a et seq.), or involves serving as a trustee to a company regulated by the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1 et seq.).

(g) "Committee" means the Professional Fiduciaries Advisory Committee, as established pursuant to Section 6511.



MEMORANDUM

DATE	October 13, 2011
TO	Advisory Committee Members Professional Fiduciaries Bureau
FROM	Gil DeLuna, Acting Chief
SUBJECT	Agenda Item #7 – Approval Process for Approved Education Providers

Issue:

The Bureau is receiving many requests from educational institutes wanting to know how they can become an approved education provider. Currently there is no formal process to pre-approve a provider before including them in regulation. The Advisory Committee is asked to have an open discussion on the topic and provide specific actions items on the subject.

Background:

Business and Professions Code 6538

6538. (a) To qualify for licensure, an applicant shall have completed 30 hours of preclicensing education courses provided by an educational program approved by the bureau.

(b) To renew a license, a licensee shall complete 15 hours of approved continuing education courses each year.

(c) The cost of any educational course required by this chapter shall not be borne by any client served by a licensee.

California Code of Regulations Section 4444

Section 4444. Approved Education Courses.

(a) Eligible education courses, as defined in subdivision (b), offered or approved by an approved education provider listed in Section 4446, are approved education courses that meet the preclicensing and continuing education requirements of this Article.

(b) Programs, seminars, and courses of study that are relevant to fiduciary responsibilities of estate management or of fiduciary responsibilities of the person for at least one of the subject topics as specified in subdivision (e), that address the areas of proficiency, competency, and performance of a fiduciary, and impart knowledge and increase understanding of the fiduciary profession or of the California judiciary or the legal process as it relates to the administration of fiduciary responsibilities are eligible education courses.

(c) An approved education course may be offered in a real-time classroom setting, delivered by video presentation from a remote location or by other delivery means, including online.

(d) An approved education course may include independent study, subject to the limitations of paragraph (4) of subdivision (a) of Section 4442, if the education provider supplies evidence of completion. A course is not independent study if the education provider requires evidence of comprehension prior to issuing a certificate of completion, as required in subdivision (c) of Section 4448.

(e) Subject topics for eligible education courses, as defined in subdivision (b), include the following:

(1) Conservatorship;

(2) Guardianship;

(3) Trust administration;

(4) Durable Power of Attorney;

(5) The California court system including court jurisdiction and responsibilities; the state and federal constitution, California statutes, rules of court, case law, administrative law, and current issues in the California court system relevant to the fiduciary profession;

(6) Ethics for fiduciaries.

NOTE: Authority cited: Section 6517, Business and Professions Code. Reference: Section 6538, Business and Professions Code.

Section 4446. Approved Education Providers.

(a) Approved education providers may include accredited educational institutions, professional associations, professional continuing education entities, public or private for-profit or not-for-profit entities, and court-connected groups. An "accredited educational institution" is a college or university, including a community or junior college, accredited by a regional accrediting organization recognized by the Council for Higher Education Accreditation.

(b) The following educational entities that offer or approve eligible education courses as defined in subdivision (a) of Section 4444, in accordance with the requirements of Section 4448, are approved education providers of courses that meet the prelicensing and continuing education requirements of this Article:

(1) An accredited educational institution;

(2) An education provider offering courses sponsored by a local court of the State of California;

(3) An education provider offering courses approved by the California State Bar for continuing education;

- (4) An accountancy organization or an education provider, if the education qualifies with the California State Board of Accountancy for continuing education credit for renewal of an individual license as a Certified Public Accountant;
- (5) An education provider offering courses registered with the Certified Financial Planner Board of Standards, Inc.;
- (6) An education provider offering courses approved by the California Department of Insurance;
- (7) An education provider of continuing education courses approved by the California Board of Registered Nursing;
- (8) An education provider offering courses approved by the California Board of Psychology;
- (9) An education provider offering courses approved by the California Board of Behavioral Sciences;

6

Professional Fiduciaries Bureau California Code of Regulations

- (10) The California Department of Mental Health, Social Services and Developmental Services;
- (11) The Professional Fiduciary Association of California;
- (12) The California State Association of Public Administrators, Public Guardians, and Public Conservators;
- (13) The National Guardianship Association and its state affiliates;
- (14) The National Association of Professional Geriatric Care Managers;
- (15) The American Bar Association;
- (16) The American Society of Aging;
- (17) The Gerontological Society of America;
- (18) The National Association of Social Workers;
- (19) The National College of Probate Judges;
- (20) The National Elder Law Foundation;
- (21) The American Bankers Association and its training providers; and,
- (22) The Cannon Financial Institute.

NOTE: Authority cited: Section 6517, Business and Professions Code. Reference: Section 6538, Business and Professions Code.

Section 4448. Requirements for Education Providers.

Each education provider shall:

- (a) Ensure that the instructors teaching qualified education courses are proficient and knowledgeable in the subject matter;
- (b) Monitor and evaluate the quality of courses, curricula, instructors, and instructor training;
- (c) Maintain records of attendance or independent study and distribute to each participant a certificate of completion that identifies the education provider and documents the subject taught, the date of completion of the education course, and the amount of education credit offered;
- (d) Maintain documentation of approved education courses offered for prelicensing and continuing education credit under this article for a period of at least five years from the date the education course was offered; and

(e) Provide to the Bureau upon request any documentation of approved education courses for prelicensing and continuing education credit, including records of attendance or independent study.

NOTE: Authority cited: Section 6517, Business and Professions Code. Reference: Section 6538, Business and Professions Code.
Section 4450. Proof of Compliance of Prelicensing Education.
Each applicant

Public Comment:



MEMORANDUM

DATE	October 13, 2011
TO	Advisory Committee Members Professional Fiduciaries Bureau
FROM	Gil DeLuna, Acting Chief
SUBJECT	Agenda Item #8 – Budget Report

The Department of Consumer Affairs, Budget office will provide an update on the Professional Fiduciaries Bureau budget. **(Attachment)**

Public Comment:

Professional Fiduciaries Bureau - Budget Overview

Advisory Committee Meeting: October 13, 2011

Summary of Historical Expenditures and Revenue:

	Expenditure	Revenue
FY 2007-08: Actual	\$ 401,000	\$ 210,000
FY 2008-09: Actual	\$ 297,000	\$ 341,000
FY 2009-10: Actual	\$ 237,000	\$ 298,000
FY 2010-11: Actual	\$ 267,000	\$ 398,000
FY 2011-12: Budget	\$ 305,000	\$ 398,000
FY 2012-13: Proposed	\$ 318,000	\$ 399,000

Prior Year Summary and Current Year Preview:

	FY 2010-11		FY 2011-12
	Budget	Actual	Budget
Personal Services			
Civil Services & Executive	\$ 85,900	\$ 42,127	\$ 87,467
Temporary Help	\$ -	\$ 17,275	\$ -
Staff Benefits	\$ 42,954	\$ 23,554	\$ 41,871
	\$ 128,854	\$ 82,956	\$ 129,338
Operating Expenses & Equipment			
General Expense	\$ 10,368	\$ 2,714	\$ 9,897
Printing	\$ -	\$ 1,227	\$ -
Communication	\$ 770	\$ 1,207	\$ 770
Postage	\$ 1,014	\$ 3,263	\$ 1,014
Travel-In-State	\$ 16,719	\$ 5,805	\$ 14,977
Training	\$ 1,014	\$ 750	\$ 1,014
Facilities Operations	\$ 30,915	\$ 12,894	\$ 30,915
Consultant & Professional Services	\$ 2,935	\$ 999	\$ 2,935
Departmental Services	\$ 73,522	\$ 46,975	\$ 86,858
	\$ -	\$ -	\$ 26,130
Data Processing	\$ 1,162	\$ 950	\$ 1,162
Central Administrative Services	\$ 18,921	\$ 18,921	\$ -
Exams	\$ -	\$ 1,460	\$ -
Enforcement	\$ -	\$ 86,759	\$ -
	\$ 157,340	\$ 183,924	\$ 175,672
Total Expenditure:	\$ 286,194	\$ 266,880	\$ 305,010

Summary of Historical Enforcement Expenditures:

	FY 2008-09	FY 2009-10	FY 2010-11
AG Expenses	\$ 24,358	\$ 36,864	\$ 49,725
Temporary Help (Investigator)	\$ -	\$ -	\$ 17,275

** Pursuing FY 2012-13 BCP to Enhance the Enforcement Program

Summary Fund Condition Statement:

	Actual 2010-11	CY 2011-12	BY 2012-13	BY+1 2013-14	BY+2 2014-15
BEGINNING BALANCE	\$ 146	\$ 62	\$ 156	\$ 237	\$ 203
Prior Year Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted Beginning Balance	\$ 146	\$ 62	\$ 156	\$ 237	\$ 203
REVENUES AND TRANSFERS					
Totals, Revenues	\$ 398	\$ 399	\$ 399	\$ 399	\$ 399
To MRF loan per CS 14.00, BA of 2007	\$ (215)	\$ -	\$ -	\$ -	\$ -
Totals, Revenues and Transfers	\$ 183	\$ 399	\$ 399	\$ 399	\$ 399
Totals, Resources	\$ 329	\$ 461	\$ 555	\$ 636	\$ 602
EXPENDITURES					
Total Disbursements	\$ 267	\$ 305	\$ 318	\$ 433	\$ 431
FUND BALANCE					
Reserve for economic uncertainties	\$ 62	\$ 156	\$ 237	\$ 203	\$ 171
Months in Reserve	2.4	5.9	6.6	5.7	4.7



MEMORANDUM

DATE	October 13, 2011
TO	Advisory Committee Members Professional Fiduciaries Bureau
FROM	Gil DeLuna, Acting Chief
SUBJECT	Agenda Item #9 – BreEZe Project

The Department of Consumer Affairs, BreEZe Project Manager will provide an update on the Departments new IT enterprise system. **(Attachment)**

Public Comment:



Project Overview

California
Professional Fiduciaries Bureau Advisory Committee
October 13, 2011



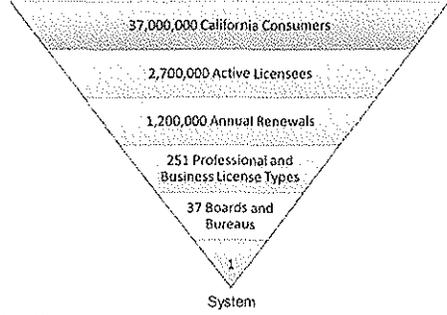
Project Summary

- Integrated Licensing & Enforcement solution
- Completely replaces legacy licensing and enforcement systems (CAS, ATS, & Others)
- Replaces the iLicensing & CRIMS projects
- Incorporates document image storage

October 7, 2011 2

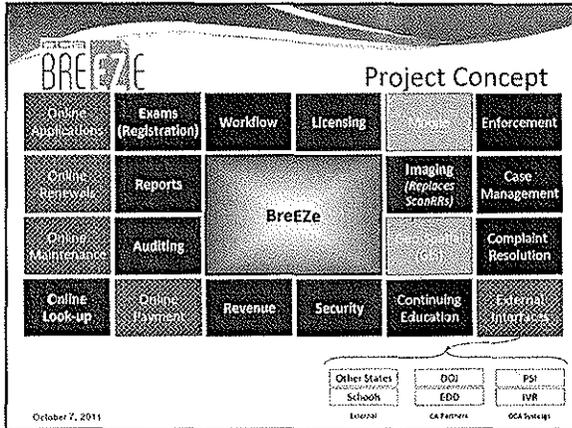


Project Landscape



37,000,000 California Consumers
2,700,000 Active Licensees
1,200,000 Annual Renewals
251 Professional and Business License Types
37 Boards and Bureaus
1 System

October 7, 2011 3



BREZE What's in it for Us?

- Customers
 - Self-Service and single point of entry
 - Electronic Applications and Renewals
 - Electronic Payments
 - Expedited processing

October 7, 2011 5

BREZE What's in it for Us?, cont.

- Staff
 - Pre-screened applications
 - Automated routing
 - Shared information across DCA and external agencies
- Management
 - Proactive monitoring of enforcement cases
 - Efficient allocation of licensing and enforcement staff

October 7, 2011 6

 Enforcement Improvements

- Automated complaint intake process
- Prioritization of enforcement cases
- Efficient allocation of enforcement resources
- System prompts staff to ensure timely case follow-up
- Improves case management to reduce lag time and case aging
- Allows complainants to track complaint status online
- Interfaces with ProLaw to improve case communication
- Improved monitoring of the prosecution process

September 20, 2011 7

 Enforcement Improvements, cont.

- Provides electronic AG billing for reconciliation
- Provides "real time" information to the public on enforcement actions
- Notifies appropriate Boards when enforcement actions involve individuals with multiple licenses
- Creates a single comprehensive electronic case record
- Automates workflow to improve efficiency
- Reduces time to suspend or revoke a license

September 20, 2011 8

 Licensing Improvements

- Allows online application
- Offers online electronic payment
- Allows applicant to track application status online
- Provides online services for licensees
- Provides "real time" information to the consumers or licensees

September 20, 2011 9

BREEZE Licensing Improvements, cont.

- Reduces processing time for:
 - Initial licensing applications
 - License renewals

September 20, 2011 10

BREEZE Costs

All project costs paid by DCA Special Funds

BREEZE COST	COSTS
Total One-Time	\$ 51.6 million

Costs

Accenture 67.3%
DCA Staff and OE&E 8.0%
Date Center Services
Other Contractors
Oversight Contractors

September 20, 2011 11

BREEZE Risk Mitigation

Performance-based Payment Model

October 7, 2011 12

BREVI Keys to Success

Procure solution with proven success	Joint review of business requirements
Active executive support	Active business ownership (Not IT driven)

Strong Project Leadership

October 7, 2011 13

BREVI Project Leadership

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    graph TD
      ES[Executive Sponsor  
Brian Sigler] --- PS[Project Sponsor  
Anthony Nicosyn]
      PS --- DC[Project Director  
Cedric Deaton]
      PS --- BC[Steering Committee  
Business Leadership]
      DC --- PM[Project Manager  
Diana Robinson]
      DC --- O[Overnight Ops]
      PM --- B[Business PM  
Sean G. Corne]
      PM --- A[Accenture PM  
Kate Brown]
      PM --- T[Technical PM  
Jason Pacione]
  
```

October 7, 2011 14

BREVI Business Activities To-Date

- Data Conversion, Forms Consolidation, & Reports workgroups initiated
- Documenting application specific requirement workflows
- On-going outreach and communication

October 7, 2011 15

BREITVE Completed Activities To-Date

- Project concept approved (Nov 2009)
- Procurement initiated (May 2010)
- Contract costs approved (June 2011)
- Special Project Report (SPR) approved (July 2011)
- Contract executed (September 2011)



October 7, 2011 16

BREITVE Next Steps

- Project Launch – October 2011
- Project planning and initiation
- Begin Release 1 activities

October 7, 2011 17

BREITVE Implementation Schedule

Release Number	Start
Release 1	Late Summer 2012
Release 2	Spring 2013
Release 3	Fall 2013

October 7, 2011 18



MEMORANDUM

DATE	October 13, 2011
TO	Advisory Committee Members Professional Fiduciaries Bureau
FROM	Gil DeLuna, Acting Chief
SUBJECT	Agenda Item #10 – Sub-Committee Reports

With the sub-committee chairs, Evin Van Outryve from the Department's Strategic Planning and Development Unit will provide a synopsis of the input on the four Goals of the Professional Fiduciaries Bureau, Strategic Plan. **(Attachment)**

Education/Outreach – Lisa Berg, Chair
Enforcement – Daniel Stubbs, Chair
Licensing Chair – Sharon O'Neill, Chair
Legislative/Regulatory Affairs – Donna Estacio, Chair

Public Comment:

Professional Fiduciaries Bureau

Strategic Plan

2010-2013

Committee Members

Daniel Stubbs, Chair

Sharon O'Neill, Vice Chair

Lisa Berg

Cynthia Morrow

Clark Parker



*Professional
Fiduciaries
Bureau*

*Developed July 26, 2010 in conjunction with the DCA Strategic Planning
& Development unit*

Professional Fiduciaries Bureau

MISSION:

To protect the consumer through licensing and monitoring, and to ensure competent and ethical standards of practice for professional fiduciaries.

VISION:

To maintain and enhance the physical, emotional, and financial well being of consumers by promoting the highest professional fiduciary standards.

VALUES:

- **Integrity and Ethics** – We are honest, fair, and respectful in our treatment of everyone.
- **Accountability** – We are accountable to consumers and licensees. We operate transparently and encourage public participation in our decision-making whenever possible.
- **Effectiveness** – We make informed decisions in order to achieve positive, measurable results.
- **Customer Service** – We identify the best ways to deliver high-quality services with the most efficient use of our resources.

Goal 1: Licensure

- Increase the number of licensees by reaching out to other professions with relatable experience (i.e. social workers, gerontology, etc.).
- Partner with other government entities to increase licensure.
- Research the feasibility of creating an entry level license type for trainees, and develop the program if viable.

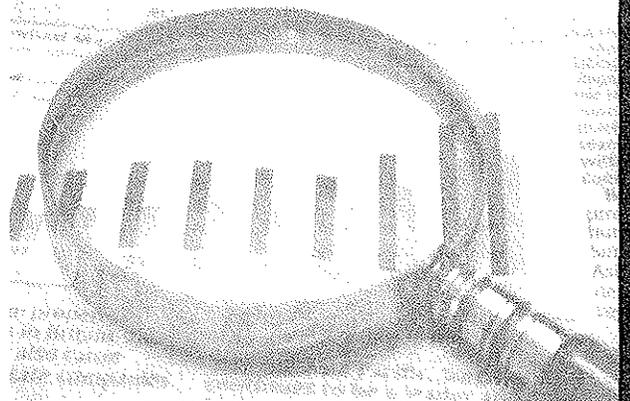


Goal 2: Enforcement

- Establish the Bureau's Cite and Fine program.
- Actively seek out unlicensed activity in partnership with the Department's Unlicensed Activities Unit.
- Leverage enforcement activity with Division of Investigation.
- Attend underground economy task force meetings and partner with Economic Employment Enforcement Coalition (EEEC).
- Post formal disciplinary accusations against licensed professionals on the bureaus' website.
(Formal accusations are drafted by the Office of the Attorney General and issued by the Bureau only after significant wrong doing has been established through investigation.)
- Participate in the Department's Consumer Satisfaction survey on closed complaints.

Goal 3: Communication & Education

- Educate consumers and provide license information to professionals (online FAQ's for licensing information and Professional Fiduciaries Bureau forms).
- Seek out media opportunities.
- Develop Professional Fiduciaries Bureau publications in multiple foreign languages.
- Work with the Department's Publications Design unit to develop new publications.
- Partner with CIC and Outreach to increase the dissemination of PFB messages and publications.
- Develop PSA's and forums for the Senior Legislature.
- Partner with State Bar's Trust and Estate section to increase outreach.



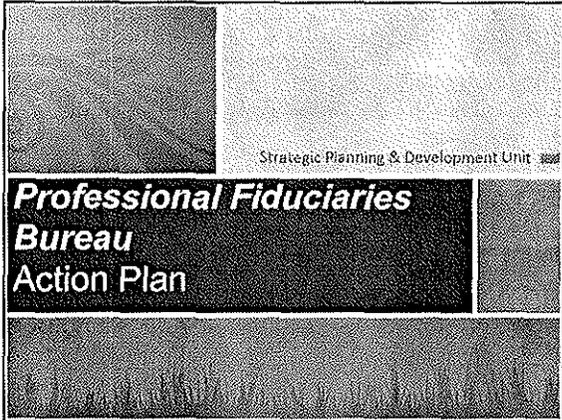
Goal 3 (cont.): Communication & Education

- Attend local PFAC and California Association Superior Court Investigators meetings and their Annual conference for training purposes.
- Establish Outreach and communication to judges through the Administrative Office of the Courts (AOC).
- Gather and disseminate examples of industry best practices.
- Gather and disseminate victims' accounts of consumer fraud and abuse.
- Clarify the license renewal process.

Goal 4: Regulation and Legislation



- Seek Legislation to require licensure for all types of Durable Power of Attorney and Estate Administration not currently covered under present statutes.
- Develop Cite and Fine regulations.
- Develop advertising regulations requiring the inclusion of a licensee's professional fiduciary license number.
- Seek ways to streamline the license process through legislation.



Elements of a SMART Action Plan

- **Specific** *Objectives need to be clear and detailed.*
- **Measurable** *Results need to be measurable.*
- **Accountable** *The responsible party for each assignment should be identified.*
- **Realistic** *The team has to believe it is possible to achieve.*
- **Time-specific** *Deadlines for achieving each action should be set.*

Objective 1.1

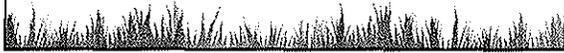
Increase the number of licensees by reaching out to other professions with relatable experience (i.e. social workers, gerontology, etc.).

- Partner with USC School of Social Work and Gerontology, Cal State Dominguez Hills Social Work Program
- Attend job fairs to speak about the benefits of becoming a California licensed fiduciary.

Objective 1.2

Partner with other government entities to increase licensure.

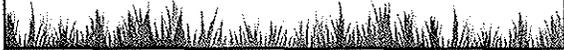
- Partner with the Employment Development Department (EDD) to send out information to job seekers that could qualify as a PFB.



Objective 1.3

Research the feasibility of creating an entry level license type for trainees, and develop the program if viable.

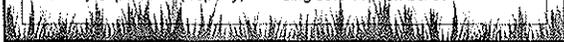
- Add required hands on supervised apprenticeship hours as a requirement of licensure (1000-2000 hours)



Objective 2.1

Establish the Bureau's Cite and Fine program.

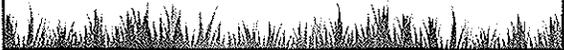
- Increase revenue by raising license and renewal fee up to \$2,000.
- Update complaint form to allow for prioritization of complaints based on nature of infraction
- Set complaint process deadlines
 - Review/Processing: < 30 days
 - Investigation: < 90 days
 - Pre-accusation: < 30 days
- Develop standards for 3rd party supervision during initial access and inventory of personal property, including safe deposit boxes.



Objective 2.2

Actively seek out unlicensed activity in partnership with the Department's Unlicensed Activities Unit.

- Review all complaints recieved for possible ULA
- Develop process for probate court to report ULA to PFB through web site or e-mail



Objective 2.3

Leverage enforcement activity with Division of Investigation.

- Meet with DOI to discuss sharing of data and human resources and the investigation of PFB ULA.



Objective 2.4

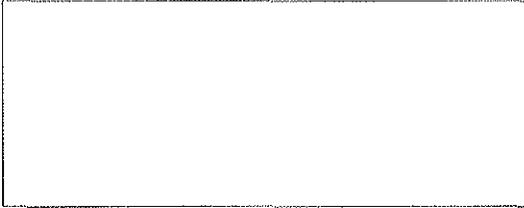
Attend underground economy task force meetings and partner with Economic Employment Enforcement Coalition (EEEC).

- Identify underground task force meetings and schedule staff attendance. Request travel exemptions from DCA if nessecary.
- The Bureau to attend regular task force meetings with the Dept. of Insurance , BBB and the San Diego DA's office to combat financial Elder Abuse.
- Have the Enforcement Sub-Committee develop their own task force and hold regular meetings.



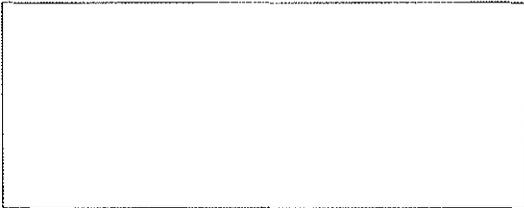
Objective 2.5

Post formal disciplinary accusations against licensed professionals on the bureaus' website.



Objective 2.6

Participate in the Department's Consumer Satisfaction survey on closed complaints.



Objective 3.1

Educate consumers and provide license information to professionals (online FAQ's for licensing information and Professional Fiduciaries Bureau forms).

- Coordinate with CSLB's "Senior Scam Stopper", and other established DCA outreach programs targeting seniors
- Require Licensees to provide PFB Code of Ethics and the PFB complaint process to consumers. Require signatures from all interested parties indicating that literature and education has been offered and is understood.
- Provide PFB brochures at court houses, attorney groups, senior centers, VA centers, Social Security payee agencies, etc. (Lisa, 12/30/11)



Objective 3.2

Seek out media opportunities.

- Pursue Public Service Announcements through Radio and Television providers.
- Contact organizations who might disseminate PFB information. (Hospitals, health care providers, Electric/Gas utility bills)
- Develop and print information cards that can be distributed through these organizations.
- Develop and release a public service announcement. (12/12)
- Interview with reports regarding bills in the legislature that protect seniors, article in newspapers or a column with Senior Magazine, AARP (PFAC President, 2012)

Objective 3.3

Develop Professional Fiduciaries Bureau publications in multiple foreign languages.

- Develop and publish "What you should know before hiring a Professional Fiduciary/Conserator brochure." including information on the legal rights of a conservator and the importance of knowing the risks of hiring a non-licensed Conservator.
- Develop and publish "PFB Code of Ethics and How to file a complain!" This brochure can be used by Licensees when engaging with consumers and family members. It can also be used by community outreach groups who come face to face with seniors and their families.
- Develop both the above brochures in foreign languages.

Objective 3.4

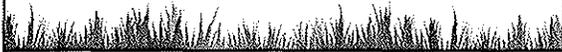
Work with the Department's Publications Design unit to develop new publications.



Objective 3.5

Partner with CIC and Outreach to increase the dissemination of PFB messages and publications.

- Contact DCA Outreach to develop a PFB Outreach Plan (Outreach Unit, Completed 10/12)
- Develop email listserv to update partners on changes and/or relevant current events (Outreach Unit,
- Create an invite letter to PFB current/prospective partners identified in the Outreach Plan.



Objective 3.6

Develop PSA's and forums for the Senior Legislature.



Objective 3.7

Partner with State Bar's Trust and Estate section to increase outreach.

- Act as a speaker at local and statewide bar association functions (Bureau Chief/PFAC president, 12/12)



Objective 3.8

Attend local PFAC and California Association Superior Court Investigators meetings and their Annual conference for training purposes.



Objective 3.9

Establish Outreach and communication to judges through the Administrative Office of the Courts (AOC).

(Richard Lamble)



Objective 3.10

Gather and disseminate examples of industry best practices.

- Work with other DCA programs to establish practices that have a positive proven track record. No need to reinvent the wheel.
- Presentation and written materials to advocacy groups (PFAC Officers, 12/12)



Objective 3.11

Gather and disseminate victims' accounts of consumer fraud and abuse.

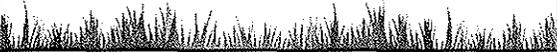
- Create a robust complaint process that includes swift investigation and resolution.
- Gather and disseminate information on complaints and resolutions initiated from the complaint process.
- With approval from victims, use information gathered during the investigative process for PSA's and the website.
- Use of social networking and youtube to disseminate accounts to the public.



Objective 3.12

Clarify the license renewal process.

Include the process in a brochure for Professional's.



Objective 4.1

Seek Legislation to require licensure for all types of Durable Power of Attorney and Estate Administration not currently covered under present statutes.

- In coordination with industry association, meet with relevant legislators to find bill author and other supporters.
Bureau Director, by bill introduction deadline (Jan 2012)
- Develop fact sheets, form letters of support and supporter lists
Bureau staff, ongoing, but ideally by 1st policy committee hearing

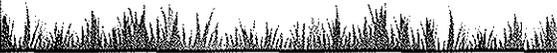


Objective 4.2

Develop Cite and Fine regulations.

- Gather input from professional fiduciaries and/or consumers (as appropriate) using feedback form on Bureau website.
Bureau staff, Dec 2011

- Write draft regulations using aforementioned input and practices from other Bureaus for Advisory Committee's consideration.
Bureau staff, March 2012



Objective 4.3

Develop advertising regulations requiring the inclusion of a licensee's professional fiduciary license number.

- Examine other Bureaus with similar regulations and tailor to PFB needs. Present options to Advisory Committee.
Bureau staff, Dec 2011

- Effectively notify all licensees about new regulations through email, written letters, and website headline
Bureau staff



Objective 4.4

Seek ways to streamline the license process through legislation.





MEMORANDUM

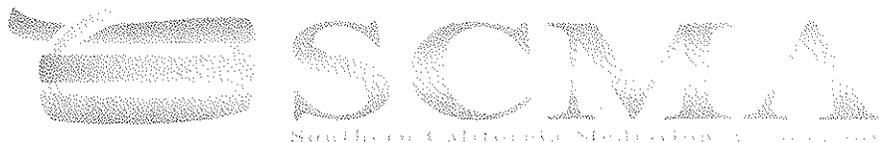
DATE	October 13, 2011
TO	Advisory Committee Members Professional Fiduciaries Bureau
FROM	Gil DeLuna, Acting Chief
SUBJECT	Agenda Item #11 – Future Meeting Dates and Agenda Items

Public Comment:



MEMORANDUM

DATE	October 13, 2011
TO	Advisory Committee Members Professional Fiduciaries Bureau
FROM	Gil DeLuna, Acting Chief
SUBJECT	Agenda Item #12 – Public Comment on Items Not on the Agenda



**Putting Mediation to Work:
Expanding Horizons, Expanding Opportunities
Friday and Saturday, Nov. 4 and 5**

**Concurrent Pre-Conference Institutes
Friday, Nov. 4, 1:30-5:30 PM
Sheraton Gateway Hotel (LAX)**

**Institute I: Rules, Tools, and Ethics for Elder Mediation in the Age of Longevity:
Multi-Disciplinary Approaches to Shared Family Decision-Making**

Kenneth Cloke and Marcia Haber, co-facilitators, with panelists Myer J. Sankary, Esq., CMCT; Tom Christopher, Esq.; Martin Bauer, CPA, CFP; William Eddy, Esq., LCSW; Don Mueller, MFT, CMC; guest speaker on Ethical Applications, Mary Culbert, Esq.

By 2030, approximately 20% of Californians will be over 60 years of age, with adults over 85 the fastest growing segment of the population. To keep pace with the complexity of ethical issues that underscore the current and future needs of the largest aging population in history, SCMA is providing this multi-disciplinary forum to encourage dynamic dialogue about aging and disability mediation and evolving collaborative conflict resolution options.

Using a fishbowl elder mediation role play demonstration with a panel of experts to address the dilemmas and possible options, this program offers both mediator and non-mediator professionals the opportunity to learn about the range of expertise available for multi-disciplinary approaches to shared decision making.

This program will be especially useful for mediators, professional fiduciaries, attorneys, financial planners, geriatric care managers and other professionals interested in expanding the scope of their practice to meet the needs in the age of longevity.

3.75 hours of MCLE; 1.0 hour of MCLE for legal ethics; 3.75 CEUs for Professional Fiduciaries to satisfy PFAC membership requirements and California Professional Fiduciary Bureau licensing requirements; 3.0 CEUs (pending) for Certified Financial Planners

**Institute II: The Synergy between Mediation and Collaborative Practice:
How Skills, Roles, and Practice Development Work Together**

Co-Sponsored by Mosten Mediation and Collaborative Training

Forrest Mosten, Esq.; Diana L. Martinez, Esq.; Patrice Courteau, MFT; Warren Sacks, CPA;

Judith Gerhart, Ph.D., CFP

This brand new, cutting-edge training designed specifically for Mediation and Collaborative family law professionals is suitable for both experienced and new peacemakers. The goal of this program is to identify and use the seven ways in which these two practices intersect. Participants will explore the new conflict resolution paradigm and will be challenged through practical role plays. A panel of experts practicing in mental health, finances, and law will address the crossover skills and challenges that the mediation and collaborative professionals experience.

The Institute will provide brand new materials and exercises created specifically for this program and the expertise of the panelists in exploring the topic and its effectiveness in mediation.

3.75 hours of MCLE; 3.75 hours of legal specialization in the area of Family Law; 3.75 hours of CLE from BBS for Licensed Social Workers and Marriage and Family Therapists; 3.75 CEUs (pending) for Certified Financial Planners

The Fall Conference Reception

Honoring Professor Thomas J. Stipanowich

William H. Webster Chair in Dispute Resolution and
Academic Director of the Straus Institute for Dispute Resolution, Pepperdine University

**with the L. Randolph Lowry Award for Excellence in Research and Academic Achievement, and
Contributions to the Field of Dispute Resolution and Peacebuilding**

following the Institutes from 5:30-7:30 PM

Conference Reception is open to all Institute and Conference registrants and speakers

Saturday, Nov. 5, 8:30 AM – 5:30 PM
Pepperdine University, Malibu

8:30 AM

Welcome Reception for New Members and First Time Participants

8:45 AM

Conference Welcome, Election Results and Installation of Board Members

9:15 AM

Morning Plenary: Mediation in the Year 2030

Forrest (Woody) Mosten, Esq., with Hon. Aviva K. Bobb (Ret.), Jennifer Kresge

1 hour of MCLE

10:15 AM: Morning Break

Conference Sessions

All sessions receive 1.25 hours of MCLE

10:30 AM

Mediation Ethics, Neutrality and Confidentiality: Practice Tips Towards Ensuring Enforceable Agreements

Robert Wrede, Esq., moderator, with Jan Schau, Esq., Hon. Michael Marcus (Ret.), David Peterson, Esq.

This program will feature a comprehensive review by former State Bar Judge and mediator, Hon. Michael Marcus (Ret.) on ethical duties of mediators and lawyers as well as a discussion led by Jan Frankel Schau on some of the challenges presented by straddling the fence of neutrality and confidentiality. The presentation will also encompass an analysis by David Peterson on the enforceability of settlement agreements under current law. (1.25 hours of legal ethics)

Online Dispute Resolution and the Future of the Internet

Colin Rule

More than 60 million disputes are filed online each year around the world, and the number is growing every month. As our society becomes increasingly wired, disputants are expecting that their neutrals will be able to use the latest information and communication technologies to get their issues resolved as quickly and effectively as possible. Computer-mediated communication changes many aspects of the dispute resolution process, and provides both advantages and disadvantages. This session will address the powers and pitfalls of marrying technology and ADR. Participants will learn about best practices across the industry and the latest ODR tools, and have a chance to confront the challenges of designing and implementing online systems. Non-geeks are welcome: no prior technology experience is required.

Developing a Sustainable Mediation Practice: Should I Keep My Day Job?

Maurice Attie, Esq., moderator, with Mike Young, Esq., Hon. John Wagner (Ret.), Michelle Reinglass, Esq., L. Therese White

Can you short-circuit the process by trying to build a mediation practice while still keeping your day job? Is it really two-three years of full time effort to develop a sustainable mediation practice? What are some of the tricks and tools available to grow your mediation business "on the side," while keeping your paying job? Our panelists have been there and will share their growing pains and successes as they transitioned out of lucrative legal and other practices into full time neutral work. Come prepared with questions!

11:45 AM: Lunch

1:00 PM

Intercultural Mediation Awareness and Strategies

Joan Kessler, Esq., moderator, with Michael Diliberto, Esq., and Hon. Patricia Collins (Ret.)

The panel of judges and attorneys, all of whom are mediators, will discuss intercultural mediation experiences and strategies from their own practices. (1.25 hours of MCLE elimination of bias)

Bringing Your Values to Mediation: Insights from a Transformative Mediator

Roane Akchurin

The Transformative model is unique in the clear link it makes between values, purpose and practice. By exploring this link in your own practice, you'll learn about the why behind what you do and have the opportunity to compare it to the philosophical underpinnings of the Transformative model. You'll also appreciate why a Transformative mediator cannot "mix and match" parts of the model with others, and have a chance to consider whether your skills and values lead you to want to

consider becoming a Transformative mediator.

Attorneys' Pet Peeves About Mediation

Daniel Ben-Zvi, Esq., moderator, with Hon. Joe Hilberman (Ret.), Lisa Maki, Esq., Michael St. Denis, Esq., Randall Dean, Esq.

In this Talk Back session litigators from the plaintiffs' and defense bars voice their pet peeves about mediation and mediators. When an attorney leaves a mediation with frustrations or complaints, the mediator often does not hear about it. Now, in a frank panel discussion, attorneys will share their gripes. With audience participation welcome, this session will provide mediators an opportunity to learn, grow, question, and respond.

Ombuds Dispute Resolution Programs

Maria Simpson, Ph.D. moderator, with Tom Kosakowski, Esq., Betsy Decyk, Ph.D., David M. Richardson, Ph.D., CO-OP

Organizational ombudsmen serve as embedded conflict resolution experts and facilitate the informal resolution of concerns of stakeholders of the organization. In addition, Ombuds bring systemic concerns to the attention of the organization for resolution. Their work is characterized by confidentiality, independence, neutrality, and informality. This panel of practicing Ombuds will offer insights on their work in various fields.

2:15 PM

Update on Court ADR Programs

Joe Markowitz, Esq., moderator, with Federal Court Administrator Gail Killefer, State Court Administrator Ana Maria Veiga, Hon. Philip S. Gutierrez, and Hon. Elizabeth White

Administrators and supervising judges for both the federal and state local ADR programs will address ways in which they are encouraging parties to make greater use of the courts' settlement officer panels. The panel will discuss usage trends, procedural changes, and the impact of budget shortfalls, particularly in the state system, on the ADR program.

Mediation in the International Arena: Structure, Application, Process and How to Become a Player

A. Marco Turk, J.D., Kenneth Cloke, J.D., LL.M., Ph.D., Ami Carpenter, Ph.D.

This panel explores differences between mediation at Grassroots (Track III), NGOs (Track II), and Political Elite levels (Track I) using real life examples from Europe, Latin America, the Middle East, and the Mediterranean. Utilizing the combined acquired experience of their respective personal involvement in the field of international peacebuilding, the panel will consider war and conflict in the twenty-first century and the peacebuilding opportunities presented for all who are willing to make the commitment. In the words of Dennis J.D. Sandole, these opportunities are present for "the new generation of post-zero-sum, post-Machiavellian problem solvers who recognize that, in the postmodern world, national interest is global interest and global interest is national interest and that those who fail to adjust to the 'new reality' with an appropriate 'new realism' become a part more of the problem than of the solution."

Conflict Management Coaching: What Is It and Where Does It Fit on the ADR Spectrum?

Cinnie Noble, Esq.

Conflict management coaching (aka conflict coaching) is a technique that is growing fast in the coaching and ADR fields. It is a one-on-one process for helping people find their way through conflict, and it achieves this in tandem with and separately from mediation and other ADR processes. In this session, Cinnie Noble will share her CINERGY® model, how it evolved, what

makes such a process unique, and the various ways it can be applied within the practices of conflict management professionals.

The Art and Science of the Question: Using the Brain to Expand Opportunities and Create Options

Jennifer Kresge

The heart of mediation lies in the constructive and proactive use of a question, one often leading to another. A question provides us with the opportunity to gather information and to assist our clients in understanding "valued" information differently. To negotiate and mediate effectively we need to explore the meaning and moments of our clients, and often, their most passionate concerns. What better way is there than to use our most accessible source of collective knowledge, the brain. Through artful questioning we discover new possibilities and constructive ways to develop interest, cultivate exploration in change and creative investment in solutions. On this interactive and skill based workshop we will explore concepts, the science behind reactivity and constructive thought, as well as concerns and the assumptions which drive our clients, while we discover how to gain trust, and organically develop sustainable agreements.

3:30 PM: Afternoon Break

3:45 PM: Raffle

4:00 PM Keynote Speaker:

Father Gregory Boyle, founder of Homeboy Industries

the extraordinary peacemaker who will be honored with this year's
Clope-Millen Peacemaker of the Year Award

5:00 PM: Book Signing with Father Greg

Friday Reception Tickets are included in all conference registrations.

Guests are invited to the reception at a special rate.

Special rates for students.

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the member rate for this year's conference registration and
All SCMA 2012 programs.**

Go to www.scmmediation.org for program and registration details.