State of California | Department of Consumer Affairs

Memorandum

To: **Board Members** **Date: January 9, 2005**

From: **Organizational Development Committee**

Subject: **Committee Actions and Update of the Meeting of December 7, 2004**

The Organizational Development Committee met on December 7, 2004, in a non-public, teleconferenced meeting. Minutes of this meeting are provided in this tab section as Attachment A (following the numbered attachments referenced below).

Item 1: Discussion: How Can the Board of Pharmacy Improve and Facilitate Communication with the Public and Licensees. Recognition Program for Pharmacists Licensed 50 Years or Who Have Retired

At the board's July Meeting, Board President Goldenberg stated that one of the priorities for his term is to improve the communication of the board with its licensees and with the public. His goal is to obtain diverse opinions from as wide a cross section as possible on matters before the board for policy deliberations. Each of the board's committees held a public meeting before the October board meeting with this topic listed as a discussion item.

President Goldenberg also initiated some new activities before the October Board Meeting to encourage attendance. These included invitations of pharmacy students and local pharmacist associations in the area where the meeting was held. There was a noticeable increase in the number of individuals at the October Board Meeting.

At the December committee meeting, the committee discussed an award of achievement for pharmacists for exemplary service or for long careers of perhaps 50 years without disciplinary action. These pharmacists would receive a board commendation, public thanks, and have their names published in the board's newsletter.

The parameters for such awards are being developed by the committee, but the committee asks for board member and public input during this section of the board meeting. Under consideration are awards for:
(1) Pharmacists who have 50 years of experience as pharmacists

(2) Pharmacists who obtain retired pharmacist licenses
(3) Pharmacists who have performed extraordinary service to the public or profession.

Item 2: Discussion: California Performance Review – A Proposal to Restructure State Government and its Proposal for the Board of Pharmacy

The Governor's initial proposal to restructure state government was released at the beginning of August. This report was a 2,547-page report, developed by the California Performance Review, a group of 275 individuals charged to develop an overhaul of state government into a more logical and less costly organization. The CPR stated that the full reorganization would achieve $32 billion in savings over five years. Public hearings were held to collect information from the public.

On January 5, 2005, the Governor provided more detail about his proposals to reorganize government. Most of the proposals initially proposed in the CPR have been seemingly discarded. However, a proposal now advanced by the Governor would abolish 279 board member positions for regulatory boards under the Department of Consumer Affairs, and would dissolve these boards into the organizational structure of the department, under the direct authority of the director.

In Attachment 1 are a number of documents recently released by the Administration about this reorganization.

Item 3: Request from California Pharmacy Students Regarding the Availability of Intern Addresses of Record Online

At the board's October Meeting, the board heard from a unified group of California pharmacy students who were concerned about their addresses of record being available online. In the case of the students, this address of record is most often their residence address, and the students expressed great concern about their safety from this information being available online.

The students requested the board to examine its policies in this area, and submitted a petition requesting restricted access to residence addresses of these students. All six schools of pharmacy appear at the bottom of this request (Attachment 2); however, the board has not received any signed petitions. The students specifically requested that the board allow an address for interns that is "the address of either the attended school or place of practice."

For over a year, the board has made available on its Web site the address of record of pharmacists, pharmacist interns, pharmacy technicians and exemptees.

Whereas the petition was submitted by student interns in California schools of pharmacy, there are two other groups who hold intern licenses – (1) out of state pharmacists and pharmacy school graduates from outside California who are working in California as they gain practice experience to take the examination, and (2) foreign graduates who are earning the 1,500 hours of experience they need to take the pharmacist licensure examinations.

The committee reviewed the information provided in the board's newsletter on the issue of release of address of record information, and the types of alternate addresses that could be used.

The committee considered several options:

1. Educate students to use a PO box as their addresses of record or a work address (and caution them about using a residence address).
2. Remove the addresses of interns from the Web site, because typically these individuals do not have work addresses that are permanent.
3. Work with the schools to allow the use of a school address for the address of record for their interns.

The committee recommends that the board take no action at this time, but to include information currently contained in the Change of Address article in the board's newsletter on the intern application instructions. This will respond to the interns' request to use an alternate address.

Item 4: Strategic Plan Update Proposal for 2005/06

Typically during the April Board Meeting, the board updates and revises its strategic plan for the next fiscal year that will start on July 1.

In 2003, a major revision of the board's strategic plan was undertaken that substantially restructured the plan. At the time of the revision (which actually was initiated in 2002 and completed in 2003), the board's intent was to make minor updating changes to the strategic plan in 2004 and undertake a major revision in 2005. This was consistent with the direction provided by the board's strategic planning consultant, that generally strategic plans should endure for more than one year in their scope and vision, and should be focused on three to five years.

The committee believes the current strategic plan is strong and effective for managing and overseeing board activities, and does not require a major overhaul at this time. As such, the committee recommends that at the next quarterly meeting of each committee, an agenda item be established to review the portion of the plan related to the committee. During the discussion, the committee can identify recommended changes, and bring the recommendations to the April Board Meeting for adoption.

Item 5: Budget Update and Report:

1. *2004/05 and Future Year Budgets*

A detailed budget report is provided in Attachment 3.

The state's budget for this fiscal year was approved by the Governor July 31. The state's fiscal year runs from July 1, 2004 through June 30, 2005.

- ***Revenue Projected: $5,762,673***

  The board's revenue for the year is expected to be comprised of $5,346,813 in licensing fees and $97,474 in interest. The revenue estimate projected from fees is conservative and traditionally is about 10 percent less than actual revenue will be.

  The board has also collected $218,637 in fines, and $96,749 in cost recovery.

- ***Expenditures Projected: $7,360,000***

  The board's maximum expenditure authority for the year is $7.36 million. Personnel is the largest expenditure: $3,686,301 or 50 percent of the board's budget.

- ***Board Fund Condition***

  During this fiscal year, the board is projected to spend $1,597,327 more than it will collect as revenue. Any difference between revenue and expenditures will come from the board's fund (the board's "savings account"). The board's fund condition is provided in Attachment 4.

  The board's fund condition projects a declining balance over the next three years.
  - 2004-05: The board is projected to end this fiscal year with a reserve of 4.7 months of expenditures.
  - 2005-06: The reserve decreases to 1.3 months at the end of the year.
  - 2006-07: A deficit of 2.4 months is projected.

  These figures indicate that repayment of the $6 million loan borrowed by the state during 2002/03 will need to begin during mid to late 2005-06.

2. *DOJ Requests Additional Board Funding for the CURES Program*

The committee makes no recommendation to the board on this agenda item.

In 2002-03, in response to the board's omnibus legislation in 2001 to extend CURES, certain regulatory boards (Pharmacy, Medical Board, Nursing Board, Dental Board, Osteopathic Board) were tapped to fund CURES data collection costs because the state's General Fund could not support it. This requirement was added to the Health and Safety Code; specifically:

> **11165.** (a) To assist law enforcement and regulatory agencies in their efforts to control the diversion and resultant abuse of Schedule II and Schedule III controlled substances, and for statistical analysis, education, and research, the Department of Justice shall, **contingent upon the availability of adequate funds** from the Contingent Fund of the Medical Board of California, the Pharmacy Board Contingent Fund, the State Dentistry Fund, the Board of Registered Nursing Fund, and the Osteopathic Medical Board of California Contingent Fund, maintain the Controlled Substance Utilization Review and Evaluation System (CURES) for the electronic monitoring of the prescribing and dispensing of Schedule II and Schedule III controlled substances by all practitioners authorized to prescribe or dispense these controlled substances.
> (b) The reporting of Schedule III controlled substance prescriptions to CURES shall be contingent upon the availability of adequate funds from the Department of Justice. The Department of Justice may seek and use grant funds to pay the costs incurred from the reporting of controlled substance prescriptions to CURES. Funds shall not be appropriated from the Contingent Fund of the Medical Board of California, the Pharmacy Board Contingent Fund, the State Dentistry Fund, the Board of Registered Nursing Fund, or the Osteopathic Medical Board of California Contingent Fund to pay the costs of reporting Schedule III controlled substance prescriptions to CURES.

In 2002/03, the board funded $68,000 for CURES data collection and analysis contracts. The board's budget was augmented by $68,000 to fund this expense.

Last year (2003/04), staff learned that the DOJ was seeking $92,000 from the board to fund CURES. The board's staff received minimal documentation for the additional expense. One of the contracts for data collection services from an outside vendor was cancelled and the DOJ brought this function into their operations. Moreover, since the additional $24,000 the board was to pay would not be adjusted by the Department of Finance in the board's annual budget, the board would have had to redirect money from existing programs to fund this DOJ expense (instead of having it come directly from the board's fund). Staff did not authorize payment of the additional funding for CURES, and instead paid $68,000 for support of CURES last year.

This year (2004/05) the DOJ has again advised the board that the board's share of expenses will be $92,000, according to an allocation formula developed by the Department of Finance. Board staff has advised the DOJ that it will need to send representatives to a board meeting to seek this funding. The Department of Finance did approve the board's share at $92,000, but only provided for funding of $68,000. (Of the $48,000 in increased CURES costs charged to regulatory boards for CURES between 2002/03 to 2003/04 [and carried on into 2004/05], the Department of Finance determined that the board's share should be 50

percent of the increased costs.)

Representatives from the Department of Justice will attend this meeting to request the additional $24,000 in board funding. Background documentation from the DOJ for the 2004-05 expenses is provided as Attachment 5.

The board has long been a supporter of CURES. In the early 1990s, the board funded $240,000 for a feasibility study report to evaluate automating this system. Between 1996-2001, the board paid almost $1.05 million to establish and fund the data collection activities. In 2002/03 until the present, the board has continued annual funding at $68,000. To date, the board has paid $1.5 million to fund CURES, greatly exceeding the funding provided by any other agency.

3. Relocation of the Department of Consumer Affairs

The lease for the building housing the main portion of the Department of Consumer Affairs, including the Sacramento office of this board, ended in November 2004.

Lease negotiations conducted by the Department of General Services apparently will result in the relocation of the department to a new location about 8 miles north of the board's current location (about half-way between our office and the airport), in an area known as North Natomas. The board will actually occupy the original Arco Arena, where the rent is less. The expected move date is November 2005. The new building's owner has promised to pay for the purchase and installation of new systems furniture as well as utilities and janitorial service.

The board's office space will be reduced to about 80 percent of its current space, and will no longer include a conference room within the board's suite.

4. Board Member Reimbursement and Travel

Attachment 6 displays board expenditures for board member reimbursement and travel for the current and prior fiscal years.

ITEM 6: Personnel Update and Report

A detailed Personnel Update is provided as Attachment 7.

Since the October board meeting, the board has hired a second cashier, a much-needed position. The board also recently hired a new legislative coordinator, who will begin work for the board on January 10.

The board is seeking to fill three positions:

- An inspector position
- Two receptionists (temporary positions)

The board has recruited for the inspector position, but cannot find an applicant with the qualifications needed by the board. Instead, the board will need to create a new list of eligible pharmacist candidates. The board has requested that the Department of Consumer Affairs conduct a new civil service examination for this classification. The final filing date of applications for this examination is February 18. This recruitment is being announced in the board's January newsletter.

The board itself has two public board member positions vacant; these positions were created January 1, 2004, and are Governor appointments.

The board has one inspector on parental leave.

Attachment 1

California Performance Review—Recommendations of Governor Schwarzenegger to Restructure Regulatory Boards in the Department of Consumer Affairs

Consumer
Affairs

Executive Office
400 R Street, Suite 3000
Sacramento CA 95814
(916) 445-4465
FAX (916) 323-6639

January 6, 2005

TO: Board Members of the Department of Consumer Affairs

Governor Arnold Schwarzenegger has announced a reorganization plan designed to enhance the accountability, efficiency, and responsiveness of state government. Under this plan, 279 appointed board member positions within the Department of Consumer Affairs would be eliminated effective July 1, 2005, unless disapproved by the Legislature. The boards' existing oversight and regulatory functions for various businesses and professions would continue to occur and be carried out by the Department of Consumer Affairs.

Information on the reorganization plan will be forthcoming shortly. In the interim, here are some highlights of the plan.

Authority. Government Code Section 12080 *et seq* requires the Governor to examine the organization of all agencies to, among other things, enhance efficiency, promote better execution of the laws, and reduce expenditures. Whenever the Governor finds that reorganization is in the public interest, the statute states that he shall prepare one or more reorganization plans in the form of a bill to be submitted to the Legislature. Once submitted, the Legislature has 60 days to act.

Board Members. The administration recognizes that existing board members do make valuable contributions on issues impacting their respective professions and industries, and fully intends to seek their collective input and that of other interested parties during the transition period.

Executive Officers and Board Staff. It is anticipated that in order to achieve a seamless transition for licensees and the public, existing board Executive Officers and their staffs will be transitioned into the Department. All staff will continue to have the same duties and responsibilities. The distinction is that instead of reporting to a board, effective July 1, 2005, employees would be expected to report to the Director of the Department of Consumer Affairs.

Public Access. The Director of the Department of Consumer Affairs currently has the power to establish advisory bodies and this authority will not change. The Department is committed to maintaining and expanding access for both professional licensees and the public in carrying out its oversight and regulatory functions. The Department is committed to holding regular meetings and workshops and affirms that these meetings will be open to the public, and governed by the Bagley-Keene Open Meetings Act. Further, in order to maximize public access, meetings would be held around the State, and the Department will use web casts and teleconference technology where available.

Licensing Examinations. As proposed, the plan, as mandated by Section 139 of the Business and Professions Code, provides the Director with greater oversight of the entire examination process.

Discipline. Under the proposed reorganization plan, disciplinary investigations and subsequent actions will continue to be a high priority of the Department. Existing board staff will continue to carry out their functions in this regard, and the Department is hopeful that a streamlining of this administrative process will provide greater protection to the public and prevent harm to consumers.

Please do not hesitate to call me at (916) 445-8385 if you have any questions. We look forward to working with you as this process evolves.

Sincerely,

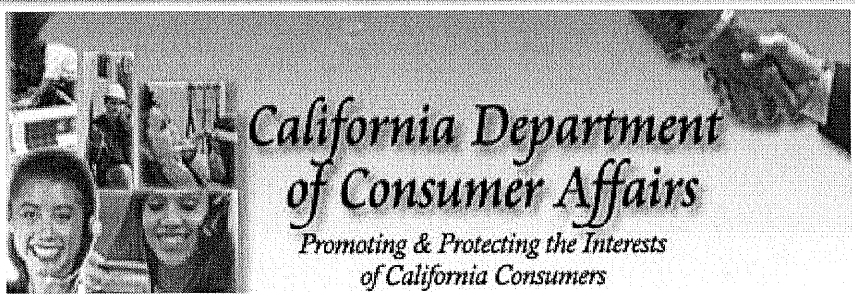
CHARLENE ZETTEL, Director
Department of Consumer Affairs

Cc Fred Aguiar, Secretary
State and Consumer Services Agency

Sherry Mehl, Chief Deputy Director
Department of Consumer Affairs

Nancy Hall, Deputy Director
Department of Consumer Affairs

CALIFORNIA DEPARTMENT OF CONSUMER AFFAIRS
400 R Street
Sacramento, CA 95814
(800) 952-5210
(916) 445-1254
TDD: (916) 322-1700
email: dca@dca.ca.gov



Press Release

Secretary Aguiar Outlines How Schwarzenegger Reorg Streng Consumer Protection

FOR IMMEDIATE RELEASE
January 6, 2005

SACRAMENTO-Governor Schwarzenegger's comprehensive reorganization plan, while eliminatin politically appointed board and commission members, will strengthen consumer protection by strea government, Secretary Fred Aguiar of the State and Consumer Services Agency said Thursday.

As part of his effort to make government more accountable to the people, Governor Schwarzenegg proposed converting 33 boards and commissions into programs governed by the Department of C Affairs (DCA). This reorganization will not change regulations or consumer protections that already will increase the department's accountability for enforcing the rules vigorously, efficiently and fairly.

"Under this proposal, nothing will change except for more accountability, more direct responsibility efficiency, allowing the Department of Consumer Affairs to respond more quickly to the people of C Aguiar said.

Some of the boards in the reorganization plan include: Acupuncture Board, Board of Psychology, Company Operator Disciplinary Review Committee, Medical Board of California, Physician Assista Dental Board of California, Committee on Dental Auxiliaries, Hearing Aid Dispensers Advisory Con Landscape Architects Technical Committee, Board of Pilot Commissioners for the Bays of San Fra Pablo and Suisun, Structural Pest Control Board, Contractors State License Board, Private Securit Review Committees (North and South) and others.

Reporting directly to the DCA director, the qualified professionals who currently manage these pro have the power to take needed actions themselves without waiting for infrequent board meetings. system will help them to shorten the timeframe for licensing and disciplinary decisions.

The new organizational structure will also clear the way for the department to automate administra still performed on paper, and allow it to consolidate administrative services like cashiering, outreac and complaint mediation to improve service and reduce costs. It will also allow the department mo shift resources and perform critical tasks, helping prevent licensing backlogs. Last year, professio applicants faced backlogs that kept them from entering their chosen field for up to several months.

Additionally, the per diem stipends and travel costs currently paid to board members will be taken freeing money for enforcement efforts and other policy priorities.

"Our efforts to protect consumers will be stronger when the Governor and the Department of Cons have real authority to hold these programs accountable," Aguiar said.

Consumer Advocates Assail Gov.

Schwarzenegger's plan to abolish independent regulatory boards called blow to public interest. Cabinet member says citizens will have input.

By Jordan Rau
Times Staff Writer

January 8, 2005

SACRAMENTO — Gov. Arnold Schwarzenegger's plan to abolish the independent boards that regulate California professionals has outraged public watchdogs, who say it would eradicate years of reform that curtailed the influence of trade groups over those who oversee them.

The changes would save no taxpayer money but would give the governor complete power in setting the rules that govern doctors, nurses and most of the state's 230 professions.

In the last decade, the boards that regulate contractors, barbers, accountants and other professionals have undergone quiet transformations. Once controlled by the professions they regulated, many now are run by a majority of public members who sit alongside professionals.

Boards that are still dominated by professional members must place consumer protection as their top goal. Members are appointed to fixed terms by state leaders and cannot be fired by anyone, including the governor.

But Schwarzenegger's plan to overhaul state government, submitted late Thursday, would transfer the jobs of those boards to administration agencies such as the Department of Consumer Affairs. Many of the boards — including those that oversee physicians, dentists and nurses — had not been slated for elimination by Schwarzenegger's own expert panel, the California Performance Review.

"This is ill-advised on the part of the administration," said Julianne D'Angelo Fellmeth, administrative director of the Center for Public Interest Law at the University of San Diego School of Law.

"A board has to meet in public; it has to respond to public comment. The only interest in Sacramento who's not a special interest is the public interest, and that's going to be blocked out," said Fellmeth, who is currently the state-appointed monitor of the Medical Board. "We're shoving public government into a private closet where only the special interests and the trade interests will be able to go."

In his annual address to the Legislature on Wednesday, Schwarzenegger portrayed the boards as expensive and "unnecessary" and implied that they were staffed with political appointees who did little work. "No one paid by the state should make $100,000 a year for only meeting twice a month," he said.

But out of the 88 boards and commissions Schwarzenegger targeted for abolition, only four pay six-figure salaries. The rest provide nominal fees — usually $100 for each day worked — or no compensation beyond expenses.

Administration officials said they did not know how much, if any, money the changes would save. But because most of the regulatory boards are supported by the fees of those they license, savings would not go back to taxpayers.

Fred Aguiar, secretary of the State and Consumer Services Agency, which would handle the work of three dozen boards, said the quality of oversight would not be diminished by the reorganization. He said the staff that currently evaluates disciplinary complaints for the boards would continue the same tasks in the administration and would ultimately be accountable to an elected official, the governor.

Administrative law judges would evaluate accusations brought against professionals. Aguiar said the public would have ample access through advisory panels set up by departments.

"This administration has had a priority of consumer protection," Aguiar said. "This does not change under this proposal. I believe this will be open government."

But many public interest advocates and lawmakers say the Schwarzenegger administration has consistently tilted toward businesses over consumers, both in the making of laws and the appointment of officials to administer them. Schwarzenegger's choice of Charlene Zettel, a former Republican assemblywoman, as director of his Consumer Affairs Department was criticized during her confirmation hearing last year because of her pro-business record.

Jamie Court, president of the Foundation for Taxpayer and Consumer Rights, a Santa Monica nonprofit, said Aguiar also revealed a hostility to consumers while he was a Republican assemblyman.

"He is very much a political animal who, when he was in the Legislature, was fed and bred by the medical insurance complex," Court said. "We fought with Fred Aguiar on every major consumer protection matter we passed during his tenure, including HMO reforms, medical board changes and other consumer protection issues.

"The whole reason we have professional boards with private citizens deliberating in open meetings is because political bureaucrats like Aguiar botched the job and were working for the professional industries that were supposed to be regulated," Court said.

A Schwarzenegger spokeswoman declined to respond to the criticisms of Aguiar. In his remarks Wednesday, Schwarzenegger said he anticipated opposition. "Anytime you try to make something more efficient, there are a half-dozen special interests trying to prevent it."

Schwarzenegger's plan would also wrest power away from the Legislature, where leaders are now able to appoint some members of boards. That is one reason it is expected to encounter resistance when it arrives next month, after the Little Hoover Commission, an independent state oversight agency, concludes its analysis. The Legislature will have 60 days to approve or reject the governor's plan but cannot make changes; Schwarzenegger has threatened to bring it to the ballot if it fails.

Professionals overseen by boards where public members are still a minority — including those for doctors and registered nurses — said Schwarzenegger's changes would make regulation less democratic by vesting all of the power in the hands of the governor and his appointees.

"In the present system, going from [Gov. Pete] Wilson to [Gray] Davis or Davis to Schwarzenegger didn't change the philosophy," said Dr. Robert Hertzka, president of the California Medical Assn. He said that because the people overseeing regulators under Schwarzenegger's plan would be the governor's political appointees, "if we have a major partisan switch, you could have a significantly dramatic change in how physician discipline was being managed and run."

Rose Ann DeMoro, director of the California Nurses Assn., said that eliminating the nursing board would make it easier for hospitals to get rid of patient-friendly rules created by the board, such as one allowing nurses to block the release of patients they deem too ill to be discharged.

"He's trying to appear as a populist, while he's promoting perhaps the worst corporate agenda we've seen," she said.

Overall, Schwarzenegger proposed eliminating less than a third of all of the state's boards and commissions. One left standing is the California Film Commission, which Schwarzenegger, a former actor, has taken a great interest in, appointing his friends Danny DeVito and Clint Eastwood. The commission is supposed to encourage movie making within the state.

The governor also declined to eliminate the New Motor Vehicle Board, which handles disputes between car dealers and manufacturers, even though the performance review had said "there is no need for a governmental body to take on this work." The board is supported by California's car dealers, who are among Schwarzenegger's largest financial supporters.

Schwarzenegger also rejected his panel's advice to eliminate the Horse Racing Board, the Fair Employment and Housing Commission, the California Commission on Aging and

the Athletic Commission. That last board has been faulted for mismanaging the pensions of boxers, and the CPR report said that no other sport in California requires its own public overseer.

State Sen. Liz Figueroa (D-Fremont), who heads the legislative committee that will be examining Schwarzenegger's proposal, said: "I don't see there's any rhyme or reason on why he decided to eliminate some boards and not others."

Recommended for elimination

Gov. Arnold Schwarzenegger endorsed the recommendations of his expert panel, the California Performance Review, to eliminate 88 of the state's independent boards and commissions. Those include:

* Architects Board
* Board of Barbering and Cosmetology
* Contractors State License Board
* Court Reporters Board
* Board of Geologists and Geophysicists
* State Board of Guide Dogs for the Blind
* Professional Engineers and Land Surveyors Board
* Landscape Architects Technical Committee
* Speech-Language Pathology and Audiology Board
* Structural Pest Control Board
* Board of Forestry and Fire Protection
* Building Standards Commission
* Integrated Waste Management Board
* Industrial Welfare Commission
* Occupational Safety and Health Appeals Board
* Unemployment Insurance Appeals Board

Schwarzenegger also is proposing the abolition of several other boards that the CPR did not see fit to eliminate. They include:
* Board of Accountancy
* Acupuncture Board
* Dental Board
* Medical Board of California
* Board of Occupational Therapy
* Optometry Board
* Board of Pharmacy
* Physical Therapy Board
* Board of Podiatric Medicine
* Board of Psychology
* Registered Nursing Board
* Vocational Nursing and Psychiatric Technicians Board
* Registered Veterinary Technicians Committee

* Veterinary Medical Board
* State Mining and Geology Board
* Alarm Company Operator Disciplinary Review
* Workers' Compensation Appeals Board

*Sources: Governor's office, California Performance Review

Copyright 2005 Los Angeles Times

A GOVERNMENT FOR THE PEOPLE FOR A CHANGE

GOVERNOR'S REORGANIZATION PLAN 1

REFORMING CALIFORNIA'S BOARDS AND COMMISSIONS

GOVERNOR ARNOLD SCHWARZENEGGER

Governor's Reorganization Plan 1

REFORMING CALIFORNIA'S BOARDS AND COMMISSIONS

Table of Contents

I. Introduction 1

II. The Negative Impact of Proliferation 2

III. The Rationale for Reform 4

Accessibility 6

Accountability 7

IV. Proposed Organizational Improvements 8

New Entities 8

Eliminated Boards and Commissions 8

V. Implementation 13

Leadership Transition 13

Functional Transition 13

Logistical Transition 13

Public Participation 14

VI. Conclusion and Next Steps 16

APPENDICES 17

APPENDIX 1 18

APPENDIX 2 52

I. INTRODUCTION

Any comprehensive effort to improve the productivity and accountability of state government requires an examination of the role of boards and commissions.[1] Boards and commissions have proliferated in California at a staggering rate and now comprise a substantial portion of the bureaucratic weight of state government. While many boards and commissions provide a critical oversight or regulatory function, others do little to advance the interests of the people of California. In fact, many boards and commissions have outlived their usefulness and interfere with the efficient and accountable delivery of services.

The California Performance Review evaluated more than 300 boards and commissions, examining their role, necessity and effectiveness. The rigorous criteria the California Performance Review applied was influenced by the California Performance Review Commission, the Little Hoover Commission and the people of California.

This reorganization will eliminate 88 boards and commissions described in Appendix I. An index of these boards and commissions can be found in Appendix II. In most cases, the activities or functions of the boards and commissions eliminated will continue, and be transferred to an agency or department. The net result will be increased accountability and transparency of operations. This document describes the boards and commissions proposed for elimination and discusses the justification for their elimination, their membership, their compensation and their function.

Eliminating and consolidating these boards and commissions will improve the productivity of state government by removing duplication, leveraging the state's resources and streamlining decision-making. To ensure the state maintains only those board and commissions necessary for productive government, there will be a periodic review to assess further eliminations and consolidations.

In making these recommendations, care has been taken to identify and highlight those boards and commissions whose work is valuable to the people of California.

---

[1] See e.g., *Historic Opportunities: Transforming California State Government*, Little Hoover Commission, Report #176, December 2004

II. THE NEGATIVE IMPACT OF PROLIFERATION

Many expert observers of state government have identified the deficiencies inherent in the proliferation of boards and commissions in California state government. The Little Hoover Commission recently observed that:

> "California, like many states during the last century, built a government that relied heavily on boards and commissions to improve government decision-making. Boards and commissions – if well structured and managed – can be effective mechanisms for serving the public. But boards and commissions also are frequently cited as examples of waste and abuse of government resources. The case is usually made through examples of bodies that are too independent – not accountable to the people, to the legislation that authorizes their activity, to the appointing powers or even the facts before them. There are some instances where members are given full-time pay for part-time work. Some boards are too close to the profession or business they are expected to regulate. And there are even more boards that are not providing the advice or oversight that is expected of them."[2]

Each of California's boards and commissions were initially created to address a pressing issue. However, over the years this system has evolved into a tangled web that undermines the efficiency and responsiveness of state government. The history of consumer protection entities in California illustrates this pattern.

Currently, over 45 independent departments, bureaus and boards issue licenses, permits and certifications. The current Department of Consumer Affairs (DCA) licenses and regulates professionals in more than 230 professions. The Department contains 40 separate regulatory entities, but 27 entities remain organized as separate regulatory boards. The primary distinction between bureaus and regulatory boards is the source of direct management. Board and committee members establish policy and board priorities and appoint an executive officer that manages board functions and implements policy. The Director of the Department of Consumer Affairs directly manages bureaus and programs, but has little authority to interfere or manage the functioning of many of its boards.

Over 70 years ago licensing boards were placed in a single department in order to increase administrative efficiency and reduce independence, but the organizational structure today is more confused than ever,[3] and consumer protection has languished. As the Little Hoover Commission has observed,

> "[o]ne purpose for putting the licensing boards in a department 70 years ago was to increase administrative efficiency and reduce independence. But the organizational structure today is more confused than ever...The boards remain largely independent. The department has leaned increasingly harder on the licensing programs to pay for its

---

[2] Id., at p. 21

[3] Commission on California State Government Organization and Economy, *Consumer Protection: A Quality of Life Investment,* Report No. 146, June 1998

> overhead and consumer programs unrelated to the fee-based regulators. The relationship between the department and the boards is often strained and occasionally adversarial."[4]

Licensing boards in California have had a troubled history. By the late 1920s, 10 boards existed -- certifying accountants, architects, barbers, cosmetologists, dentists, embalmers, optometrists, pharmacists, physicians and veterinarians. The Little Hoover Commission notes that while "inspired by consumer protection, once established the boards functioned more like professional guilds than regulatory watchdogs. Examinations did as much to limit competition and hold up prices as they did to screen out incompetence. Investigation and enforcement efforts were lax."[5]

In the 1970 Consumer Affairs Act, the Legislature sought to significantly augment the consumer protection mandate by creating a Division of Consumer Services within DCA and by charging the Department with an affirmative consumer protection mandate.[6] The Legislature directed the DCA in Business and Professions Code § 301 to "facilitate the proper functioning of the free enterprise market economy," but the Little Hoover Commission report, citing testimony from the Center for Public Interest Law, wryly observed:

> "It is unclear why the Legislature would direct DCA to 'facilitate the proper functioning of the free enterprise market economy' but then place it over 40 semi-autonomous occupational licensing agencies -- many of which are deliberately designed to limit 'the proper functioning of the free enterprise market economy' without consumer benefit. And we fail to understand why the Legislature would charge DCA with 'fostering competition' without also giving the DCA director sufficient authority to interfere with the cartel-like function of its boards which serve to suppress competition, limit consumer choice in the marketplace and artificially inflate the price of the services performed."[7]

As reported by the Little Hoover Commission, the centralization goal associated with creation of DCA never materialized. In 1993-94, the DCA reorganized and centralized many of the functions of the regulatory programs under the department's control. Five new divisions were created -- licensing, consumer information, complaint mediation, enforcement, communications

---

[4] Id., at "Organizational Structure", Finding 1.

[5] Id., at "Background"

[6] Business & Professions Code § 301 states: It is the intent of the Legislature and the purpose of this chapter to promote and protect the interests of the people as consumers. The Legislature finds that vigorous representation and protection of consumer interests are essential to the fair and efficient functioning of a free enterprise market economy. The Legislature declares that government advances the interests of consumers by facilitating the proper functioning of the free enterprise market economy through (a) educating and informing the consumer to insure rational consumer choice in the marketplace; (b) protecting the consumer from the sale of goods and services through the use of deceptive methods, acts, or practices which are inimical to the general welfare of consumers; (c) fostering competition; and (d) promoting effective representation of consumers' interests in all branches and levels of government.

[7] Commission on California State Government Organization and Economy, *Consumer Protection: A Quality of Life Investment,* "Organizational Structure", Report No. 146, June 1998

and education. The reorganization, according to the director, improved efficiency by centralizing the performance of similar functions historically performed separately by the bureaus and the programs under its authority. But the boards were immune from the reorganization changes.[8]

Legislation enacted in 1994[9] put in place a procedure and schedule for the Legislature to assess the effectiveness of state involvement in the 32 areas regulated by various boards. The law established the Joint Legislative Sunset Review Committee[10] to provide specific review criteria and minimum standards of evaluation for legislative and state agency use, and to subject all boards of the DCA to periodic review and sunset. When a board is abolished, DCA succeeds to and is vested with all duties and responsibilities of the former board.

This reorganization proposal builds on this concept by integrating boards and commissions throughout state government into existing state departments and agencies.

Separation of the regulatory and licensing functions of state government into so many different entities limits access to information and services. Furthermore, the constituent is not protected as effectively because there is no single agency monitoring enforcement or setting policy and standards. Indeed, the constituent finds the range of entities confusing and not user-friendly.

The state is also not leveraging its scale and resources. Administrative functions are duplicated, best practices are not shared across entities and many licensing boards continue to use outdated and costly systems. The result of proliferation in the number boards and commissions has been higher costs compounded by lower service levels. It is this problem that the California Performance Review set out to address in recommending reforms to California's boards and commissions.

---

[8] Commission on California State Government Organization and Economy, *Consumer Protection: A Quality of Life Investment,* Report No. 146, June 1998

[9] SB 2036 (McCorquodale), Stats. 1994, ch. 908

[10] Now named the Joint Committee on Boards, Commissions & Consumer Protection

III. THE RATIONALE FOR REFORM

The elimination of superfluous boards and commissions will functionally align administrative services within agencies and departments, promote clear policy making authority, strengthen consumer protection and improve customer service.

The California Performance Review evaluated 339 boards and commissions and recommended that one-fourth be eliminated and their functions transferred to an existing department. In some instances, more than one board or commission performs functions that are substantially identical or closely related. This reorganization proposes the consolidation and alignment of these entities by function.

In some cases, both the board and function should be eliminated entirely, because the board or commission has completed its work or does not further the goals for which it was created. For example, it is unnecessary to keep formal, standing boards and commissions that advise other government bodies. State agencies have inherent authority to consult with experts or seek advice from the public, and are often mandated to do so.

In conducting its review, the California Performance Review focused on the inherent role of boards and commissions as a part of governance and what they can accomplish. The California Performance Review defined a board or commission's attributes by virtue of its purpose, the authority it possesses, and whether that purpose was advanced by the entity. The California Performance Review also employed a methodology recommended by the California Performance Review Commission for evaluating boards and commissions that focused on the following criteria:

- Does the board serve a worthy state purpose?
- Are the rules adopted by the board uniformly applied throughout the state?
- Is independence necessary for the function?
- Is the board necessary to receive federal funds?
- Is the board function related to public health and safety?

The California Performance Review Commission further stated that:

- Boards serving a primarily local need, one contained geographically, should be local entities and not state boards;
- Edicts issued by a board should have the same effect and equal application statewide;
- Quasi-judicial or appellate functions should be vested in an independent entity;
- Federally mandated board structures that are necessary to secure funding should be left intact; and
- Boards providing for the most fundamental public purpose – protecting public health and safety – should receive special consideration.

The California Performance Review Commission additionally noted that:

- Some functions now performed by independent standing boards could be provided equally well through an advisory board appointed by department Secretaries;
- Board members' salaries should correspond to workload, favoring a tendency toward *per diem* and travel expenses for remuneration, as opposed to full-time salaries;
- Boards should not possess administrative responsibility for day-to-day operations;
- Independent boards should be affiliated with a department structure; and
- All boards should be subject to routine review.

The California Performance Review's recommendations seek to maximize the accessibility and accountability of state government. They also take into account a board or commission's particular context and purpose, and reflect the criteria provided by the California Performance Review Commission.

Accessibility

Despite legal stricture, boards can actually hinder the public's access to governmental decisions. The public has certain statutory rights with respect to boards that are not available before other government bodies, such as:

- A 10-day public notice requirement for public business – a public agenda;
- Provisions that allow the general public, including interested parties, to comment;
- General public discussion, including board members' questions to staff; and
- A public vote of the board.

However, these are not guarantees of public participation. For example, public commentary has little value if a board is beholden to the industry it is intended to regulate. There are more substantial avenues for public input that can be employed by all government entities. First, all governmental rule-making in California is subject to the Administrative Procedure Act (APA). The APA requires public notice of a proposed change in administrative law (rules and regulations) and allows the public to demand at least one public hearing on the proposed administrative law addition or change. The Act requires state agencies to provide formal, written justification for official actions and that the agencies respond, in writing, to public comments and criticism in a final statement of reasons for its actions.

Second, the public workshop process is often more valuable in providing a forum for public input than board hearings. Public workshops are less rigid than board hearings and are conducted by staff to develop and test proposals with the general public and stakeholders. Workshops can be held in multiple locations to make public attendance more feasible and convenient. By contrast, board hearings are typically held at a single location and limited to a single (or two-day) session on a monthly basis – or even less frequently. These are typically conducted during weekdays and during work hours with public testimony limited to three to five minutes.

For instance, comments received by the California Performance Review Commission indicate that the public workshop process used by the Department of Toxic Substances Control is more accessible than the hearings held by Regional Water Resources Control Boards. These comments

illustrate that an open, public process is subject to certain practical and logistical limitations and that open processes are not the exclusive purview of boards and commissions. Ultimately, a more nimble departmental public workshop process is often superior.

Public accessibility to all governmental entities, including both boards and agencies, can be further enhanced by taking advantage of advances in technology. Stakeholders can be notified using email, submit comments electronically and view public hearings over the web. These and other improvements will enable the state to achieve greater transparency and accessibility without burdening the public with potentially counterproductive, expensive, remote and labor-intensive boards and commissions.

Accountability

A common misconception is that the requirement for a board to conduct its business in public results in accountability. Regardless of such a public forum, any board empowered to do what it wants without consequence is not accountable. If power and responsibility for making policy lies with an unelected, term-appointed board or commission, then no individual, group, or state agency is held responsible. Accountability for the failures and the successes of the executive branch must rest with the elected leader. The recommendations contained within this reorganization proposal advance both public accessibility and accountability.

IV. PROPOSED ORGANIZATIONAL IMPROVEMENTS

New Entities

As noted above, the proposed organizational improvements eliminate some boards and commissions, but combine the functions, duties and responsibilities of these entities into a new, consolidated entity. The two new entities created by this reorganization proposal will be the Office of Higher Education and Financial Aid and the Employment and Benefits Appeals Board.

Office of Higher Education and Financial Aid – Creation of this office will align critical higher education policy and planning functions in California so that policymakers and those charged with implementing higher education programs have immediate access to critical information. More importantly, students will have access to a consolidated system that provides them with the full range of services they need to be successful achieve their academic goals.

The Office of Higher Education and Financial Aid will be governed by its executive officer, who shall serve at the pleasure of the Governor and who shall be confirmed by the Senate. The Office will succeed to and be vested with the powers, duties, and responsibilities of the following entities, which shall no longer exist:

(1) Loan Advisory Council;
(2) Student Aid Commission; and
(3) California Postsecondary Education Commission

This office will review and recommend policies on student financial aid, it will administer financial programs, while continuing to provide information to students on preparing for college, including financing the cost of their education. This office will assume the functions of the California Student Aid Commission and the California Postsecondary Education Commission.

Employment and Benefits Appeals Board – The Employment and Benefits Appeals Board succeeds to and is vested with the powers and jurisdiction of the OSHA Appeals Board, the Unemployment Insurance Appeals Board, and the Workers' Compensation Appeals Board. All three boards will be abolished.

The Employment and Benefits Appeals Board will consist of nine full-time members, all of whom will be gubernatorial appointees, serving at the pleasure of the Governor and subject to Senate confirmation. Board members will receive a full-time salary ranging from $114,000 to $117,000 annually. The Governor will designate the chair of the Board from the membership of the Board. The Executive Officer of the Board will serve at the pleasure of the Governor.

The Board will review appeals of decisions made by workers' compensation administrative law judges relating to awards of workers' compensation benefits. The Board will also hear appeals on unemployment disputes, including appeals by businesses from tax assessments made by the Employment Development Department and appeals by individuals from denials of unemployment insurance benefits. Finally, the Board will hear appeals from public and private

sector employers that receive citations for alleged violations of workplace safety standards issued by the Division of Occupational Health and Safety within the Department of Industrial Relations.

Eliminated Boards and Commissions

Administrative

Boards that facilitate administrative processes or programmatic functions often create superfluous layers of bureaucracy which diffuse accountability and transparency. Administrative functions can be better performed by managers according to a set of tested and proven procedures and policies. Transferring responsibility for the effective administration of these policies to the Chief Executive, the Governor's appointees, and discretionary managers (CEAs) will better serve the people of California.

- Commission of the Californias
- Colorado River Board
- Electricity Oversight Board
- State Board of Fire Services
- Commission on Health and Safety and Workers Compensation
- High-speed Rail Authority
- Interagency Aquatic Invasive Species Council
- Student Aid Commission
- California Water Commission

Advisory

Advisory boards should be impaneled under the purview of a Secretary on an *ad hoc* basis to address specific issues, rather than being made permanent fixtures of state government. These advisory bodies often outlive their usefulness or effectiveness. When necessary, expert advice can be sought from existing professional associations such as the California Bar Association, American Medical Association, American Society of Appraisers, Association of Engineering Geologists, and others. Detailed expert advice where needed can be contracted for on a case-by-case basis.

- 911 Advisory Board
- Agriculture Bargaining Association Advisory Board
- Commission on Asian and Pacific Islander American Affairs
- Mortgage Bankers Advisory Committee
- Brown vs. Board of Education of Topeka Advisory Commission
- Campus Sexual Assault Task Force
- Child Development Policy and Advisory Committee
- Clinical Advisory Panel
- Credit Union Advisory Committee
- Economic Development Commission
- Electronic Commerce Advisory Council

- Emergency Medical Services Commission
- Health Policy and Data Advisory Commission
- Hearing Aid Dispenser Advisory Committee
- Heart Disease and Stroke Prevention Treatment Task Force
- Heritage Preservation Commission
- Bipartisan Internet Political Practices Commission
- Loan Advisory Council
- Advisory Committee on Managed Health Care
- Postsecondary Education Commission
- Racial Profiling Panel
- Real Estate Advisory Commission
- Recreational Trails Committee
- Rural Health Policy Committee
- Seismic Safety Commission
- Small Business Reform Task Force
- Departmental Transportation Advisory Committee
- Commission on Uniform State Laws
- Governor's Commission on Veterans Cemeteries
- Mexican-American Memorial Beautification and Enhancement Commission
- Vietnam Veterans Memorial Commission

Appellate/Adjudicatory/Disciplinary

The function being performed by these entities is dispute resolution between an individual or business and the state. The appropriate venue for this process is one that provides assurance of objective mediation and due process. This function is best performed by an Administrative Law Judge through the Office of Administrative Hearings or by a bureau specifically established for this purpose. In the event of the need for expert testimony or advice, that testimony or advice can be obtained through consulting contracts. The following entities are therefore recommended for elimination:

- Alarm Company Operator Disciplinary Review Commission
- Occupational Safety and Health Appeals Board
- Private Security Disciplinary Review Commission, North
- Private Security Disciplinary Review Commission, South
- Unemployment Insurance Appeals Board
- Workers Compensation Appeals Board

Regulatory: Licensing

Many of these licensing boards are responsible for disciplinary actions, which are adjudicatory in nature and should be separated from the board's regulatory duties to avoid potential conflicts of interest and maintain fairness and objectivity. It is administrative law judges, not board and commission members who should consider complaints lodged against licensees. The following entities are therefore recommended for elimination:

- Board of Accountancy
- Acupuncture Board
- Architects Board
- Board of Barbering and Cosmetology
- Board of Behavioral Sciences
- Contractors State License Board
- Court Reporters Board
- Dental Auxiliaries Committee
- Dental Board
- Board of Geologists and Geophysicists
- State Board of Guide Dogs for the Blind
- Landscape Architects Technical Committee
- Medical Board of California
- Board of Occupational Therapy
- Optometry Board
- Board of Pharmacy
- Physical Therapy Board
- Physician Assistant Committee
- Board of Pilot Commissioners for San Francisco, San Pablo Bays and Suisun
- Board of Podiatric Medicine
- Professional Engineers and Land Surveyors Board
- Board of Psychology
- Registered Nursing Board
- Vocational Nursing and Psychiatric Technicians Board
- Registered Veterinary Technicians Committee
- Respiratory Care Board
- Speech-Language Pathology and Audiology Board
- Structural Pest Control Board
- Veterinary Medical Board
- Service Agency Advisory Committee

Regulatory: Standard-Setting

Where there is no compelling need for a "California-only" standard, standards should revert to a best management practices standard employed by another state or the national model. To the extent that expertise is necessary that cannot be found within the governmental structure, and to the extent that outside expertise facilitates sound policy, consulting contracts, the public participation process and ad hoc committees can be formed. Furthermore, California's regulatory standards should, as frequently as possible and as appropriate, mirror national or regional models to facilitate conformity and understanding among the regulated community. Reciprocity and competitiveness should be considerations when addressing this function. The following entities are therefore recommended for elimination:

- Board of Forestry and Fire Protection
- Building Standards Commission
- California Inspection and Maintenance Review Committee
- Integrated Waste Management Board
- Industrial Welfare Commission
- State Mining and Geology Board
- Reclamation Board

Allocation

Grant applications or requests for issuance of debt instruments should adhere to clearly articulated eligibility guidelines. Staff evaluation, or a panel created for that purpose on an ad hoc basis, should be sufficient in the event there is a need for discretionary decisions. Agency Secretaries, as needed, should provide dispute resolution and oversight of this process. The following entities are therefore recommended for elimination:

- Boating and Waterways Commission
- Consumer Power and Conservation Financing Authority
- Off Highway Motor Vehicle Recreational Commission
- Public Library Construction and Renovation Board

V. IMPLEMENTATION

Implementing major change is difficult in any large organization, and especially so for the government of the world's sixth largest economy. However, for the recommendations of the California Performance Review to have any value, they must translate into real changes in the way that government does business. To accomplish a smooth transition, the California Performance Review recommends an implementation plan focusing on four key areas:

- Leadership Transition – carrying forward the skills and knowledge of consolidated boards and commissions into the new departments;
- Functional Transition – ensuring a continuity of services as responsibility shifts from old boards to new departments;
- Logistical Transition – preserving state resources that are in the hands of boards and commissions; and
- Public Participation – keeping the public involved throughout the entire process so they know what is happening and who is responsible for particular issues.

Leadership Transition

The members and staff of existing boards and commissions often possess a great deal of expertise in their respective areas that the state should attempt to retain. To preserve this institutional knowledge, a transition plan should be developed that identifies key members and staff of eliminated boards and commissions. The director and staff of the new department would then meet with commission members and staff to identify key upcoming issues and relevant history. When appropriate, the department may hire or consult with members of eliminated boards and commissions on an ongoing basis to maintain access to their expertise.

Functional Transition

A key goal of this reorganization proposal is to increase the quality of services that government provides to the public. Thus, it is imperative that the implementation of the reorganization not undermine public services. The implementation plan will ensure a seamless transition by:

- Identifying functions being transferred from eliminated boards and commissions;
- Setting effective dates for the transfer of each function and notifying stakeholders and the public of this schedule;
- Publicizing who will be responsible for specific policy areas in the new organizational structure; and
- Swiftly integrating transferred staff into the new department.

Logistical Transition

Boards and commissions also have certain state resources that must be preserved and managed effectively. Until the transition is complete, existing phone numbers, websites, and offices of boards and commissions must be preserved so that government can continue to be accessible and responsive to the public regarding the areas that the board was responsible for. Equipment used by the board or commission, such as computer systems, must be inventoried and maintained

during the transition. This will allow state government to effectively redeploy these resources in the future to support ongoing government operations or divest them, as appropriate.

Public Participation

Most important of all, public participation must be preserved both during the transition and thereafter. This can be accomplished by changing the way that government agencies conduct their business to make it more transparent to the public. For example, departments can use websites and e-mail to communicate new actions, publicize opportunities for public participation and receive comments electronically. Departments can also change the way they report their work, describing accomplishments, findings and changes in the regulatory process in plain language that is easy to understand.

In addition to this, the California Performance Review recommends that all state agencies consider expanding their use of public workshops to provide even greater opportunity for public input into governmental decisions. Best practices for these public workshops would include:

- Using e-mail in addition to traditional oral and written comments to receive input from the public;
- Publicizing dates and locations of workshops on the internet and using mailing lists to notify stakeholders and interested members of the public;
- Compiling information relevant to the proposed policy change, including contact information for responsible department staff, and publishing it in an easily accessible form prior to the workshop;
- Conducting workshops at times and places that are convenient for the public;
- Making staff available to answer questions about a decision; and
- Accepting public comments after a final decision is made and responding to them in the final statement of reasons with the Office of Administrative Law under the Administrative Procedures Act.

Public participation is critical to the democratic process. The state will ensure best management practices by having all state agencies and departments adopt effective public participation and workshop processes. These will include not only opportunities for public comments, but greater information about performance goals and progress in achieving those goals that will allow citizens to make informed evaluations of what their government is doing.

VI. CONCLUSION AND NEXT STEPS

Within the executive branch of state government, there are more than 300 boards, commissions, panels, task forces, committees and other appointed bodies. These entities are so scattered and numerous that arriving at a firm number is nearly impossible. While the cost of the state's myriad boards and commissions is of concern, more important is the desire to ensure that California's governance structure is highly accountable. The line between the Governor and the performance of executive branch functions should be as straight as possible. If a program is failing Californians, good government demands that blame be easy to affix and hard to deflect. The current structure of boards and commissions creates the opposite situation. For this reason, this reorganization proposal advocates the elimination of 88 boards and commissions. This is a first step in making California's state government more responsive and more accountable to the people of California.

In parallel to the Little Hoover Commission's deliberations, a program team will be established as part of the California Performance Review. This program team will consist of a small number of highly talented individuals committed to facilitating the reorganization and transformation of the boards and commissions identified in this reorganization proposal. The program team will work alongside implementation teams established at the responsible agencies. The California Performance Review program team will set milestones for this effort over the coming 12 months, provide advice to the agency implementation teams and provide monthly updates to the people of California, the Governor and the Legislature.

APPENDICES

Appendix 1 *Descriptions of Boards and Commissions*

Appendix 2 *Index of Boards and Commissions*

APPENDIX 1

Descriptions of Boards and Commissions

State 9-1-1 Advisory Board – The State 9-1-1 Advisory Board is an advisory body created by the Legislature. The Warren-911-Emergency Assistance Act directs the Telecommunications Division of the Department of General Services to consult regularly with specified agencies, officials and entities to accomplish its responsibilities with respect to 911 telephone services. The Board is comprised of 11 members who are appointed by the Governor, and includes a representative of the Department of General Services as a non-voting member.

Members are not compensated for service, but are reimbursed for travel and *per diem* costs.

The board advises the California 911 Emergency Commission Office in the Department of General Services. The Board functions as an administrative body to assist these entities, recommend policies, and develop standards and common protocols to streamline and improve the processes and practices of 911 services.

The board will be eliminated and its functions transferred to the Department of General Services' Telecommunications Division, where it originated.

California Board of Accountancy – The California Board of Accountancy is a regulatory and licensing body created in 1901. The board is comprised of 15 members appointed as follows: seven members appointed by the Governor, two members appointed by the Senate Rules Committee and two appointed by the Assembly Speaker.

Board members receive a $100 *per diem* for time spent in the conduct of official duty, and are reimbursed for reasonable expenses.

The board's primary function is to regulate individual Certified Public Accountants (CPAs) and corporations. It also has the following duties and responsibilities: the compilation and maintenance of the licensee registrar; the regulation, prescription, amendment or repeal of professional rules of conduct; the ability to establish an advisory committee of its own CPA members to either examine licensee applicants or recommend to the Board applicants for licensure.

The board will be eliminated and its functions will be transferred to the Department of Consumer Affairs.

Acupuncture Board – The Acupuncture Board is a regulatory and licensing board that consists of nine members, seven of whom are appointed by the Governor and confirmed by the Senate. The remaining two members are each appointed by the Assembly Speaker and the Senate Rules Committee, respectively. From 1972 to 1975, acupuncture in California was regulated by the Board of Medical Examiners and was legal only when performed under the supervision of a licensed physician as part of medical research. In 1975, the Acupuncture Advisory Committee

was formed to advise the Medical Board. Over time, statute has been amended, recognizing acupuncturists as primary health care providers. In 1998, the Acupuncture Committee was renamed the Acupuncture Board and exists within the Department of Consumer Affairs.

Board members receive $100 *per diem* for time spent in the discharge of official duties, and reimbursement for reasonable expenses.

The primary role of the board is to adopt, amend, or repeal regulations relating to the practice of acupuncture; conduct studies and reviews, and report findings to the Department of Consumer Affairs and to the Joint Legislative Sunset Review Committee; and to deny, suspend or revoke, or impose probationary conditions upon the license of any acupuncturist as provided by law.

The board will be eliminated and its functions transferred to the Department of Consumer Affairs.

Agriculture Bargaining Association Advisory Committee – The committee consists of 12 members – six representing the grower bargaining association and six representing food processors. Community Grower Bargaining Associations nominate six members, two of which are appointed by the Governor, two by the Assembly Speaker, two by the Senate Rules Committee. Food Processors nominate six members, two of which are appointed by the Governor, two by the Assembly Speaker, two by the Senate Rules Committee. This committee was established by the director of Department of Food and Agriculture to provide recommendations on conciliation services.

Members receive compensation of $100 *per diem* for attending public meetings and are reimbursed for expenses.

The committee recommends to the Department of Food and Agriculture, a conciliation service to be appointed by the department in the event that industry parties cannot agree on a conciliator.

This purely advisory body will be eliminated.

Alarm Company Operator Disciplinary Review Committee – This five-member committee, appointed by the Governor, reviews appeals of decisions made by the director of the Bureau of Security and Investigative Services in the Department of Consumer Affairs pursuant to the Alarm Company Act.

The members are paid $100 *per diem* and reimbursed for expenses. They serve at the pleasure of the Governor.

The committee reviews and decides on all appealed decisions concerning administrative fines assessed by the bureau against alarm companies, license suspensions, and denial of permits, licenses, certificates and registrations issued by the bureau.

Judicial functions, including first hearings or appeals of disciplinary actions, require objective mediation and due process that can be provided by administrative law judges in lieu of a board.

The committee will be eliminated and its functions transferred to the Department of Consumer Affairs.

California Architects Board – The California Architects Board is a licensing body that was created in 1901 to regulate the practice of architecture in California. The board is comprised of 10 members – eight appointed by the Governor and one each appointed by the Senate Rules Committee and the Assembly Speaker.

Board members receive $100 *per diem* and reimbursement for travel and expenses related to the conduct of official duties.

The primary responsibility of the board is to provide licensing and disciplinary oversight for architects by establishing standards of practices and ensuring applicants meet those standards; by enforcing the laws and codes governing architectural practice; through public education to inform consumers; and by overseeing the activities of the Landscape Architect Technical Committee to ensure it regulates the practice of landscape architects.

This board will be eliminated and its functions transferred to the Department of Consumer Affairs.

Commission on Asian and Pacific Islander American Affairs – This 13-member commission, comprised of five members appointed by the Governor, four appointed by the Senate Rules Committee, and four appointed by the Assembly Speaker, was established to improve the delivery of state programs and services to Asian and Pacific Islander American groups.

Commission members serve without compensation, but are reimbursed for travel expenses.

The commission advises the Governor, the Legislature, as well as state agencies, departments, and commissions on issues relating to the social and economic development, and the rights and interests of Asian and Pacific Islanders communities.

This purely advisory commission will be eliminated.

California State Board of Barbering and Cosmetology – The California State Board of Barbering and Cosmetology performs regulatory and licensing functions following enactment of SB 1482 (Polanco), which converted an existing bureau to board status. The primary focus of the board is licensing barbers, cosmetologists, electrologists, estheticians and manicurists. The board administers exams to assess minimum qualifications, conducts routine health and safety inspections of licensed establishments, and investigates allegations of unprofessional conduct, negligence, incompetence, fraud or unlicensed activity.

The board is comprised of nine members, seven appointed by the Governor and confirmed by the Senate. The other two members are appointed by the Senate Rules Committee and the Assembly Speaker, respectively.

Members receive a $100 *per diem* for time spent in the conduct of official duties and reimbursement for reasonable expenses.

The chief duties of the board include: making rules and regulations; conducting and administering exams of license applicants; issuing licenses to qualified applicants; disciplining persons who have violated the rules and regulations; and adopting rules governing the sanitary conditions of establishments and schools approved by the board.

This board will be eliminated and its functions transferred to the Department of Consumer Affairs.

Board of Behavioral Sciences – The Board of Behavioral Sciences is an eleven member board, nine appointed by the Governor, and the remaining two by the Assembly Speaker and the Senate Rules Committee, respectively. The Board performs regulatory and licensing functions for the professions set forth in Title 16 of the California Code of Regulations. The board's predecessor – the Board of Social Work Examiners – was created in 1945 when California became the first state to register social workers. The board's responsibilities were expanded between 1945 and 1970 to include licensing and oversight of additional categories of professionals. The board's primary responsibilities are to license behavioral science professionals, and to register interns and associates and continuing education providers. It also develops and administers exams for its licensing programs, develops regulatory standards, conducts enforcement activities in response to consumer complaints and imposes disciplinary action against licensees and registrants for violations.

Each board member receives $100 *per diem* for time spent conducting official duties and reimbursement for expenses.

This board will be eliminated and its functions transferred to the Department of Consumer Affairs.

California Boating and Waterways Commission – The California Boating and Waterways Commission is an advisory body established in 1979 as a seven-member board appointed by the Governor and confirmed by the Senate. The commission was created to advise the Department of Boating and Waterways with respect to all matters under the department's jurisdiction.

Commission members receive $100 *per diem* for each for time spent discharging their official duties and are reimbursed expenses.

The chief duties of the commission are to advise the department on loans, grants and fund transfers to construct marinas and other boating facilities; to review and comment on proposed regulations of the Department of Boating and Waterways; and to call for studies and surveys of the need for small craft harbors and connecting waterways.

The functions of this largely advisory body should be incorporated into the program of the Department of Boating and Waterways. The public participation functions provided by the Commission will incorporated into the department's operating procedures.

This commission will be eliminated and its functions transferred to the Department of Boating and Waterways.

Brown v. Board of Education of Topeka Advisory Commission – This nine-member commission comprised of five members appointed by the Governor, two appointed by the Senate Rules Committee, and two appointed by the Assembly Speaker, was established to commemorate the 50th anniversary of the landmark Supreme Court ruling, Brown v. Board of Education. The commission will sunset on January 1, 2006.

Commission members serve without compensation, but receive reimbursement expenses.

The commission develops community and educational awareness programs to commemorate the 50th anniversary of the Supreme Court decision in Brown v. Board of Education of Topeka (1954).

The commission will be eliminated. This *ad hoc* advisory committee's function has been fulfilled. Additional input, as necessary, can be obtained on an *ad hoc* basis.

Building Standards Commission – The Building Standards Commission, established in 1953, is an 11-member Commission appointed by the Governor and confirmed by the Senate. The Secretary of State and Consumer Services serves as the Commission Chairperson.

Commission members receive $100 *per diem* for time spent in the discharge of official duties and are reimbursed for travel and other expenses.

The chief duties of the commission are reviewing and approving statewide building standards, codifying and publishing approved building standards, administering the building code adoption process, resolving conflict and ensuring consistency in state building standards.

While standard-setting is an important state function in some cases, it is typically a function that relies more upon sound technical data and less on discretionary judgment. To the extent that expertise is necessary that cannot be found within the governmental structure, and to the extent that outside expertise facilitates sound policy, the Department can use consulting contracts, the public participation process and *ad hoc* committees as necessary.

This board will be eliminated and its functions transferred to the Department of General Services.

Commission of the Californias – This 18-member advisory commission is comprised of seven members appointed by the Governor, five appointed by the Assembly Speaker, five appointed by the Senate Rules Committee and the Lieutenant Governor, as an *ex officio* member.

Commission members are not compensated.

The commission was established to develop favorable economic, educational, and cultural relations with Baja California and other states and territories within the Republic of Mexico.

This commission, which has been dormant for several years, will be eliminated.

Boards that facilitate administrative processes or programmatic functions can create superfluous layers of government. Administrative functions should be performed by managers according to a set of broad procedures and policies that are tested and proven effective. To the extent that a collaborative process is necessary to formulate policy, an *ad hoc* committee should be created.

California Campus Sexual Assault Task Force – This 15-member task force, 14 Governor's appointees and one Attorney General's appointee, was created to assess the problem of sexual assault on college campuses in California.

Task force members are not paid, but the law authorized the Office of Criminal Justice Planning to contract with an entity to provide research services to the task force.

The task force was charged with developing a uniform system for the gathering of information pertaining to sexual assaults. The task force also created a set of model guidelines for addressing sexual assault issues in institutions of higher education in California.

This task force will be eliminated. Its required report was submitted by the April 1, 2004 deadline to the Legislature. Its purpose has been fulfilled.

Child Development Policy and Advisory Committee – This 27-member committee is comprised of 22 members appointed by the Governor; one member appointed by the Superintendent Public Instruction; one appointed by the Director of Employment Development Department; one member appointed by the Director of Department of Social Services; one member appointed by the Director of Department of Health Services; and one member appointed by the Director of the Department of Developmental Services.

Committee members are not compensated.

The committee was established to provide policy recommendations to the Governor, the Superintendent of Public Instruction, the Legislature, and other relevant state agencies concerning child care and development; review and evaluate the effectiveness of child development programs; and to assess the need for children's services.

This purely advisory committee will be eliminated.

Clinical Advisory Panel – This five-member panel is appointed by the Director of the Department of Managed Health Care.

Panel members serve without compensation, but are reimbursed for expenses incurred in the performance of their duties.

The panel assists the director with clinical issues as needed, such as recommending approaches to reducing clinical errors, improving patient safety, increasing the practice of evidence-based medicine, and catalyzing clinical studies when a clear need for additional clinical evidence becomes evident. The panel reviews the decisions made in external review to ensure that the decisions are consistent with best practices and makes recommendations for improvements where necessary.

This panel will be eliminated and its functions transferred to the Department of Managed Health Care.

The Colorado River Board of California – The Colorado River Board of California is a legislatively created body with eight members: Two public members appointed by the Governor; two ex officio state officials – the directors of the Fish & Game and Water Resources departments; and four members selected by the Governor from lists submitted by the Los Angeles Department of Power and Water, the Imperial Irrigation District, the Metropolitan Water District, the San Diego County Water Authority, Palo Verde Irrigation District and the Coachella Valley Irrigation District.

Members receive no compensation, unless the member is not otherwise compensated for meetings, in which case the member receives $50 per meeting; members are reimbursed for expenses.

The board's primary responsibilities are to develop a plan for using Colorado River water; monitoring and reporting on federal law regarding state interest in Colorado River water; and exercising rights and powers granted to the state under Section 16 of the federal Boulder Canyon Project Act.

Boards that facilitate administrative processes or programmatic functions can create superfluous layers of government. Administrative functions should be performed by managers according to a set of broad procedures and policies that are tested and proven effective. Responsibility for the effective administration of these policies resides with the Chief Executive, the Governor's appointees and discretionary managers (CEAs). To the extent that a collaborative process is necessary to formulate policy, an *ad hoc* committee should be created.

This board will be eliminated and its functions transferred to the Department of Water Resources.

Consumer Power and Conservation Financing Authority - The Consumer Power and Conservation Financing Authority is a five-member board – four Governor's appointees and the State Treasurer, serving as an *ex officio* member.

The Authority chair is designated as a full-time paid position. Other board members receive $100 *per diem* and are reimbursed for expenses.

The primary role of the Authority is to establish, finance, lease, own, operate, acquire, or construct electricity-generating facilities and other projects or enterprises, on its own or through agreements with public and third parties or joint ventures. The Authority has broad authority in law to issue a variety of debt instruments or enter into various financing arrangements, as a seller or purchaser, lessor or lessee, mortgager or mortgagee, including issuing $5 billion in bonds.

Grant applications or requests for issuance of debt instruments should adhere to the clearly articulated guidelines for seeking the grant that make the applicant eligible for award. Staff evaluation, or a panel created for that purpose on an ad hoc basis, should be sufficient in the event there is a need for discretionary decisions. Dispute resolution and oversight of this process should be provided by Agency Secretaries, as needed.

This entity was de-funded. The Authority will be eliminated and its functions transferred to the California Energy Commission.

Contractors State License Board -This board consists of 15 members – 11 Governor's appointees, 2 members appointed by the Senate Rules Committee and 2 members appointed by the Assembly Speaker

Members receive compensation of $100 *per diem* and are reimbursed for reasonable expenses.

The board issues licenses to contractors and enforces licensing laws; provides dispute resolution services; and educates consumers.

The board will be eliminated and its functions transferred to the Department of Consumer Affairs.

Court Reporters Board of California – This board carries out the executive functions necessary for effectuating the purposes of statutes regarding court reporters. The board consists of five members; three members are appointed by the Governor; one member is appointed by the Speaker of the Assembly; and one member is appointed by the Senate Rules Committee.

Members are reimbursed for reasonable expenses and *per diem*.

The board determines the qualifications of people applying to be certified court reporters; makes rules for the examination and issuance of certificates, grants certificates; and adopts, amends or repeals rules and regulations pertaining to court reporters. The board also takes disciplinary action and investigates actions of licensees when there has been a complaint.

This board will eliminated and its functions transferred to the Department of Consumer Affairs.

Credit Union Advisory Committee – This seven-member advisory committee, appointed by the Secretary of the Business, Transportation and Housing Agency, was created legislatively in 1996 concurrently with the creation of the Department of Financial Institutions.

Committee members do not receive any compensation, reimbursement for expenses, or other payment from the state in connection with service on the Credit Union Advisory Committee.

The Credit Union Advisory Committee advises the Commissioner and the Deputy Commissioner of Financial Institutions for the Division of Credit Unions on matters relating to credit unions or the credit union business.

This committee will be eliminated.

Committee on Dental Auxiliaries – This advisory Committee consists of nine-members appointed by the Governor.

Members receive $100 *per diem* for time spent in the discharge of official duties and are reimbursed for expenses.

This committee examines and licenses dental auxiliaries; advises the state's Dental Board; evaluates suggestions or requests for regulatory changes related to dental auxiliaries; and holds informational hearings.

This committee will be eliminated and its functions transferred to the Department of Consumer Affairs.

Dental Board of California – The Dental Board of California is a 14-member board performing regulatory and licensing functions for dentists, dental offices and dental schools pursuant to various sections of the Business and Professions Code and Title 16 of the California Code of Regulations. Twelve members are appointed by the Governor; one each is appointed by the Senate Rules Committee and the Assembly Speaker.

The board members receive $100 *per diem* for time spent in the conduct of official duty and reimbursement for reasonable expenses.

The specific duties of the board include: the examination of all applicants for licenses to practice dentistry in California; the issuance of licenses for successful applicants; and the regulation of compliance with the Business and Professions Code relating to the practices of dentistry.

This board will be eliminated and its functions transferred to the Department of Consumer Affairs.

California Commission for Economic Development – This 17-member advisory commission comprised of ten members appointed by the Governor; three appointed by the Assembly Speaker; three appointed by the Senate Rules Committee; and the Lieutenant Governor as an *ex officio* member, was established to serve as an advisory board on economic development.

Commission members are not compensated.

The commission advises the state's executive and legislative leadership on economic development and appoints advisory committees from outside its membership, to represent the aerospace, manufacturing, maritime, tourism, and world trade segments of the state's economy as well as other advisory committees deemed necessary for carrying out its responsibilities.

The commission was inactive for nearly ten years before new appointments were made in August of 2003. Three meetings have been held and two reports issued since that time. Despite this recent activity, it is duplicative of the Economic Strategy Panel, which addresses the same issues and which should continue within the new Labor and Workforce Development Agency.

This commission will be eliminated.

California Electricity Oversight Board – The California Electricity Oversight Board (EOB) is comprised of five members, with three voting seats. These voting members are appointed by the Governor for fixed terms and are subject to confirmation by the Senate. The two non-voting members are appointed by the Senate Rules Committee and the Assembly Speaker.

Board members receive no compensation, but are reimbursed for their expenses.

The primary responsibility of the EOB is to oversee the California Independent System Operator Corporation (Cal-ISO), a not-for-profit entity, to ensure that Cal-ISO maintains reliable delivery of power while preventing or detecting market misbehavior. In that capacity, the EOPB has authority to investigate matters that may affect the public interest in wholesale electricity markets and represents the interests of California's citizens in federal regulatory and judicial forums that concern wholesale energy markets and transmission grid operations. It may collect data on market participants, investigate, initiate or intervene in any action necessary to fulfill its purposes, including pursuit of refunds, prosecution of appeals, negotiation of reform, and investigation of market manipulation.

The EOB's place in California's regulatory framework is uncertain vis-à-vis federal authority. Fundamentally, boards that facilitate administrative processes or programmatic functions can create superfluous layers of government. Administrative functions should be performed by managers according to a set of broad procedures and policies that are tested and proven effective. Responsibility for the effective administration of these policies resides with the Chief Executive, the Governor's appointees and discretionary managers (CEAs). To the extent that a collaborative process is necessary to formulate policy, an *ad hoc* committee should be created.

The EOB will be eliminated and its functions transferred to the California Energy Commission.

Electronic Commerce Advisory Council of California – This council was established to further development of electronic commerce by clarifying, modifying, or removing existing policies and practices that impeded electronic (Internet-based) commerce and implementing new ones.

There are no members on the council.

This council was created by Executive Order in 1998. It was charged with issuing a report on electronic commerce which it completed in 2000 and has apparently been dormant since then.

The council will be eliminated.

Commission on Emergency Medical Services – This 16-member board has ten Governor's appointees and three each from the Assembly Speaker and the Senate Rules Committee.

Members are reimbursed for expenses.

According to the Health and Safety Code, the Commission reviews and approves regulations, standards, and guidelines to be developed by the Emergency Medical Services Authority (EMSA) before implementation. It advises the Authority on the development of an emergency medical data collection system. It also advises the EMSA director:

Concerning the assessment of emergency facilities and services;
Regarding communications, medical equipment, training personnel, facilities, and other components of an emergency medical services system;

The commission also:

- Reviews and comments upon the emergency medical services portion of the State Health Facilities and Service Plan developed pursuant to Section 127155; and
- May utilize technical advisory panels as needed to assist in developing standards for emergency medical services.

The largely advisory role of the commission can be replaced by a public hearing process for rules and regulations governing emergency medical services functions. EMSA may also continue to use technical advisory panels on an *ad hoc* basis to gather relevant data and input.

This commission will be eliminated and its functions transferred to the Emergency Medical Services Authority.

State Board of Fire Services – The State Board of Fire Services is a 17-member board appointed by the Governor, with nine members subject to Senate confirmation. The State Fire Marshal is the Board's Chairperson.

Board members receive $100 *per diem* for time spent in the discharge of official duties and are reimbursed for expenses.

The board serves as an advisor to the State Fire Marshal and as an appeals board on the application of California State Fire Marshal regulations. The board develops studies, makes recommendations and drafts reports to the Governor and the Legislature recommending minimum standards for activities and services related to statewide fire protection and prevention.

This board will be eliminated and its functions will be transferred to the Department of Forestry and Fire Protection.

Board of Forestry and Fire Protection – The Board of Forestry and Fire Protection is comprised of eight members, all of whom are appointed by the Governor and confirmed by the Senate.

Board members receive compensation of $100 *per diem*, up to eighty days (100 days for the chair), and are reimbursed for expenses.

The primary purpose of the board is to provide policy leadership in regulation of the state's privately-owned and state-held forest and rangelands, as well as oversee the registration of professional foresters and establishes forest policy for the state.

This board will be eliminated and its functions transferred to the Department of Forestry and Fire Protection.

Board for Geologists and Geophysicists –This eight-member board includes six Governor's appointees and one member appointed by the Senate Rules Committee and one by the Assembly Speaker.

Board members receive $100 *per diem* for time spent in the discharge of official duties and are reimbursed for expenses.

The primary role of the board is to examine, license and regulate registered geologists and geophysicists, and to certified engineering geologists and hydrologists.

The board will be eliminated and its functions transferred to the Department of Consumer Affairs.

State Board of Guide Dogs for the Blind – This board consists of seven members appointed by the Governor.

Members receive a $100 *per diem* for time spent in the discharge of official duties and are reimbursed for expenses.

The board licenses schools that instruct blind persons in the use of guide dogs and schools that train guide dogs. The board also answers and resolves complaints involving schools or trainers of guide dogs. It offers advice and mediation services in cases of discrimination against guide dog users.

This board will be eliminated and its functions transferred to the Department of Consumer Affairs.

Commission on Health and Safety and Workers Compensation – This eight-member commission, four appointed by the Governor and two each by the Assembly Speaker and Senate Rules Committees serving fixed four-year terms, is comprised equally of members from "labor"

and "employers." It was created in 1993 as a part of legislative workers' compensation reform efforts.

Commission members receive $100 *per diem* and reimbursement of expenses.

The commission was created to oversee the state's health and safety, and workers' compensation systems, and to recommend legislative changes. Funding for the Commission is derived from penalty assessments as a result of audits of workers' compensation insurers and claims administrators, which is used to fund studies and research, including research of other state's workers' compensation and workplace safety programs.

This commission will be eliminated and its functions transferred to the Labor and Workforce Development Agency.

California Health Policy and Data Advisory Commission – This commission is comprised of 13 members: nine appointed by the Governor; two appointed by the Assembly Speaker; and two appointed by the Senate Rules Committee. The Commission was created in 1985 concurrent with the abolishment of the California Health Facilities Commission (CHFC) and merger of its functions into Office of Statewide Health Planning (OSHPD). The Commission resulted from a merger of OSHPD's Advisory Health Council, which advised it on issues relating to health planning and the Certificate of Need program with the former CHFC.

Members receive $100 *per diem* for attendance at commission meetings and are reimbursed for expenses.

The functions of the Health Policy and Data Advisory Commission include a number of advisory activities specifically related to the consolidation of CHFC and OSHPD data systems and broad authority to advise OSHPD on issues related to health policy and healthcare data. Statute also gives the commission authority to establish committees to advise them of their work.

This commission was created to address issues stemming from the 1985 elimination of the Health Facilities Commission. However, there were no action items on the agenda for any of the last three meetings held in 2003 and public participation is minimal. Generally, advisory boards should be impaneled under the purview of a Secretary on an *ad hoc* basis to address specific issues. If necessary, expert advice can be sought from existing professional associations or expert advice can be obtained on an ongoing basis through a consulting contract. For this function, any need for expert advice can be obtained from professional associations or consulting contracts on an ad hoc basis.

This purely advisory body will be eliminated and its functions performed by OSHPD.

Hearing Aid Dispensers Advisory Committee – This advisory committee consists of seven members – five Governor's appointees and one each appointed by the Senate Rules Committee and Assembly Speaker.

Members receive a $100 *per diem* for time spent in the discharge of official duties, and are reimbursed for expenses.

The advisory committee examines the functions and policies of the Hearing Aid Dispensers Bureau and makes recommendations with respect to policies, practices, and regulations. It makes recommendations to the Bureau in all matters relating to hearing aid dispensing in this state.

This advisory committee will be eliminated and its functions transferred to the Department of Consumer Affairs.

Heart Disease and Stroke Prevention and Treatment Task Force – This 12-member task force comprised of six members appointed by the Governor, three appointed by the Assembly Speaker, and three appointed by the Senate Rules Committed, was established to develop a master plan for improving the prevention and treatment of heart disease and stroke in California; the report is due November 1, 2005.

No members have been appointed to this task force. This task force has not been constituted; the legislation creating it was signed in the fall of 2003. The task force itself is contingent upon the receipt of private funds, which have not yet been collected.

This task force will be eliminated and its functions transferred to the Department of Health Services.

Heritage Preservation Commission – This 16-member commission is comprised of seven members appointed by the Governor, two members appointed by the Senate Rules Committee, two appointed by the Assembly Speaker, one appointed by the University of California, one appointed by the California State University, one appointed by the Department of Parks and Recreation, one appointed by the State Library, and one appointed by the Secretary of State. The commission was created as a result of Statutes of 1963, chapter 1938.

Commission members are not compensated.

Functions related to historical and cultural preservation are generally conducted through the State Historical Resources Commission and the Office of Historic Preservation, housed in the Resources Agency. According to public accounts, the Heritage Preservation Commission has not met in recent memory and its functions are duplicative of the State Historical Resources Commission.

This commission will be eliminated.

High-Speed Rail Authority – This nine-member body, comprised of five Governor's appointees and two each from the Assembly Speaker and Senate Rules Committee, was created in 1996 to create a high-speed rail system in California.

Members receive a $100 *per diem* for meetings and reimbursement for expenses.

The authority was tasked with planning, designing, constructing and operating a high-speed rail line – proposed to stretch from Sacramento and the San Francisco Bay Area in the north to Los Angeles and San Diego in the south.

The functions of this Authority should be integrated with transportation planning performed by the Department of Transportation, which has experience planning, designing, constructing and operating rail lines. Segregated, single-purpose planning for one specialized segment of the state transportation infrastructure creates inefficiencies and can create duplicative and counterproductive efforts. To the extent that these functions are being accomplished in open, public forums, the Department of Transportation should continue to host public workshops to gather input and provide for public dialogue.

This Authority will be eliminated and its functions transferred to the California Transportation Commission.

Industrial Welfare Commission – This five-member commission, appointed by the Governor, was de-funded effective July 1, 2004 and is no longer in operation.

The state Constitution provides that the Legislature may confer on the commission the authority to create a minimum wage and provide for the general welfare of employees. Governing statutes for the Commission (Labor Code Section 1173) specify that it is the continuing duty of the Commission to ascertain the wages paid to California employees and the hours and conditions of employment in various occupations.

The commission was defunded effective July 1, 2004 and does not currently meet. Minimum wage orders, overtime work rules and other important considerations should closely aligned with other functional duties assigned to the appropriate state agencies, so that policy-makers can make informed decisions affecting California's economy.

This commission will be eliminated and its authority to create a minimum wage and provide for the general welfare of employees will revert to the Legislature for determination through the normal legislative process. Implementation and enforcement duties will remain with the Labor and Workforce Development Agency.

California Inspection and Maintenance Review Committee – This 13-member committee, comprised of nine members appointed by the Governor, two appointed by the Assembly Speaker, and two appointed by the Senate Rules Committee, was created to evaluate the effectiveness of California's Smog Check program and recommend program improvements.

Committee members receive no compensation, but are reimbursed for expenses.

This committee will be eliminated.

Integrated Waste Management Board – This six-member board, with four Governor's appointees and one each from the Assembly Speaker and Senate Rules Committee, was created in 1989 and assumed expanded duties from an existing solid waste oversight board as part of a new state law requiring local jurisdictions to divert solid waste away from landfills and toward recycling and reuse.

Members receive a full-time salary of $114,000 per year and staff support.

The board is responsible for:

- Overseeing local efforts to divert solid waste from landfills;
- Mitigating impacts of landfills (water impacts, methane gas, cleanup and capping of site at closure);
- Concurring in local permits for siting and operations;
- Certifying local enforcement agencies;
- Responding to complaints; and
- Administering recycling programs for waste tires, used oil and electronic waste (personal computers)

Its functions also include public education about recycling programs and market development for recycled products, including research and development. The board also has cleanup and enforcement responsibilities for illegal dumping.

In this particular case, an independently appointed board with full-time, term appointed members creates an obstacle to full integration of these functions with a coordinated, collaborative environmental cleanup strategy. While standard-setting is an important state function in some cases, it is typically a function that relies more upon sound technical data and less on discretionary judgment. To the extent that expertise is necessary that cannot be found within the governmental structure, and to the extent that outside expertise facilitates sound policy, consulting contracts, the public participation process and ad hoc committees can be formed.

This board will be eliminated and its functions transferred to the California Environmental Protection Agency.

Interagency Aquatic Invasive Species Council – This 14-member council consists of the four members appointed by the Governor, the Director of Department of Fish and Game, and one representative from the following entities: the Department of Food and Agriculture, the Department of Boating and Waterways, the State Water Resources Control Board, the California Coastal Commission, the State Coastal Conservancy, the University of California, and the State Lands Commission. The Interagency Aquatic Invasive Species Council was established by legislation to develop a comprehensive plan for dealing with aquatic invasive species in California.

Although the council was scheduled to submit its first working version of an aquatic invasive species plan to the Legislature on or before January 1, 2004, the legislation mandating the report did not provide funding and no funding was provided to create the Council. Accordingly, the

Council was never formed. The comprehensive plan it was charged with developing has been initiated by staff in the Department of Fish and Game. Boards that facilitate administrative processes or programmatic functions can create superfluous layers of government.

Administrative functions should be performed by managers according to a set of broad procedures and policies that are tested and proven effective. Responsibility for the effective administration of these policies resides with the Chief Executive, the Governor's appointees and discretionary managers (CEAs). To the extent that a collaborative process is necessary to formulate policy, an *ad hoc* committee should be created.

Council members are not compensated.

This council will be eliminated.

Bipartisan California Commission of Internet Political Practices – This 13-member commission, comprised of three members appointed by the Governor, two members appointed by the Senate Rules Committee, two by the Assembly Speaker, one appointed by the Senate and Assembly Minority Leaders, one appointed by the Secretary of State, and two appointed by the Chairperson of the Fair Political Practices Commission, was created to examine the various issues posed by campaign activity on the Internet, which is largely unregulated.

Commission members receive a $100 *per diem* for meetings, up to ten meetings per year.

This commission will be eliminated. The commission was established by legislation in 1999 to prepare a report, which it completed.

Landscape Architects Technical Committee – The original Board of Landscape Architects was formed in 1953. In 1997, it was sunsetted by the California Legislature, then restructured in 1998 as the Landscape Architects Technical Committee under the purview of the California Architects Boards. It consists of five members – three Governor's appointees, one Senate Rules Committee appointee and one Assembly Speaker appointee.

Members receive a $100 *per diem* for time spent discharging official duties and are reimbursed for expenses.

The committee assists the California Architects Board in the examination of candidates for landscape architect's licenses, and after investigation, evaluates and makes recommendations regarding potential violations.

The committee will be eliminated and its functions transferred to the Department of Consumer Affairs.

Loan Advisory Council – This 17-member council is selected by the Student Aid Commission from a list of candidates submitted by participants and administrators in the student financial aid system, including state universities, non-profit and for-profit private institutions, lending institutions and the U.S. Department of Education.

Members are reimbursed for expenses.

The California Education Code directs the Loan Advisory Council to review the activities and policies of the Federal Family Education Loan Program and advise the Student Aid Commission of its findings and recommendations. The Loan Advisory Council may request information and data that it deems appropriate from the Student Aid Commission with respect to the Federal Family Education Loan Program or any other loan program administered by the commission.

The Student Aid Commission's auxiliary agency, Edfund, has a Board of Directors, which serves similar and overlapping functions; the Council does not meet regularly, nor does it have a specific charge with the exception of providing advisory information to the Student Aid Commission. Edfund provides this same advisory information. Any additional advisory role can be accomplished with the appointment of an *ad hoc* committee or as a part of the Student Aid Commission staff's normal course of business as it attempts to better serve its clients.

This council will be eliminated and their functions transferred to the new Office of Higher Education and Financial Aid.

Advisory Committee on Managed Health Care – The Advisory Committee on Managed Health Care is an advisory body comprised of 22 members – 15 Governor's appointees and three each appointed by the Assembly Speaker and the Senate Rules Committee.

Committee members are not compensated, but are reimbursed for expenses.

The primary purpose of the committee is to advise the Director of the Department of Managed Health Care. The initial focus of the committee was to produce a report that provides recommendations on how to establish a publicly accessible report card for HMOs that the department oversees and includes a list of the "top five" recommendations for improving the healthy care delivery system.

This entity was created when HMO patient care was a top public concern. The mandated report has been produced. Furthermore, advisory boards should be impaneled under the purview of a Secretary on an *ad hoc* basis to address specific issues. If necessary, expert advice can be sought from existing professional associations or expert advice can be obtained on an ongoing basis through a consulting contract.

This purely advisory committee will be eliminated.

Medical Board of California - This Board consists of 21 members: 19 Governor's appointees and one member appointed by the Senate Rules Committee and Assembly Speaker, respectively.

Members receive $100 *per diem* and are reimbursed for expenses.

There are two divisions within the Medical Board of California.

The Division of Medical Quality is responsible for:

- Enforcement of the disciplinary and criminal provisions of the Medical Practice Act;
- Administration and hearing of disciplinary actions;
- Carrying out disciplinary actions against licensees; and
- Reviewing the quality of medical practice of persons under jurisdiction of the Board.

The Division of Licensing is responsible for:

- Approving undergraduate and graduate medical education;
- Approving clinical clerkships and special programs;
- Developing and administering licensure examinations;
- Issuing licenses and certificates; and
- Administering the board's continuing medical education and student loan programs.

The board will be eliminated and its functions transferred to the Department of Consumer Affairs.

State Mining and Geology Board – The State Mining and Geology Board is comprised of nine members appointed by the Governor. It serves as the policy and appeals body representing the State's interest in geology, geologic and seismologic hazards, conservation of mineral resources and reclamation of lands following surface mining activities.

Board members receive $100 *per diem* for time spent performing official duties, up to $4,000 per year, and are reimbursed for expenses. The chairman of the board may receive compensation of up to $5,000 per year.

The board's primary function is to oversee private mineral extraction operations and the reclamation of mined lands after mineral extraction ends. The board also represents the state's interest in the development of geological information necessary to the understanding and utilization of the state's terrain and seismological and geological information pertaining to earthquake and other geological hazards.

This board will be eliminated and its functions transferred to the Department of Conservation.

Mortgage Banking Advisory Committee – This six-member committee, which is appointed by the California Corporations Commissioner, was created to discuss issues impacting the mortgage banking industry and the administration of the California Residential Mortgage Lending Act.

Committee members are not compensated or reimbursed for expenses.

This committee will be eliminated.

Occupational Safety and Health Appeals Board – This three-member quasi-judicial body is appointed by the Governor pursuant to California's 1973 enactment of California Occupational Safety and Health Act, which enables delegation of workplace safety responsibilities to the state.

Board members serve fixed terms and receive a salary of approximately $100,000 annually.

The board hears appeals from public and private sector employers that receive citations for alleged violations of workplace safety standards issued by the Division of Occupational Health and Safety.

This board will be eliminated and its functions transferred to the Labor and Workforce Development Agency, where it will be consolidated into a single appeals board, the Employment and Benefits Appeals Board.

Judicial functions that require objective mediation and due process may be handled by administrative law judges, or similar judicial functions should be combined into a single adjudicatory body.

California Board of Occupational Therapy – This Board consists of seven members – five members appointed by the Governor, one member appointed by the Senate Rules Committee, and one member appointed by the Assembly Speaker.

Members are reimbursed for expenses.

The board administers, coordinates, and enforces the Occupational Therapy Practice Act, adopting rules relating to professional conduct including professional licensure and establishment of ethical standards of practice.

The board will be eliminated and its functions transferred to the Department of Consumer Affairs.

Off Highway Motor Vehicle Recreational Commission - This seven-member commission includes three Governor's appointees and four legislative appointees – two each appointed by the Senate Rules Committee and the Assembly Speaker. Commission members serve four-year, fixed terms. The commission was created by the Off Highway Motor Vehicle Recreation Act of 2003.

Commission members receive $50 *per diem* up to a maximum of $100 per month and are reimbursed for actual and necessary expenses.

The primary responsibility of the commission is to allocate local assistance appropriations to federal, local and non-profit organizations and to review and approve the Division of Off-Highway Motor Vehicle Recreation Division of Department of Parks and Recreation's capital outlay program.

Grant applications, dispersal of funds or requests for issuance of debt instruments should adhere to the clearly articulated guidelines for seeking the grant that make the applicant eligible for award. Staff evaluation, or a panel created for that purpose on an ad hoc basis, should be sufficient in the event there is a need for discretionary decisions. Dispute resolution and oversight of this process should be provided by department Secretaries, as needed.

The commission will be eliminated and its functions transferred to the Department of Parks and Recreation.

State Board of Optometry – This regulatory and licensing board consists of 11 members – nine Governor's appointees, one member appointed by the Senate Rules Committee and one member appointed by the Assembly Speaker.

Members receive a $100 *per diem* for time spent in performance of duties and reimbursement for expenses.

The board licenses and regulates the professional conduct of optometrists.

The board will be eliminated and its functions transferred to the Department of Consumer Affairs.

California State Board of Pharmacy – This Board has thirteen members – 11 Governor's appointees, one Senate Rules Committee appointee, and an Assembly Speaker appointee.

Members receive a $100 *per diem* for time spent discharging official duties and are reimbursed for expenses.

This board examines and licenses pharmacists, and establishes and enforces rules and regulations relating to the practice of pharmacy and the other occupations regulated by the board.

The board will be eliminated and its functions transferred to the Department of Consumer Affairs.

Physical Therapy Board of California – This Board consists of seven members; five Governor's appointees, one member appointed by the Senate Rules Committee, and one member appointed by the Assembly Speaker.

Members receive a $100 *per diem* for time spent on official duties and are reimbursed for expenses.

The board examines and licenses physical therapists; inspects or requires reports from sites providing physical therapy care; and issues, suspends, and revokes licenses and approvals to practice physical therapy.

This board will be eliminated and its functions transferred to the Department of Consumer Affairs.

Physician Assistant Examining Committee – This Committee consists of nine members - seven Governor's appointees, one Senate Rules Committee's appointee, and one Assembly Speaker's appointee.

Members receive $100 *per diem* for time spent discharging official duties and are reimbursed for expenses.

The committee licenses physician assistants and approves physician assistant training programs.

The committee will be eliminated and its functions transferred to the Department of Consumer Affairs.

Board of Pilot Commissioners for the Bays of San Francisco, San Pablo, and Suisun

This is a seven-member commission appointed by the Governor is a licensing and regulatory body consisting of two licensed pilots, two industry representatives, and three members of the public.

The public members of the board receive $100 *per diem*, up to $600 per month, and are reimbursed for expenses.

The Board was created in 1853 by the legislature with the addition of inland and river pilots in 1984. The commission provides a program of pilot licensing and regulations, investigates and reports on navigational incidents. The Board also provides training and coordinates with other state and federal agencies charged with protecting the environment and with the oil and hazardous chemical shipping industry.

Professional development of pilots will continue through professional organizations and industry related educational institutions such as the San Francisco Bay Pilots and California Maritime Academy respectively.

Coordination of environmental protection efforts for oil and hazardous chemical shipping will continue through Department of Consumer Affairs in cooperation with the California Environmental Protection Agency, departments within the Resources Agency and federal regulators.

This commission will be eliminated and its licensing, disciplinary, pilot fee schedules, training requirements, and selection of candidates for trainee programs functions will be transferred to the Department of Consumer Affairs.

Board of Podiatric Medicine – The Board of Podiatric Medicine consists of seven members – five Governor's appointees, one each by the Senate Rules Committee appointee and one Assembly Speaker appointee.

Members receive a $100 *per diem* for time spent in the conduct of official duty and are reimbursed for expenses.

The board functions as a regulatory and licensing body, adopting, amending and repealing regulations related to the practice of podiatric medicine. The Board also approves podiatric residency programs; recommends applicants who should be certified to practice podiatric

medicine; and orders the denial of applications, suspension or revocation of applicants and/or practitioners.

The board will be eliminated and its functions transferred to the Department of Consumer Affairs.

California Postsecondary Education Commission – This 16-member body was created in 1974 and includes eleven members appointed by the Governor, as well as five members chosen by segments of the education system (The California Community Colleges, University of California, California State University, State Board of Education and private educational institutions each select one).

Board members receive a $50 *per diem* for attending board meetings and are reimbursed for expenses.

Fourteen years after adoption of the 1960 Master Plan for Higher Education, the commission was created to serve as a central coordinating and planning body and to provide policy analyses, and to provide policy and budget recommendations to the Legislature and the Governor on postsecondary education issues. The commission develops an ongoing statewide plan for the operation of the postsecondary education system, including providing information about student enrollment, long-range planning, reviewing proposals for new degree programs and recommending policies on student financial aid. It also provides information to students on preparing for college, including financing.

This largely advisory and research body's functions should be an integral part of the higher education system – not separate and distinct bodies with overlapping functions.

This board will be eliminated and its functions transferred to Office of Higher Education and Financial Aid.

Private Security Disciplinary Review Commission North and South – These Commissions have five members each appointed by the Governor to review appeals of decisions made by the director of the Bureau of Security and Investigative Services in the Department of Consumer Affairs pursuant to the Private Security Act.

Members are paid a $100 *per diem* and are reimbursed for expenses.

The commissions review and decide on all appealed decisions concerning private patrol operators, security guards, firearm qualification cardholders, firearm training facilities, firearm training instructors, baton training facilities and instructors.

The function being performed in these cases is dispute resolution between an individual or business and the state. The appropriate venue for this process is one that provides assurance of objective mediation and due process. That function, in these cases, is best performed by an Administrative Law Judge or by a bureau established for this purpose. In the event of the need

for expert testimony or advice, that testimony or advice can be obtained through consulting contracts.

The commissions will be eliminated and the functions transferred to the Department of Consumer Affairs.

Board for Professional Engineers and Land Surveyors – This board consists of 13 members – 11 Governor's appointees, one Assembly Speaker appointee, and one Senate Rules Committee appointee. It was created in 1929 as the Board of Registration for Civil Engineers in response to the failure of the Saint Francis Dam.

Members receive a $100 *per diem* for each meeting and are reimbursed for expenses.

The board qualifies and licenses individuals, establishes regulations, enforces laws and regulations and provides information to consumers.

The board will be eliminated and its functions transferred to the Department of Consumer Affairs.

California Board of Psychology – The Board of Psychology consists of nine members – seven Governor's appointees, one Senate Rules Committee appointee and one Assembly Speaker appointee.

Board members receive a $100 *per diem* time spent conducting official duties and are reimbursed for expenses.

The board was originally created to administer and enforce the Psychology Licensing Law. Under existing statutes, the Board examines and passes upon the qualifications of applicants for licensure under the Psychology Licensing Law; adopts rules and regulations necessary to effectuate the Psychology Licensing Law; adopts programs of consumer and professional education; and establishes standards of ethical conduct relating to the practice of psychology.

The board will be eliminated and its functions transferred to the Department of Consumer Affairs.

Public Library Construction and Renovation Board – This Board consists of six members: the State Librarian; the Treasurer; the Director of the Department of Finance; one member appointed by the Governor; one Assembly member appointed by the Assembly Speaker; and one Senator appointed by the Senate Rules Committee.

Five of the six members are ex-officio members already being compensated for state services. The only possible expense is reimbursement to the public member appointed by the Governor for *per diem* and expenses.

The board utilizes grant funds and matching funds to acquire or construct new facilities or additions to existing public library facilities; acquire land; remodel or rehabilitate existing public

library facilities or other facilities for the purpose of converting to a library; procurement or installation of furnishings or equipment; and payment of fees charged by architects, engineers, and other professionals.

This Board has already completed its tasks. It will be eliminated and its functions will be transferred to the California Infrastructure and Economic Development Bank Board.

California Quality Education Commission – This 13-member commission is comprised of seven Governor's appointees; two Senate Rules Committee appointees; two Assembly Speaker appointees; and two Superintendent of Public Instruction appointees.

Commissioners are not compensated.

The California Quality Education Commission was established "for the purpose of developing, evaluating, validating, and refining a Quality Education Model for pre-kindergarten through grade 12, inclusive, to provide state policymakers with adequate tools to enable them to establish the reasonable costs of schools and the best direct available resources so that the vast majority of pupils may meet academic performance standards established by the state." The commission is empowered to appoint an Executive Director, solicit input, collect data and is required to report its findings to the Governor and the Legislature.

This board will be eliminated.

Racial Profiling Panel – This five-member panel, comprised of three members appointed by the Governor, one member appointed by the Senate Committee on Rules and one member appointed by the Speaker of the Assembly, was established March 2001.

Panel members are compensated for expenses related to their work.

The panel collaborated with California Peace Officers Standards and Training Commission (CPOST) to develop guidelines for racial and cultural diversity training for all law enforcement officers in California.

The panel was formed to develop a report on curriculum for training to avoid racial profiling by law enforcement officers. The panel completed its work in 2003 and has been disbanded.

The panel will be eliminated.

Real Estate Advisory Commission – This 10-member board, appointed by the Real Estate Commissioner, was established to advise the Commissioner on improving the performance of the Department of Real Estate.

Commission members are reimbursed for expenses.

The commission meets and consults on Department of Real Estate policies at public meetings held at least four times a year.

The commission will be eliminated.

Reclamation Board – The Reclamation Board, formed in 1861 in response to public concerns about flood control, is a seven-member board appointed by the Governor.

Board members receive $100 *per diem* for board meetings, up to a maximum of 40 days per year, and are reimbursed for expenses.

The Board's primary responsibility is to execute the plan for controlling the flood waters of the Sacramento and San Joaquin Rivers. Its functions include: acquiring property and easements for flood control purposes, constructing and maintaining bypasses, levees, canals and other flood control structures; granting permits for encroachments into floodways; establishing levee standards; designating floodways, cooperating with the federal government to adopt and carry out plans for flood control in the Central Valley; and leasing and selling property and levee assessments.

While standard-setting is an important state function in some cases, it is typically a function that relies more upon sound technical data and less on discretionary judgment. To the extent that expertise is necessary that cannot be found within the governmental structure, and to the extent that outside expertise facilitates sound policy, consulting contracts, the public comment process and ad hoc committees are all available.

The board will be eliminated and its functions transferred to the Department of Water Resources.

Recreational Trails Committee – This committee consists of seven members appointed by the Governor to four-year terms.

Members are not compensated for their service, but are reimbursed for expenses.

The committee advises the Director of Parks and Recreation on the preparation and maintenance of a statewide system of recreational trails, coordinates trail planning and development throughout the state and studies the utilization of various lands for recreational trail use.

This committee will be eliminated and its functions transferred to the Department of Parks and Recreation.

California Board of Registered Nursing – The California Board of Registered Nursing consists of nine members – seven Governor's appointees, and one member appointed by the Senate Rules Committee and the Assembly Speaker, respectively. The Board was created in 1913 as the Bureau of Registration of Nurses under the State Board of Health to administer exams, register qualified registered nurses, accredit nursing schools, and revoke licenses of nurses found to be unsafe to practice. In 1975, the current name was adopted.

Board members receive a $100 *per diem* for time spent discharging official duties and are reimbursed for expenses.

The board's primary responsibilities include: establishing educational standards and approving programs that prepare individuals for licensure as registered nurses; evaluating licensure applications; issuing licenses for registered nurses and certificates for the categories of public health nurse, nurse practitioner, nurse anesthetist, nurse midwife, and clinical nurse specialist; and taking disciplinary action against licensees who violate the Nurse Practice Act.

The board will be eliminated and its functions transferred to the Department of Consumer Affairs.

Registered Veterinary Technicians Committee – This committee was created by statute in 1998 to advise the Veterinary Medical Board on matters relating to the registration of veterinary medical technicians. The members of the Committee are appointed by the Veterinary Medical Board.

Members receive a $100 *per diem* for time spent discharging official duties and are reimbursed for expenses.

The committee assists the Veterinary Medical Board in the examination of applicants for veterinary technician registration. It investigates and evaluates applicants for registration and makes recommendations to the board for final determination on admission to the registration examination. It makes recommendations to the board regarding continuing education requirements and assists the board in the inspection and approval of schools or institutions offering a curriculum for training registered veterinary technicians.

The committee will be eliminated and its functions transferred to the Department of Consumer Affairs.

Respiratory Care Board of California – This Board consists of nine members – three Governor's appointees; three Senate Rules Committee appointees; and three Assembly Speaker appointees.

Members receive a $100 *per diem* for time spent discharging official duties and are reimbursed for expenses.

The board issues, suspends and revokes licenses to practice respiratory care and adopts regulations as necessary to effectuate the Respiratory Care Practice Act. The Board may inspect or require reports from any site providing respiratory care, treatment, or services.

The board will be eliminated and its functions transferred to the Department of Consumer Affairs.

California Rural Health Policy Council – This six-member interagency council is composed of the Director of Health Services, the Director of Statewide Health Planning and Development, the Director of Alcohol and Drug Programs, the Director of Emergency Medical Services Authority,

the Director of Mental Health, and the Executive Director of the Managed Risk Medical Insurance Board.

The members of the council are reimbursed for expenses.

The California Rural Health Policy Council was established in 1996 and serves to formulate and establish rural health policy for the state, to provide a focal point for discussion of rural health policy issues within the California Health and Human Services Agency, to receive suggestions and recommendations from rural health constituencies, and to improve rural health care services. The Council also administers the Rural Grants Program.

The Rural Health Policy Council will be eliminated and its functions transferred to the Department of Health Services.

Seismic Safety Commission- This 17-member advisory commission was established in 1975 to advise the Governor, Legislature, and local governments on ways to reduce earthquake risk. The Commission consists of: 15 Governor's appointees, confirmed by the Senate; one Senate Rules Committee appointee and one Assembly Speaker appointee.

Members receive a $50 *per diem* for attending Commission meetings and are reimbursed for expenses.

In addition to its advisory role, the commission reports annually to the Governor and to the Legislature on its findings, progress, and recommendations relating to earthquake hazard reduction.

The commission will be eliminated and its functions transferred to the Department of General Services.

Service Agency Advisory Committee – This seven-member committee, appointed by the Secretary of Food and Agriculture, was established in 2003 by the Department of Food and Agriculture to provide advice on all matters pertaining to the registration of service agencies. Service agencies maintain devices for determining weights and measures for commercial purposes.

Membership is voluntary; there is no compensation.

The Department licenses service agencies and service agents, ensures that testing equipment meets national standards and regulates accuracy of devices. Fees are collected from service agencies and are used to support the Department's enforcement function and to support county weights and measures enforcement.

The Committee will be eliminated and its functions transferred to the Department of Consumer Affairs.

Small Business Reform Task Force – This 14-member board is appointed by the Governor and chaired by the Director of the Office of Small Business Advocate, which reports to the Governor through the Office of Planning and Research.

Members are not compensated for their work.

According to the Government Code, the Task Force was charged with gathering input through public hearings and an interactive, Internet website on the problems confronting small businesses in California – including regulatory hurdles, obstacles to interaction with different levels of government (for permitting and licensing) and difficulties accessing state assistance. The Task Force's work was to culminate in the issuance of a report by May 1, 2002.

The Task Force completed its work, issued its report and its website is no longer active. To the extent that these functions are desirable to continue, advisory or investigative task forces should be formed on an ongoing and as needed basis.

The task force will be eliminated.

Speech-Language Pathology and Audiology Board – This board consists of nine members – seven Governor's appointees, one Senate Rules Committee appointee, and one Assembly Speaker appointee.

Members receive a $100 *per diem* for time spent discharging official duties and are reimbursed for expenses.

The board examines and licenses applicants as speech-language pathologists and audiologists. The Board issues, suspends, and revokes licenses to practice speech-language pathology and audiology.

The board will be eliminated and its functions transferred to the Department of Consumer Affairs.

Structural Pest Control Board – This licensing board consists of seven members – five Governor's appointees; one Senate Rules Committee appointee; and one Assembly Speaker appointee.

Members receive a $100 *per diem* and are reimbursed for expenses.

The board administers exams and licenses structural pest control businesses and applicators; investigates consumer complaints; works with county agricultural commissions; and coordinates with the Department of Pesticide Regulation on regulations and other issues involving pesticides.

The board will be eliminated and its functions transferred to the Department of Consumer Affairs.

Student Aid Commission – This 15 member Commission, with 11 members appointed by the Governor and two each appointed by the Assembly Speaker and Senate Rules Committee is the primary state agency for administration of state-authorized student financial aid programs.

Members receive a $100 *per diem* for attending meetings and reimbursement for travel expenses.

The California Student Aid Commission is the primary state agency for the administration of state-authorized student financial aid programs available to students attending all segments of postsecondary education. It also serves as California's designated guarantor for the Federal Family Education Loan (FFEL) Program. The Commission administers programs that provide financial assistance to students attending postsecondary educational institutions at all five segments of higher education. Its auxiliary non-profit, public benefit corporation, EDFUND, assists the Commission in administering the FFEL Programs.

The functions of the Commission can be fulfilled by staff, while any need to seek public or expert advice can be accomplished with a continuing relationship with the EDFUND Board of Directors, on an *ad hoc* basis through temporary advisory bodies and in the normal course of the Commission staff's functions.

This board will be eliminated and its functions transferred to the Office of Higher Education and Financial Aid.

Transportation Advisory Committee - This 16-member board, appointed by the Legislature, was created by statute in 1973 as the successor to the Scenic Highway Advisory Committee and serves as a mechanism of public input to the Department of Transportation, along with public workshops, conference sponsorships and workgroups.

Committee members are not compensated.

The Committee advises the Department of Transportation when it prepares various reports required by statute, including but not limited to functional classification and "needs studies" and recommends program criteria and scenic highway designations.

Subsequent changes to the state transportation planning process in 1997 (SB45, Kopp) dramatically increased the level of local participation and partnership as 75% of the STIP transportation funds were designated for regional improvements where public participation with county and city officials, representatives of transportation planning agencies, representatives of air, highway, motoring, and public transportation organizations, and others interested in transportation planning was central. These local partners, which work together in metropolitan planning organizations, are the same entities that would work with the Department of Transportation Director to designate scenic highways (or local roadways considered scenic).

The Committee will be eliminated and its functions will be transferred to the Department of Transportation.

Unemployment Insurance Appeals Board – This Board is comprised of seven members serving fixed terms. Five are appointed by the Governor and one each is appointed by the Assembly Speaker and Senate Rules Committee.

Board members earn full-time salaries ranging from $114,000 to $117,000 annually.

The appeals board serves as a "second level" of appeal for individuals and businesses for two types of disputes:

- Levies assessed by the Employment Development Department (EDD), which collects unemployment insurance taxes from businesses; and
- Denial of unemployment or disability benefits.

The initial level of appeal is conducted by administrative law judges at one of eleven EDD branch offices. The losing party may appeal that decision to the Unemployment Insurance Appeals Board. According to its website, the Unemployment Insurance Appeals Board hears 20,000 appeals annually (out of 180,000 cases filed).

Judicial functions that require objective mediation and due process should be handled by administrative law judges as part of a single, consolidated adjudicatory body.

This board will be eliminated and its functions transferred to the Labor and Workforce Development Agency, where it will be consolidated into the Employment and Benefits Appeals Board.

Commission on Uniform State Laws – This nine-member commission, comprised of six members appointed by the Governor, one appointed by the Assembly, one appointed by the Senate and the Legislative Counsel, was established to participate in the National Conference of Uniform State Laws.

Commission members receive a $100 *per diem* and are reimbursed for expenses.
The commission attends the meetings of the National Conference of Commissioners on Uniform State laws and promotes uniformity in state laws where uniformity is deemed desirable and practicable.

The major duty of the Committee is to attend the National Conference of Commissioners on Uniform State Laws. California can continue to participate in this national effort without appointing a separate state commission.

The commission will be eliminated.

Governor's Commission on State Veterans' Cemeteries – This advisory Commission was created in 2003 to provide an orderly process to assess the need for the creation of state veterans' cemeteries and prioritize sites for the future construction of cemeteries. It consists of seven members: two Governor's appointees; one Assembly Speaker appointee; one Senate Rules Committee appointee; and the Secretary of Veterans Affairs. There are also two nonvoting, ex-

officio members: The Chairperson of the Assembly Committee on Veterans Affairs and the Chairperson of the Senate Committee on Veterans Affairs.

The legislation does not authorize payment for board members.

The Commission's duty is to provide a report to the Governor and the Legislature on recommendations for the number and sites for veterans' cemeteries by May 31, 2005, and implement the location and construction of state veterans cemeteries in California.

The Commission has not been constituted, and no board members have been appointed. The commission will be eliminated and its functions transferred to the Veterans Affairs Department.

Veterans' Memorial Beautification and Enhancement Commission, California Mexican American – This advisory commission, created in 1993, consists of eleven members - seven Governor's appointees; two Senate Rules Committee appointees; and two Assembly Speaker appointees.

The work overseen by the commission is funded by private contributions. An amendment in 1998 provides for contribution by check-off on state personal income tax returns. The members receive no compensation and the activities of the commission are fully funded by a special account.

The commission's duties are the beautification and enhancement of an existing memorial in Capitol Park, which is within the area of responsibility of the Department of General Services, Building and Grounds Division.

The commission will be eliminated and its functions transferred to the Department of General Services.

California Vietnam Veterans Memorial Commission – This commission is comprised of nine members – five Governor's appointees, two Assembly Speaker appointees and two Senate Rules Committee appointees. The commission was created in 1983 to set policy and to oversee the construction of a veteran's memorial on the grounds of the state Capitol.

Commission members receive no remuneration, except for the legislative members, who receive *per diem* compensation and are reimbursed for expenses while engaged in commission activities. Staff support and facilities for its activities are provided by the Department of Veterans Affairs.

The memorial is complete and the Veterans Board can assume the policy advisory role. Additional specialized input can be garnered through a committee impaneled under the purview of a Secretary on an *ad hoc* basis to address specific issues.

The commission will be eliminated and its functions transferred to the Department of General Services.

Veterinary Medical Board – This board consists of seven members – five Governor's appointees, one Senate Rules Committee appointee, and one Assembly Speaker appointee.

Members receive $100 *per diem* for time spent discharging official duties and are reimbursed for expenses.

The board establishes educational standards for licensure and minimum standards of practice; administers examinations that measure minimum competency; and maintains an enforcement program.

The board will be eliminated and its functions transferred to the Department of Consumer Affairs.

Board of Vocational Nursing and Psychiatric Technicians – This regulatory and licensing board consists of 11 members – nine Governor's appointees, one Senate Rules Committee appointee and one Assembly Speaker appointee.

Members receive $100 *per diem* for time spent discharging official duties and are reimbursed for expenses.

The board is responsible for examination and licensure of applicants and revoking, suspending, or placing on probation any licensee who has violated laws governing the profession.

The board will be eliminated and its functions transferred to the Department of Consumer Affairs.

California Water Commission – The California Water Commission is an advisory and regulatory body comprised of nine Governor's appointees.

Commission members receive $100 *per diem* up to a maximum of 40 days each fiscal year, while the chair receives that amount up to 60 days per fiscal year. Commission members are also reimbursed for expenses.

The commission's primary role is to advise the Director of the Department of Water Resources on issues relating to the control, storage and beneficial use of water. Its other functions include approving rules and regulations proposed by the Department of Water Resources, naming facilities that are part of the State Water Project and adopting resolutions when the Department condemns lands

The commission will be eliminated and its functions will be transferred to the Department of Water Resources.

Workers' Compensation Appeals Board – This seven-member board, appointed by the Governor to six-year fixed terms, exercises judicial powers granted under the Labor Code.

Board members receive a full-time salary ranging from $114,000 to $117,000 annually.

The board's two major functions are to: (1) review petitions of appeal for decisions made by workers' compensation appeals administrative law judges who award or deny the granting of worker compensation for workplace injuries and (2) regulate the adjudicatory process by adopting rules of practice and process. Cases are assigned by the chair of the board, who serves in that position at the pleasure of the Governor, to three-member panels of board members; decisions of the three-member panels are final unless a majority of the board agrees to hear the case before all seven members.

Judicial functions that require objective mediation and due process may be handled by administrative law judges, or similar judicial functions, particularly those that represent redundant systems, should be combined into a single adjudicatory body.

This board will be eliminated and its functions transferred to the Labor and Workforce Development Agency, where it will be consolidated into the Employment and Benefits Appeals Board.

APPENDIX 2

REFORMING CALIFORNIA'S BOARDS AND COMMISSIONS

GOVERNOR'S REORGANIZATION PLAN FOR BOARDS AND COMMISSIONS

		Proposal	
	Board or Commission Name	**Transfer to Agency**	**Transfer to Department**
1	9-1-1 Advisory Board	SCSA	DGS
2	Accountancy, California Board of	SCSA	DCA
3	Acupuncture Board	SCSA	DCA
4	Agriculture Bargaining Association Advisory Commission	Eliminate	
5	Alarm Company Operator Disciplinary Review Commission	SCSA	DCA
6	Architects Board, California	SCSA	DCA
7	Asian and Pacific Islander American Affairs, Commission on	Eliminate	
8	Barbering and Cosmetology, California State Board of	SCSA	DCA
9	Behavioral Sciences, Board of	SCSA	DCA
10	Boating and Waterways Commission, California	Resources	Department of Boating & Waterways
11	Brown vs. Board of Education of Topeka Advisory Commission	Eliminate	
12	Building Standards Commission	SCSA	DGS
13	Californias, Commission of the	Eliminate	
14	Campus Sexual Assault Task Force, California	Eliminate	
15	Child Development Policy and Advisory Committee	Eliminate	
16	Clinical Advisory Panel	BT&H	Department of Managed Health Care
17	Colorado River Board of California	Resources	DWR
18	Consumer Power and Conservation Financing Authority	Resources	Energy Commission
19	Contractors State License Board	SCSA	DCA
20	Court Reporters Board of California	SCSA	DCA
21	Credit Union Advisory Committee (DFI)	Eliminate	
22	Dental Auxiliaries, Committee on	SCSA	DCA
23	Dental Board of California	SCSA	DCA
24	Economic Development, California Commission for	Eliminate	
25	Electricity Oversight Board, California	Resources	Energy Commission
26	Electronic Commerce Advisory Council of California	Eliminate	
27	Emergency Medical Services, Commission on	HHSA	Emergency Medical Services Authority (EMSA)
28	Fire Services, State Board of	Resources	CDF
29	Forestry and Fire Protection, Board of	Resources	CDF
30	Geologist and Geophysicists, Board for	SCSA	DCA
31	Guide Dogs for the Blind, State Board of	SCSA	DCA
32	Health and Safety and Workers Compensation, Commission on	LWDA	

		Proposal	
	Board or Commission Name	**Transfer to Agency**	**Transfer to Department**
33	Health Policy and Data Advisory Commission, California	HHSA	Office of Statewide Health Planning and Development (OSHPD)
34	Hearing Aid Dispensers Advisory Committee	SCSA	DCA
35	Heart Disease and Stroke Prevention and Treatment Task Force	HHSA	DHS
36	Heritage Preservation Commission	Eliminate	
37	High-Speed Rail Authority, California	BT&H	California Transportation Commission
38	Industrial Welfare Commission	LWDA	
39	Inspection and Maintenance Review Committee, California	Eliminate	
40	Integrated Waste Management Board, California	CalEPA	
41	Interagency Aquatic Invasive Species Council	Eliminate	
42	Internet Political Practices, Bipartisan California Commission of	Eliminate	
43	Landscape Architects Technical Committee	SCSA	DCA
44	Loan Advisory Council	Office of Higher Education and Financial Aid	
45	Managed Health Care, Advisory Committee on	Eliminate	
46	Medical Board of California	SCSA	DCA
47	Mining and Geology Board, State	Resources	Department of Conservation
48	Mortgage Bankers Advisory Committee (a.k.a. Banking Advisory Council)	Eliminate	
49	Occupational Safety and Health Appeals Board	LWDA	Employment and Benefits Appeals Board
50	Occupational Therapy, California Board of	SCSA	DCA
51	Off Highway Motor Vehicle Recreational Commission	Resources	Department of Parks and Recreation
52	Optometry, State Board of	SCSA	DCA
53	Pharmacy, California State Board of	SCSA	DCA
54	Physical Therapy Board of California	SCSA	DCA
55	Physician Assistant Committee	SCSA	DCA
56	Pilot Commissioners for the Bays of San Francisco, San Pablo, and Suisun, Board of	SCSA	DCA
57	Podiatric Medicine, Board of	SCSA	DCA
58	Postsecondary Education Commission, California	Office of Higher Education and Financial Aid	

		Proposal	
	Board or Commission Name	**Transfer to Agency**	**Transfer to Department**
59	Private Security Disciplinary Review Commission (North)	SCSA	DCA
60	Private Security Disciplinary Review Commission (South)	SCSA	DCA
61	Professional Engineers and Land Surveyors, Board of	SCSA	DCA
62	Psychology, California Board of	SCSA	DCA
63	Public Library Construction and Renovation Board, California	BT&H	Infrastucture and Economic Development Bank Board
64	Quality Education Commission, California	Eliminate	
65	Racial Profiling Panel	Eliminate	
66	Real Estate Advisory Commission	Eliminate	
67	Reclamation Board	Resources	DWR
68	Recreational Trails Committee	Resources	Department of Parks and Recreation
69	Registered Nursing, California Board of	SCSA	DCA
70	Registered Veterinary Technicians Committee	SCSA	DCA
71	Respiratory Care Board of California	SCSA	DCA
72	Rural Health Policy Council, California	HHSA	DHS
73	Seismic Safety Commission, California	SCSA	DGS
74	Service Agency Advisory Committee	SCSA	DCA
75	Small Business Reform Task Force, California	Eliminate	
76	Speech-Language Pathology and Audiology Board, California	SCSA	DCA
77	Structural Pest Control Board	SCSA	DCA
78	Student Aid Commission, California	Office of Higher Education and Financial Aid	
79	Transportation Advisory Committee, Departmental	BT&H	Caltrans
80	Unemployment Insurance Appeals Board, California	LWDA	Employment and Benefits Appeals Board
81	Uniform State Laws, Commission on	Eliminate	
82	Veterans Cemeteries, Governor's Commission on	Department of Veterans Affairs	
83	Veterans' Memorial Beautification and Enhancement Commission, California Mexican American	SCSA	DGS
84	Veterans Memorial Commission, California Vietnam	SCSA	DGS
85	Veterinary Medical Board	SCSA	DCA
86	Vocational Nursing and Psychiatric Technicians, Board of	SCSA	DCA
87	Water Commission, California	Resources	DWR

		Proposal	
	Board or Commission Name	**Transfer to Agency**	**Transfer to Department**
88	Workers' Compensation Appeals Board	LWDA	Employment and Benefits Appeals Board
	TOTAL ELIMINATED = 88		

Attachment 2

Petition From California Pharmacy School Interns Regarding Posting Their Addresses of Record Online

(School Header)

California State Board of Pharmacy
Attn: Licensing Committee
400 R Street, Suite 4070
Sacramento, CA 95814

Committee members:

Concerns have been raised regarding privacy rights of individuals licensed by the State Board of Pharmacy. This subject was addressed by student pharmacists attending APhA-ASP Midyear Regional Meeting for Region Eight. All six schools of pharmacy in California discussed this matter and came to the consensus that it is inappropriate to provide personal information about licensees through the California State Board of Pharmacy website.

This document has been distributed to students attending all six schools of pharmacy in California with the intent to raise awareness of the violation of privacy taking place at this time. It is understood that patients have the right to procure licensee contact information, but students feel that internet access to personal information violates the individual licensees rights to privacy.

The goal of this proposal is to restrict patient access to the licensees' private information on file with the State Board of Pharmacy. Rather, the students would request that contact information provided through the State Board of Pharmacy website reflect the address of either the attended school or place of practice. This does not limit the patient's ability to obtain contact information or identify problems with a specific practitioner.

By signing this document, students are expressing their support of actions aimed at resolving this matter. In the best interest of all California State Board of Pharmacy licensees, we request that consideration be given to this issue.

I, _____, have read and understand the intent of this document being presented to the California State Board of Pharmacy and am in support of actions taken to resolve the current privacy issues being addressed in this document.

Signed:_____ Date:_____

University of the Pacific
TJL School of Pharmacy and Health Sciences
3601 Pacific Avenue
Stockton, Ca 95211

University of California, San Francisco
School of Pharmacy
1651 10th Ave
San Francisco, Ca 94122

University of Southern California
School of Pharmacy
1985 Zonal Ave
Los Angeles, Ca 90089

Loma Linda University
School of Pharmacy
Loma Linda, Ca 92350

University of California, San Diego
School of Pharmacy and Pharmaceutical Sciences
9500 Gilman Drive
La Jolla, Ca 92093

Western University of Health Sciences
College of Pharmacy
309 E. 2nd St
Pomona, Ca 91766

Licensees' address of record go online December 1, 2003

IMPORTANT NOTE: A licensee's address of record is the address to which all licenses, permits, license renewal notifications, newsletters, other publications, and correspondence from the Board is mailed. Such addresses are considered public information and is released to those who request it. Your address of record is the address printed on your license, unless you have subsequently notified the Board of a change in your address after the license was mailed to you.

All Board licensees' addresses of record will become available to the public on the Board's Web site on December 1, 2003. This is the same information provided online by other health profession (physicians, dentists, therapists) regulatory boards, pursuant to the Information Practices Act (Civil Code section 1798 et seq.) and the Public Records Act (Government Code section 6250 et seq.).

Changing Your Address of Record

If your address of record with the Board is your residence address, and you don't wish it to be available to the public on the Board's Web site, you may change it by providing the Board with a post office box number or a personal mailbox (PMB). **However, if you change your address of record to a box number, you must also provide your residence address, which will not be available to the public.**

If you list your business address as your address of record, remember that all mailings from the Board will go to that address. For some individuals, relying on a business address for licensee renewal notifications, licenses, and other mailings from the Board may be problematic, especially for receiving personal mail. For example, if you are employed in a large hospital complex with several pharmacies, opportunities for lost mail could exist. Also, using a business address would require you to change your address of record with the Board every time you change your place of employment.

To change your address of record, please complete and fax the following form to (916) 327-6308 or mail to the Board of Pharmacy, 400 R Street, Suite 4070, Sacramento CA 95814-6237.

CHANGE OF ADDRESS
(Please print)

Name: _____ License # _____
(Please include license type: RPH, TCH, INT, etc.)

Social Security Number: _____
(For purposes of identification only)

Old Address: _____

_____

Address of Record

New address: _____

_____

Note: If the new address of record is a PO box, PMB, or a business address, please enter residence address below. Your address of record will not be changed if no current residence address is entered.

Residence Address

Address: _____

_____

Signature: _____ Date: _____

Telephone: _____

Attachment 3

Budget Report

State of California | Department of Consumer Affairs

Memorandum

To: Members, Board of Pharmacy

Date: January 9, 2005

From: Virginia Herold

Subject: Budget Report

1. *2004/05 and Future Year Budgets*

The state's budget for this fiscal year was approved by the Governor July 31. The state's fiscal year runs from July 1, 2004 through June 30, 2005.

- ***Revenue Projected: $5,762,673***

  The board's revenue for the year is expected to be comprised of $5,346,813 in licensing fees and $97,474 in interest. The revenue estimate projected from fees is conservative and traditionally is about 10 percent less than actual revenue will be.

  The board has also collected $218,637 in fines, and $96,749 in cost recovery.

- ***Expenditures Projected: $7,360,000***

  The board's maximum expenditure authority for the year is $7.36 million. Personnel is the largest expenditure: $3,686,301 or 50 percent of the board's budget.

- ***Redirections and Program Efficiencies to Offset Budget and Staffing Shortages***

  One of the greatest hurdles the board faces is responding to telephone inquiries. The board lacks even one full-time receptionist (both of the receptionist positions we had we lost due to budget restrictions and hiring freezes). The one part-time individual we have performs this function but works at most only three days weekly. As a result, all staff are assigned to take turns at answering the telephones. Status inquiries are not a priority and callers seeking assistance to be walked through the application process are directed to the Web site instead.

  The board is recruiting two temporary employees to serve as board receptionists.

The board will seek to make these positions again permanent though a future budget change proposal. In the interim, the board will redirect funding from other authorized expenditures to assure the hiring of these staff.

2. *Board Fund Condition*

During this fiscal year, the board is projected to spend $1,587,327 more than it will collect as revenue. Any difference between revenue and expenditures will come from the board's fund (the board's "savings account"). See Attachment 4.

The board's fund condition projects a declining balance over the next three years.

- 2004-05: The board is projected to end this fiscal year with a reserve of 4.7 months of expenditures.
- 2005-06: The reserve decreases to 1.3 months at the end of the year.
- 2006-07: A deficit of 2.4 months is projected.

These figures indicate that repayment of the $6 million loan borrowed by the state during 2002/03 will need to begin during mid to late 2005-06.

Note: last year (2003/04), the board spent only slightly less than it made in revenue ($76,000 less). However, the board collected more than $1 million in fines and cost recovery last year, and spent $350,000 less than authorized.

3. *CURES Support by Board – DOJ to Request Additional Board Funding*

In 2002-03, in response to the board's omnibus legislation in 2001 to extend CURES, certain regulatory boards (Pharmacy, Medical Board, Nursing Board, Dental Board, Osteopathic Board) were tapped to fund CURES data collection costs because the state's General Fund could not support it. That year, the board funded $68,000 for CURES data collection and analysis contracts. The board's budget was augmented by $68,000 to fund this expense.

Last year (2003/04), we learned that the DOJ was seeking $92,000 from the board to fund CURES. The board's staff received minimal documentation for the additional expense. Additionally, one of the data collection contracts with an outside vendor was cancelled and the DOJ brought this function into their operations. The DOJ then determined to bill the regulatory boards for this expense. Moreover, since the additional $25,000 the board was to pay would not be adjusted by the Department of Finance, the board would have had to redirect money from existing programs to fund this DOJ expense (instead of having it come directly from the board's fund). Staff did not authorize payment of the additional funding for CURES, and instead paid $68,000 for support of CURES last year.

This year (2004/05) the DOJ has again advised the board that the board's share of expenses will be $92,000. Board staff has advised the DOJ that it will need to send

representatives to a board meeting to seek this funding.

Background documentation from the DOJ for the expense is provided in Attachment 5.

4. *Relocation of the Department of Consumer Affairs*

The lease for the building housing the main portion of the Department of Consumer Affairs, including the Sacramento office of this board, ended in November 2004.

Lease negotiations conducted by the Department of General Services will result in the relocation of the department to a new location about 8 miles north of our current location (about half-way between our office and the airport), in an area known as North Natomas. We will actually occupy the original Arco Arena, where the rent is less. The expected move date is November 2005. The new building's owner has promised to pay for the purchase and installation of new systems furniture as well as utilities and janitorial service.

The board's office space will be reduced to about 80 percent of its current space, and we will no longer have a conference room within the board's suite. The board's staff has attempted to renegotiate the board's space needs or to move to another location (a separate location from DCA) where it can have its existing space; however, these requests have been denied.

5. *Equipment Purchases*

Late last fiscal year, the board purchased new laptop computers for the board's inspectors. These new computers were distributed to the inspectors in late October.

The board has also purchased for inspectors and executive staff Blackberry devices that combine a cell phone with Internet and e-mail capabilities. This will greatly facilitate communication (both e-mail and telephone) among the inspectors, supervising inspectors and executive staff who frequently travel.

Later this fiscal year, the board will purchase new desktop computers for office staff. The warranties on the existing computers expired in September, and since then, two computers have had hard drive failures.

Attachment 4

Board of Pharmacy Fund Condition

BOARD OF PHARMACY
Analysis of Fund Condition

FUND 0767

	FINAL 2003-04	2004-05	2005-06
BEGINNING RESERVE, JULY 1	4,402,422	4,873,696	2,960,943
Prior Year Adjustment	385,122		
TOTAL ADJUSTED RESERVES	**4,787,544**	**4,873,696**	2,960,943
REVENUE			
License Fees	6,580,205	5,349,773	5,314,750
Interest	70,306	97,474	59,219
TOTAL REVENUE	6,650,510	5,447,247	5,373,969
BUDGET ACT TRANSFERS:			
91/92 General Fund Return			
02/03 6 mil GL loan			
TOTAL TRANSFERS	0	0	0
TOTAL REV. AND TRANSFERS	6,650,510	5,447,247	5,373,969
TOTAL RESOURCES	**11,438,054**	**10,320,943**	**8,334,911**
EXPENDITURES			
Budget expenditures (net reimb. Eff. 04/05)	6,816,767	7,360,000	7,507,200
Reimbursement	(252,538)		
Century Charge	129		
TOTAL EXPENDITURES	**6,564,358**	**7,360,000**	**7,507,200**
RESERVE, JUNE 30	**4,873,696**	**2,960,943**	**827,711**
MONTHS IN RESERVE	7.9	4.7	1.3

NOTES:
1. FY 2003/04 TIES TO SCO REPORT
2. INTEREST EARNED AT 2% BEGINNING FY 04/05
3. FY 04/05 APPROPRIATION TIES TO BUDGET ACT 04/05
4. APPROPRIATION INCREASES AT 2% BEGINNING FY 05/06

Attachment 5

CURES Costs for Which the Department of Justice Is Seeking Outside Funding

FY 03/04

Reimbursement Amounts	
Nursing Board	10,000
Pharmacy Board	92,000
Medical Board	150,000
Osteopathic Medical Board	4,000
Dental Board	40,000
Total	**296,000**

Service	Amount	Description
Outside vendor	142,000	Atlantic Associates, Inc. (AAI) - pharmacies enter prescription data into a CURES screen on a PC in the pharmacy. The information is then collected by AAI who collates the information and sends to DOJ. DOJ performs a File Transfer Protocol (FTP) link with the AAI server and collects and loads the data on a DOJ server.
Hawkins Data Center Services; soft\	131,500	HDC is an ongoing point of contact for the Board clients. They offer system administration, network management support and application support for CURES, and process the monthly information received from the outside vendor; Consulting hours are for the software vendor to work on existing problems and make modifications; Canvas 9.0; Adobe Acrobat 6.0; Red Book Select; DEA CD.
Minor equipment upgrade	22,500	Purchase a new Dell Server, plus 2-yr warranty; HP printers; Web server protection and trip wire.
TOTAL	**$ 296,000**	

Attachment 6

Board of Pharmacy Expenditures for Board Member Reimbursement and Travel

Chart 1
Board Member Reimbursement and Expenses
2004/05

Board Member	Hours		Travel	
	Bd Meeting	Other	Expense	Airfare
James E. Acevedo	8	0	$0.00	$0.00
Richard L. Benson	0	14	$88.79	$0.00
Ruth M. Conroy	16	0	$765.26	$718.70
David J. Fong	43	13	$588.93	$365.40
Stanley Goldenberg	76	54	$758.16	$622.80
Clarence Hiura	39	32	$850.10	$488.40
John D. Jones	32	8	$830.24	$270.20
William Powers	37	12	$334.50	$396.40
Kenneth H. Schell	16	0	$324.29	$795.70
John Tilley	16	0	$0.00	$95.60
Andrea Zinder	25	6	$626.56	$532.60
Total Hours	307	138	$5,166.83	$4,285.80

Attachment 7

Personnel Update

State of California | Department of Consumer Affairs

Memorandum

To: Members, Board of Pharmacy

Date: January 9, 2005

From: Virginia Herold

Subject: Personnel Update

Since the October board meeting, the board has hired a second cashier, a much-needed position. Rosario Navarro is our new cashier. Ms. Navarro formerly worked in a bank.

On January 10, a new legislative coordinator for the board will begin work. Jan Perez has done legislation for the Department of Fish and Game. The board selected Ms. Perez from a number of highly qualified candidates to fill this important position for the board.

Vacancies:

The board is seeking to fill three vacancies:

- An inspector position
- Two receptionists

The board has recruited for the inspector position, but cannot find an applicant with the qualifications needed by the board. Instead, the board will need to create a new list of eligible pharmacist candidates. The board has requested that the Department of Consumer Affairs conduct a new civil service examination for this classification. The final filing date for this examination is February 18, and the board is advertising this position in the board's January 2005 *The Script.*

The board submitted a job analysis for the inspector classification, which is the underlying basis for the job specifications. Next, senior board staff and supervising inspectors will develop questions for the examination.

The two receptionists will be hired as temporary employees. The board formerly had two full-time receptionists, but both positions were lost during the years of hiring freezes. These positions are very important to the smooth operations of the board. Currently, all staff cover these duties several hours each month.

The board itself has two public board member positions vacant; these positions were created January 1, 2004, and are Governor appointments.

The board has one inspector on parental leave.

Attachment A

Minutes of the Organizational Development Committee

December 7, 2004

California State Board of Pharmacy
400 R Street, Suite 4070, Sacramento, CA 95814
Phone (916) 445-5014
Fax (916) 327-6308
www.pharmacy.ca.gov

STATE AND CONSUMERS AFFAIRS AGENCY
DEPARTMENT OF CONSUMER AFFAIRS
ARNOLD SCHWARZENEGGER, GOVERNOR

ORGANIZATIONAL DEVELOPMENT COMMITTEE
December 7, 2004
Meeting Summary (Not a Public Meeting)

Via Teleconference

Present: **John Tilley, Chairperson**
Stan Goldenberg, Member
Patricia Harris, Executive Officer
Virginia Herold, Assistant Executive Officer

Call to Order

Chairperson Tilley called the meeting to order at 9:06 p.m.

How the Board of Pharmacy Can Improve and Facilitate Communications with the Public and Its Licensees

At the board's July meeting, Board President Goldenberg stated that one of the priorities for his term is to improve the communication of the board with its licensees and with the public. President Goldenberg stated that his goal is to obtain diverse opinions from as wide a cross section as possible on matters before the board for policy deliberations. To this end, each of the board's committees held a public meeting before the October Board Meeting with this topic listed as a discussion item.

President Goldenberg initiated some new activities before the October Board Meeting. These included invitations of pharmacy students and local pharmacist associations in the area where the meeting was held. There was a noticeable increase in the number of individuals at this board meeting.

The committee will continue to discuss ways to encourage attendance at board meetings.

The committee discussed an award of achievement for pharmacists with exemplary service or for long careers without disciplinary action. The committee is looking at ways it can identify those with careers in pharmacy of 50 or more years. These individuals could be awarded a special certificate and have their names published in the board's newsletter. Staff will explore ways to obtain this information.

Discussion: California Performance Review – A Proposal to Restructure State Government and its Proposal for the Board of Pharmacy

The Governor's proposal to restructure state government was released at the beginning of August. His plan is detailed in a 2,547-page report, developed by the California Performance Review, a group of 275 "specially appointed state employees, administrative officials and outside consultants" that was charged to overhaul state government into a more logical and less costly organization. The CPR states that its reorganization will achieve $32 billion in savings over five years.

Public hearings have been held since August on diverse proposals in this plan, but nothing has been released to date regarding which specific concepts would be advanced by the Governor. Expectations are that the selected proposals will be released with the release of the Governor's proposed 2005/06 budget in January 2005.

Interns and Their Addresses of Record Being Online: Response to Petitions from Students Seeking Alternatives

The committee discussed in detail a request during the October Board Meeting from a unified group of California pharmacy students who were concerned about their addresses of record being available online. In the case of the students, this address of record is most often their residence address, and the students expressed great concern about their safety from this information being available online.

For over a year, the board has made available on its Web site the address of record of pharmacists, pharmacist interns, pharmacy technicians and exemptees.

Three groups of individuals typically hold intern cards: 1. student interns in California schools of pharmacy, 2. out of state pharmacists working in California and 3. pharmacy school graduates from outside California who are working in California as they gain practice experience to take the examination including foreign graduates.

The committee discussed several options, including those offered by the petitioning interns. The committee recommends that staff work to encourage and educate students to use a PO box as their addresses of record or a work address (and presumably caution them about using a residence address). This information is already included in the change of address information printed in the board's newsletter.

Plans to Update the Board's 2005-06 Strategic Plan

Typically, the board updates its strategic plan during the April board meeting. The committee discussed plans for the revising the strategic plan. The plan was developed in 2003, following a major restructuring that was initiated in 2002.

After discussion, the committee recommended that the board initiate only a update to the plan this year instead of a major structural change since the plan is still current regarding major board operations. However, each committee should review and update their strategic objectives for the next year during their quarterly meetings.

The committee will update the "Strategic Issues to Be Addressed" chapter in the strategic plan, since this chapter, created in 2002, is in need of revision.

Budget Update and Report:

1. 2004/05 and Future Year Budgets

The committee reviewed quarterly budget statistics for the board.

- ***Revenue Projected: $5,444,287***

  The board's revenue for the year is expected to be comprised of $5,346,813 in licensing fees (98.2 percent) and $97,474 in interest (1.8 percent). The revenue estimate projected from fees is conservative and traditionally is about 10 percent less than actual revenue will be. Not included in this figure is any money collected from cost recovery or citations and fines.

- ***Expenditures Projected: $7,360,000***

- ***Redirections and Program Efficiencies to Offset Budget and Staffing Shortages***

  The board is recruiting two temporary employees to serve as board receptionists. Both permanent positions were lost due to hiring freezes over the last three years. Responding to telephone calls is a major workload difficulty. All staff are assigned to take turns at answering the telephones. Status inquiries are not a priority and callers seeking assistance to be walked through the application process are directed to the Web site instead.

  The board will seek to make these positions again permanent though a future budget change proposal. In the interim, the board will redirect funding from other authorized expenditures to assure the hiring of these staff

- ***Board Fund Condition***

  The committee reviewed the board's fund condition. During this fiscal year, the board is projected to spend $1,915,713 more than it will collect as revenue. Any difference between revenue and expenditures will come from the board's fund (the board's "savings account").

Estimates project a declining balance over the next three years.

- 2004-05: The board is projected to end this fiscal year with a reserve of 4.7 months of expenditures.
- 2005-06: The reserve decreases to 1.3 months at the end of the year.
- In 2006-07, a deficit of 2.4 months is projected.

These figures indicate that repayment of the $6 million loan borrowed by the state during 2002/03 will need to begin during mid to late 2005-06.

- ***CURES Support by Board – DOJ to Request Additional Board Funding***

In 2002/03, the board funded $68,000 for the Department of Justice for CURES data collection and analysis contracts. The board's budget was augmented by $68,000 to fund this expense. Last year (2003/04), the DOJ sought $92,000 from the board to fund CURES. The board's staff received minimal documentation for the additional expense, and one of the data collection contracts with an outside vendor was cancelled and the DOJ brought this function into their operations. The additional $25,000 the board was asked to pay would not be adjusted by the Department of Finance, as such the board would have had to redirect money from existing programs to fund this DOJ expense (instead of having it come directly from the board's fund). Staff did not authorize payment of the additional funding for CURES, and instead paid $68,000 for support of CURES last year.

This year (2004/05) the DOJ has again advised the board that the board's share of expenses will be $92,000. Board staff has advised the DOJ that it will need to send representatives to a board meeting to seek this funding.

The committee asked the DOJ make this request directly to the board at the January 2005 Board Meeting.

- ***Relocation of the Department of Consumer Affairs***

The lease for the building housing the main portion of the Department of Consumer Affairs, including the Sacramento office of this board, ended in November. Lease negotiations conducted by the Department of General Services will result in the relocation of the department to a new location about 8 miles north of our current location (about half-way between our office and the airport), in an area known as North Natomas. The board's office space will be reduced to about 80 percent of its current space, and we will no longer have a conference room within the board's suite. .

- ***Equipment Purchases***

Late last fiscal year, the board purchased new laptop computers for the board's inspectors. These new computers were distributed to the inspectors

in late October. The board has also purchased for inspectors and executive staff Blackberry devices that combine a cell phone with Internet and e-mail capabilities. This will greatly facilitate communication (both e-mail and telephone) among the inspectors, supervising inspectors and executive staff who frequently travel.

Later this fiscal year, the board will purchase new desktop computers for office staff. The warranties on the existing computers expired in September, and since then, two computers have had hard drive failures.

Personnel Update and Report:

The hiring freeze in place since late 2001 expired July 1, 2004.

In November, the board hired a second cashier, a much-needed position. The board is seeking to fill four vacancies:

- An inspector position
- Two receptionists
- A legislation and regulation coordinator

The board has recruited for the inspector position, but cannot find an applicant with the qualifications needed by the board. Instead, the board will need to create a new list of eligible pharmacist candidates. The board has requested that the Department of Consumer Affairs conduct a new civil service examination for this classification.

The board itself has two public board member positions vacant; these positions were created January 1, 2004, and are Governor appointments.

The board has two staff are on parental leave.

Adjournment:

There being no additional business, Chairperson Tilley adjourned the meeting at 10:50 a.m.

State of California | Department of Consumer Affairs

Memorandum

To: **Board Members** **Date: January 9, 2005**

From: **Virginia Herold**

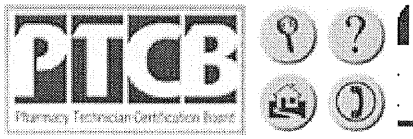
Subject: **Request for Board to Award CE to Pharmacy Technicians who Attend Board of Pharmacy Meetings**

Beginning with the April 2003 Board Meeting, the board has awarded 6 units of continuing education credit to pharmacists who attend the full business day of a board meeting. This CE can be earned once a year, but cannot be earned by board members or board staff. This opportunity is published in *The Script,* on the agenda of every board meeting and on the board's Web site.

In early December, the board learned of a pharmacy technician who had attended the October board meeting in part in hopes of earning CE. The board's policy was developed only for pharmacists, so this technician was denied CE credit.

Pharmacy technicians who are certified by the Pharmacy Technician Certification Board must earn 20 hours of CE every two years, one hour which must be in pharmacy law (see following pages).

Proposal: The board is asked to consider whether it wishes to provide six hours of CE to pharmacy technicians who attend Board of Pharmacy meetings. A technician would be limited to the award of units to six hours per year for attendance at one full day of a board meeting.



RECERTIFICATION -- 1/9/2005
Apply online for the
March 19, 2005 exam.

CONTINUING EDUCATION GUIDELINES

Acceptable Continuing Education Subject Matter

You must earn your continuing education hours in pharmacy-related subject matter. Programs felt to be appropriate for CPhTs must pertain to the following topics:

- Medication distribution and inventory control systems
- Pharmacy Administration and Management
- Calculations
- Programs specific to pharmacy technicians
- Interpersonal skills
- Organizational skills
- Pharmacy law*
- Pharmacology/drug therapy

* At least one contact hour in pharmacy law is required.

Note: Programs relating to functions outside the scope of practice for pharmacy technicians are not acceptable.

Acceptable Documentation for Continuing Education Hours

Certificates of Participation Should Include the Following Information:

- Name of participant
- Title and date of program
- Program sponsor or provider (the organization)
- Number of hours awarded
- Dated signature of sponsor representative

Please note, if the date of the program is not printed on the certificate, the dated signature will be used as the date the continuing education hour(s) were earned.

Acceptable Certificates of Participation:

- Certificates of Participation generated by national, state, and local pharmacy professional organizations, state boards of pharmacy, and educational organizations.

PTCB Universal Continuing Education Form (for in-service projects)

A maximum of ten (10) hours of continuing education may be earned in the workplace under the supervision of the pharmacist(s), as explained on the

preceding page under Continuing Education. The supervising pharmacist may assign an appropriate training project for continuing education credit. Upon completion of the assigned project, the pharmacist completes, signs, and dates the Universal Continuing Education Form. A copy of the Universal Continuing Education Form is available on this website and may be duplicated. The ten (10) in-service hours may not be earned by working ten (10) hours at the technician's regular duties. This form should not be completed if a Certificate of Participation was issued by the program sponsor.

Locating Continuing Education

Sources of Continuing Education

Continuing education is available from many sources. To earn your continuing education hours in subject areas that are suited to your individual needs, you should look into the availability of continuing education from several of these sources.

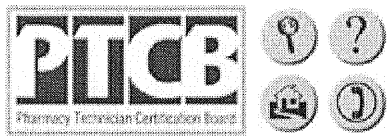
Workplace:

- Pharmacy (community, hospital, home health care, long-term care, nuclear); pharmaceutical industry; other practices of pharmacy.

Pharmacy professional organizations:

- National pharmacy organizations such as American Pharmacists Association, American Society of Health-System Pharmacists, American Association of Pharmacy Technicians, etc.
- State pharmacy organizations such as Arizona Pharmacists Association, Texas Society of Health-System Pharmacists, etc.
- Local chapter affiliates of state pharmacy organizations.

Pharmaceutical industry
Colleges of pharmacy
Universities, colleges, community colleges
Pharmacy technician training programs



RECERTIFICATION -- 1/9/2005
Apply online for the
March 19, 2005 exam.

GUIDELINES

"You have demonstrated by taking and passing the PTCB Exam, that you have acquired and possess a certain level of skills and knowledge needed in order to work as a pharmacy technician."
Kisha, CPhT

Pharmacy Technician Certification Board Recertification Requirements for Certified Pharmacy Technicians

Summary of Recertification Process

- PTCB certification must be renewed every 2 (two) years.

- Recertification materials will be sent to you approximately sixty (60) days before your certification expiration date. Be sure to keep your address information current with PTCB.

- Twenty (20) contact hours of pharmacy-related continuing education are required for recertification; one (1) must be in pharmacy law; a maximum of ten (10) hours may be earned using the Universal Continuing Education Form, a maximum of fifteen (15) hours may be earned using one (1) college science or math course.

- All continuing education must be earned within the two-year (2) certification period.

- The 90-day extension period is only for sending in required paperwork. Continuing education hours can not be earned during this period.

- The online recertification fee is *$35.* An additional late fee of *$15* (for a total of $50) is required for those online recertification applications submitted during the 90-day late fee extension period. A $10 reprocessing fee applies to returned applications.

- The paper recertification fee is *$50.* An additional late fee of *$15* (for a total of $65) is required for those paper recertification applications submitted during the 90-day late fee extension period. A $10 reprocessing fee applies to returned applications.

Continuing Education

Recertification (renewal of your PTCB certification) is required every two (2) years. To recertify, you must earn a minimum of twenty (20) contact hours of continuing education in pharmacy-related topics. CE's relating to functions outside

the scope of practice for Pharmacy Technicians will Not be accepted. At least one (1) of the twenty (20) hours must be in pharmacy law. Accreditation Council for Pharmacy Education (ACPE) accreditation is not mandatory for attended programs for pharmacy technicians to receive continuing education credit.

You may earn a maximum ten (10) of the twenty (20) hours at your workplace under the direct supervision of the pharmacist(s). However, these credits may not be earned by working ten (10) hours at your regular duties. You should arrange with your supervising pharmacist for the completion of specially assigned in-service projects or training. These assignments should be selected with your individual needs in mind and may include computer training, inventory control, IV admixtures, videos, self-study articles from professional pharmacy journals, etc.

Your supervising pharmacist records these in-service hours on the PTCB Universal Continuing Education Form found on the back of this website. All other continuing education courses should award their own Certificate of Participation. A PTCB Universal Continuing Education Form should not be completed for those courses that issue a Certificate of Participation. Each time the PTCB Universal Continuing Education Form is used, the program is considered an in-service project.

Please note: You must earn all continuing education hours within the two-year (2) certification period, on or before your expiration date. You may not use the 90-day late fee extension period to complete your continuing education hours. No continuing education hours earned before passing the Pharmacy Technician Certification Board Examination may be used for recertification; extra hours earned during any two-year (2) certification period may not be carried over and applied to the next certification period requirements. You must maintain your own records of continuing education during your two year (2) certification period. Do not send them to PTCB, unless you are audited, or your application was returned to you for corrections.

Recertification Application Process

Approximately sixty (60) days before your certification expiration date, PTCB will send a recertification application to you. Make sure PTCB has your current address. Complete the application, sign it and return to PTCB along with a check or money order for the recertification fee(s). Incomplete or unsigned applications will be returned to you with a $10 reprocessing fee. To avoid a late fee, your application must be postmarked on or before your expiration date. Please be sure to list your continuing education hours on the application form, but do not send in your continuing education certificates unless requested to do so as part of the PTCB audit process. Once PTCB has received your recertification materials, you will receive a new wallet card and new PTCB certificate in approximately sixty (60) days. Failure to successfully complete the recertification requirements will result in the loss of PTCB certification. Please send the completed application well in advance of the postmark deadline in order to allow time for the application to be returned if an error was made in completing the application. There will be no exceptions or extensions to the postmark deadlines.

Audits

A certain number of Certified Pharmacy Technicians (CPhTs) will be chosen at random for an audit of continuing education. If you are audited, please list all continuing education hours on the application AND send photocopies of the certificates of participation and the PTCB Universal Continuing Education Form (s). All continuing education documentation should be kept at least one (1) year beyond your certification expiration date. CPhTs may be audited at any time at the discretion of PTCB. Audit candidates may not recertify online; therefore the Audit

application fee is $35.00. Only those randomly selected as audits may complete the audit applications.

Recertification Fees

Recertification fees in the amount of $50 in the form of a check (personal, corporate, or certified) or money order are to be included with your application. Completion of an online application recertification application requires a payment of $35 with a credit card. **Credit Card payments are only available for online recertification applicants.** Any recertification applications received after the postmark deadline must include an additional late fee of $15, for a total of $65 for paper recertification applications and $50 for online recertification applications. Returned applications require a $10 reprocessing fee.

Refund Policy

Refund checks for overpayment of recertification or reinstatement fees will be issued four to six weeks from the date your application is processed; a $15 administrative fee is applied. Recertification or Reinstatement candidates who submit both online and paper applications or pay multiple times online are also subject to the $15 administrative fee. Recertification or Reinstatement candidates who submit payment, but choose not to complete their requirements are also subject to the $15 administrative fee. **Your overpayment cannot be applied toward future recertification or reinstatement applications.**

Board of Pharmacy
2004-05 Strategic Plan
Second Quarterly Status Report

Strategic Goals
Organizational Development Committee

Goal 5:	**Achieve the board's mission and goals.**
Outcome:	**An effective organization**

Objective 5.1:	**Obtain 100 percent approval for identified program needs by June 30, 2005.**
Measure:	**Percentage approved for identified program needs**
Tasks:	1. Review workload and resources to streamline operations, target backlogs and maximize services. *Oct. 2003: Board implements and identifies a number of legislative and regulatory proposals to streamline applications and application processing, complaint resolution and investigation procedures. These include:* - *Citations and fines being issued by the executive officer instead of a committee of the board.* - *New requirements enacted for pharmacy technicians and use of NAPLEX exam* - *status calls on applications pending less than 8 weeks are not answered* - *processing of fingerprint clearances and conviction information altered* - *statutory or regulation changes proposed for applicants for pharmacist, pharmacy technicians, interns, wholesalers and non-resident wholesalers.* - *All Sacramento staff assigned to cover phones as routine duties* - *Board's Web site will be revamped to make information more accessible* - *Enforcement actions against licensees will be integrated into the License Verification function of the Web page to facilitate disclosure of information to the public* *Jan. 2004: Board modifies procedures for processing pharmacy technicians so that all information required to make a licensing decision is submitted at one time (previously the various required components could each be submitted at any time, creating a substantial workload to match information to files.). The goal is to reduce the volume of individual pieces of application information that are submitted at different times* - *All staff are assigned to answer phones in four-hour blocks to fill behind the board's part-time receptionists and still provide phone coverage for the public. The telephone tree is redesigned to place calls immediately on hold, without the direct intervention of a board operator.* - *Address of record information was placed online in mid-December. This eliminates the need for staff to provide this publicly releasable*

	information. *-Enforcement information will be soon added to the Web site so complete license verification information will be available on the Web site.* *-Board procedures for issuing citations and fines and changed to make it easier to respond to public inquiries.* *- Data systems for monitoring enforcement cases assigned to board staff are integrated so that only one report is prepared monthly instead of two.* *March 2004: Contracts for CPJE in place; board begins notification of candidates for pharmacist licensure they may take CPJE examination. Over 750 applications processed by end of month* *- Board seeks subscriber service to board's Web site as a possible means for future communication with licensees, applicants and the public.* *April 2004: Pilot testing of Web site enforcement look up completed and process made available online.* *- NAPLEX available to California applicants for pharmacist licensure.* *- Security processes for data transfer among entities providing examination services under development.* *June 2004: Exam scores released and licensure of new pharmacist begins under new examination structure* *Oct. 2004: Staff identifies a number of legislative and regulatory proposals to streamline applications and application processing, complaint resolution and investigation procedures in the future. These are brought to the board for pursuit as regulations or statutory changes.* *- Subscriber alert feature added to board Web site to alert interested parties about new items placed on the Web site.* *November 2004: Board modifies application procedures for wholesalers and nonresident wholesalers, designated representatives and pharmacy interns.* *December 2004: New board contracts established for NAPLEX and CPJE exam administrations.* *-- New Web site activated that is compliant with Governor's Office requirements* *January 2005: Board acts on a omnibus package of regulation changes to update board regulatory programs affected by enactment of SB 361, SB 151, and SB 1913. Provisions for omnibus legislative changes are submitted to Legislative Counsel.* 2. Develop budget change proposals to secure funding for needed resources. *August 2003: Budget instructions from Department of Finance specify that no program augmentations will be made this year; any increase in resources must come via redirection from within an agency's budget. As such the board dissolves plans for BCPs to augment AG resources and fund a job analysis.* *August 2004: Budget instructions from Department of Finance specify that no program augmentations will be made this year; any increase in resources must come via redirection from within an agency's budget. As such the board dissolves plans for BCPs to augment AG resources and fund a job analysis. Legislative BCP for SB 1307 and AB 2682 to provide $85,000 for programming modifications to the board's wholesaler programs are denied; the board must redirect to*

	cover from existing programs to fund these costs. 3. Perform strategic management of the board through all committees and board activities. *October 2003: Strategic plan updates from all committees provided to board for review during board meeting.* *January 2004: Strategic plan updates from all committees provide to board for review during board meeting. Additionally committee readies plan for 2004 update of board strategic plan, planned for the April 2004 meeting.* *April 2004: Strategic plan for each committee and overall plan for the board reviewed and approved by board for 2005.* *July 2004: Strategic plan updates from all committees provided to board for review during board meeting. The cost of prescription drugs section of the Strategic Issues to be Addressed chapter is revised and approved by the board for inclusion in the strategic plan.* *October 2004: Strategic plan updates from all committees provided to board for review during board meeting. In advance of the board meeting, each committee holds a public meeting; one topic discussed at each meeting is how to increase communication between the board and the public and licensees.* *January 2005: Strategic plan updates from all committees provided to board for review during board meeting. Committee begins plans to revise strategic plan at the April Board Meeting.* 4. Manage the board's financial resources to ensure fiscal viability and program integrity. *October 2003: Full budget report provided to board on fund condition, revenue, expenditures, and mandatory budget reductions.* *January 2004: Budget report provided to board on fund condition, revenue, expenditures and mandatory budget reductions.* *April 2004: Full budget report provided to board on fund condition, revenue, expenditures, and mandatory budget reductions. Board pursues departmental assistance for a funding augmentation for 2004/05 for legal services from the Attorney General's Office to retain same level of service at higher fee rates now in effect by the AG's staff.* *July 2004: Full budget report provided to board on fund condition, revenue, expenditures, and mandatory budget reductions. Board receives notification it will receive a $135,000 funding augmentation for 2004/05 for legal services from the Attorney General's Office to retain same level of service at higher fee rates now in effect by the AG's staff.* *September 2004: Committee reviews full budget report on 2003/04 and future year budgets* *Board receives augmentation in AG budget of $216,000 to adjust for higher hourly rates charged by the AG's Office* *October 2004: Full budget report provided to board on fund condition, revenue, expenditures, and mandatory budget reductions.* *January 2004: Full budget report provided to board on fund condition, revenue and expenditures.*
Objective 5.2: **Measure:**	**Maintain 100 percent staffing of all board positions.** **Percentage staffing of board positions**

Tasks:	1. Continue active recruitment of pharmacists for inspector positions. *July 2003: Three vacant inspector positions lost due to executive order mandating elimination of any position vacant on June 30, 2003* *September 2003: Department of Consumer Affairs notifies board that it is discontinuing the continuous application process for board inspector positions. The board has no vacant inspector positions and DCA can no longer dedicate staff to this function without a corresponding need by the board to have the civil service exam given.* *January 2004: Two inspectors on parental leave; however the board has no vacancies. Board requests the department to give an annual inspector exam so that the civil service list for this classification remains active.* *February 2004: One inspector formerly on parental leave resigns from board. Board seeks recruitment of pharmacists from other state agencies on layoff lists. No such pharmacists exist, and the board submits a freeze exemption to fill the position.* *April 2004: One inspector on parental leave. Freeze waiver for one vacant inspector position undergoing review by the Department of Finance.* *June 2004: Hiring freeze ends at end of fiscal year. Board initiates actions to fill vacant inspector position. Board also seeks recruitment of pharmacists from other state agencies. No one responds to position.* *August 2004: Pharmacists contacted on inspector civil service list to determine their interest in working for board. The board is not interested in those who respond. Board again requests department to give a new civil service examination for the classification.* *September2004: Board again requests the inspector exam. Board increases time base of one part-time inspector from 50 percent to 75 percent of one full-time position.* *November 2004: Board completes job analysis on inspector position.* *December 2004: Department sets date for examination.* 2. Vigorously recruit for any vacant positions. *July 2003: Six vacant positions lost due to executive order mandating elimination of any position vacant on June 30, 2003 – three inspector positions, one receptionist, one office technician for site licensing, one associate analyst for site licensing. As a result, the board has no vacant positions.* *January 2004: The board has no vacant positions* *April 2004: The board is seeking a freeze exemption for its vacant inspector position.* *June 2004: Freeze waiver not processed by the Department of Finance because freeze will end June 30. Board begins recruitment for vacant inspector position, and to hire seasonal staff.* *July 2004: Board begins recruitment for vacant office technician position.* *August 2004: Budget Letter indicates process to reinstate positions lost due to hiring freeze; however, implementation of the requirements require that only positions lost in 2003/04 qualify. The board did not lose any positions during this year; however, six vacant*

	positions were lost due to executive order mandating elimination of any position vacant on June 30, 2003, and four were lost in June of 2002. *Board seeks to hire temporary staff – two seasonals, and one retired annuitant. One part-time OT leaves board employment.* *September 2004: Board hires two seasonal staff and rehires its former newsletter editor as a retired annuitant. Board conducts interviews for office technician position.* *October 2004: Board hires office technician for cashier position. Board begins recruitment for vacant legislative position. One seasonal staff quits* *January 2005: Board hires new legislative coordinator and one temporary clerical employee. Recruitment continues for another temporary clerical position.* 2. Perform annual performance and training assessments of all staff. *December 2003: All inspectors have annual performance assessments done by their supervisors. State budget restrictions on training may impede the ability of the board to provide all training needed or desired by inspectors.* *December 2004: All licensing staff and most inspectors have annual assessments. The remaining assessments will be conducted in the next few months.*
Objective 5.3: **Measure:**	**Implement 10 strategic initiatives to automate board processes by June 30, 2005.** **Number of strategic initiatives implemented to automate board processes**
Tasks:	1. Perform a feasibility study to establish the board's own computer system to track licensees and enforcement activities. *July 2003: Department of Finance issues budget instructions stating all computer installation projects and proposals are postponed due to budget crisis.* 2. Continue to work with the Department on the development and implementation of the Professional Licensing and Enforcement Management System (PLEMS). *November 2003: Department of Finance denies Department of Consumer Affairs' PLEMS feasibility study report. Department discontinues project. Board suggests reassignment of existing information technology staff to resume programming modifications to existing CAS system which were reassigned to develop PLEMS. This will prevent board from realizing one finding of DCA's Internal Audits Office – to have only one tracking system in place at the board.* *May 2004: Board prepares parameters to join DCA's applicant tracking system to eventually enable online renewals in the future.* 3. CURES *November 2003: Board inspector develops program to integrate CURES data into board's pharmacy inspection tracking program, so that summary CURES data is immediately retrievable when looking at a pharmacy's record.*

	4. Board seeks software to allow subscribers to the board's Web site to be notified when the Web site is updated. *September 2004: board pilot tests system* *October 2004: board activates system* 5. Miscellaneous Projects *January 2004: Board purchases new printers for board office to provide more efficient use of board's new file server.* *May 2004: Board meets with department's OIS staff on board strategic priorities for automation. The need to allow online renewal is the board's #1 priority. The board stated its desire for online submission of applications, an automated tracking system (PLEMS) and the ability of applicants to identify the status of their applications online.* 6. Pharmacist Licensure Examinations: *March –June 2004: New and secured systems developed to transmit data to and from vendors of the NAPLEX and CPJE exams, provide results to candidates in an automated fashion as much as possible.* 7. Provide equipment to facilitate performance of board duties <u>Computer Equipment</u>: *June 2004: New computers ordered for inspectors* *October 2004: New laptop computers are imaged and provided to board inspectors* <u>Communication Systems with Field Staff</u> *June 2004: new integrated communication systems ordered to allow access of e-mail from field.* *September 2004: Board receives handheld communications devices that combine the ability to send and review e-mail, function as telephones and pagers for all board inspectors. This will improve communications with these field staff regardless even when they are away from their home offices.* *October 2004: Inspector staff receive and are trained to use new equipment* <u>General Equipment</u> *June 2004: Provision of postage system in inspectors' home office to eliminate the need for frequent trips to the post office.*

Objective 5.4:	**Provide for communication venues to communicate within the board by June 30, 2005.**
Measure:	**Number of communication venues to communicate within the board**
Tasks:	1. Continue the Communication Team to improve communication among staff and host quarterly staff meetings. *July 2003: quarterly staff meeting made discretionary for board inspectors due to lack of a state budget. TCT hosts annual picnic for all Sacramento staff and a number of inspectors who travel to Sacramento.* *Sept. 2003: TCT conducts mail-ballot election to replace vacancy of one analyst on the TCT* *October 2003: to reduce travel expenses, quarterly staff meetings are converted to biannual meetings (July and December), as such no TCT quarterly meeting held.* *December 2003: TCT hosts staff meeting and team building activities for all board staff. Board members provide Christmas lunch to staff.* *March 2004: LA-based inspector staff attend Enforcement Team Meeting in Burbank.* *May 2004: Inspectors hold inspector workshop in Fresno* *June 2004: TCT hosts staff meeting and annual staff picnic Sacramento-based inspector staff join other Sacramento staff to attend Enforcement Team Meeting* *September 2004: LA-based inspector staff attend Enforcement Team Meeting in Burbank* *October 2004: Team meetings of each inspector team occur in Sacramento during time of new equipment exchange* *December 2004: TCT hosts staff meeting. Board members provide a Holiday lunch for staff.* 2. Continue Enforcement Team meetings with board members and enforcement staff. *July 2003: Enforcement team meeting held in Sacramento. To reduce travel expenses, quarterly team meetings with all enforcement staff will be converted to biannual meetings. Supervising inspectors will provide inspector meetings to update Los Angeles-based staff.* *Sept. 2003: Enforcement team meeting held in Sacramento. Los Angeles inspectors not present, but supervisors hold inspector meeting in LA for those staff to reduce travel expenses.* *Dec. 2004: Enforcement Committee and Enforcement Team meetings held with all board enforcement staff.* *March 2004: LA-based Enforcement Staff meet in Los Angeles as part of Enforcement Team Meeting.* *June 2004: Enforcement team meeting in Sacramento. Los Angeles inspectors not present* *September 2004: LA-based Enforcement Staff meet in Los Angeles as part of Enforcement Team Meeting.* *December 2004: Enforcement Team Meeting in Sacramento* 3. Convene inspector meetings to develop standardized investigation and inspection processes and earn continuing education. *July 2003: inspector meeting held in conjunction with Enforcement Team meeting.*

	Sept. 2003: inspector meeting held in Northern and Southern CA. Topics include development of new procedures, case presentation and review, and workload discussions. *Dec. 2003: inspector meeting held with all inspectors. Computer modifications incorporated onto all inspectors' computers.* *March 2004: inspector meeting planned for late May to focus on improving investigation reports.* *May 2004: Inspectors hold four-day inspector workshop in Fresno to provide training and discussion of investigations.* *June 2004; Inspectors have one-day inspector meeting as part of semi-annual meetings.* *August 2004: Compliance team inspectors meet to identify and assign inspection locations through June 2005* *October 2004: All inspector teams meet during reassignment of equipment* *December 2004: All inspectors trained in new Pharmacy Law provisions for 2005.*

Objective 5.5:	**Annually conduct at least 2 outreach programs where public policy issues on health care are being discussed.**
Measure:	**Number of outreach programs conducted in one year**
Tasks:	1. Attend outreach programs. *September 2003: President Jones attends NABP's District VII and VIII meeting* *October 2003: Board participates in CSHP's Annual Seminar in Sacramento* *November 2003: Board participates in development of Emergency Contraception Protocol for pharmacists, as required by SB 490 (Alpert, Chapter 651, Statutes of 2003)* *December 2003: Staff attend USC Seminar in Balancing the Rx Cost/Benefit Equation* *January 2004: Board participates in CPhA's Outlook 2004* *March 2004: Board convenes Workgroup on Pharmacy Compounding task force to determine parameters for distinguishing between compounding and manufacturing* *April 2004: Board members attend NABP's annual meeting.* *June 2004: Board participates in public policy discussion regarding importation of Canadian drugs hosted by the Pharmacy Foundation of California.* *Board holds second meeting of Workgroup on Pharmacy Compounding to determine parameters for distinguishing between compounding and manufacturing* *September 2004: Board holds third meeting of Workgroup on Pharmacy Compounding to determine parameters for distinguishing between compounding and manufacturing* *October 2004: Executive Officer attends Clearinghouse on Licensure and Enforcement Regulator (CLEAR) in Kansas City, she provides a presentation on doing more with less.* *November 2004: Supervising Inspector Ratcliff is keynote speaker at CSHP's annual meeting. Also, Board President Goldenberg and Supervising Inspector Ming provide presentations about the board or sterile injectable compounding.* *December 2004: Board holds fourth and final meeting of Workgroup on Pharmacy Compounding to determine parameters for compounding pharmacies.*

California State Board of Pharmacy
400 R Street, Suite 4070, Sacramento, CA 95814-6237
Phone (916) 445-5014
Fax (916) 327-6308
www.pharmacy.ca.gov

STATE AND CONSUMER SERVICES AGENCY
DEPARTMENT OF CONSUMER AFFAIRS
ARNOLD SCHWARZENEGGER, GOVERNOR

STATE BOARD OF PHARMACY
DEPARTMENT OF CONSUMER AFFAIRS
PUBLIC BOARD MEETING
MINUTES

DATE: **October 20 & 21, 2004**

LOCATION: **Hyatt Regency San Francisco Airport**
1333 Bayshore Highway
Burlingame, CA 94010

BOARD MEMBERS PRESENT:
Stanley Goldenberg, President
William Powers, Vice President
Ruth Conroy
David Fong
Clarence Hiura
John Jones
Kenneth Schell
John Tilley
Andrea Zinder

BOARD MEMBERS ABSENT:
James Acevedo
Richard Benson

STAFF PRESENT:
Patricia Harris, Executive Officer
Virginia Herold, Assistant Executive Officer
Robert Ratcliff, Supervising Inspector
Joshua Room, Deputy Attorney General
Dana Winterrowd, Department of Consumer Affairs Legal Counsel

CALL TO ORDER

President Goldenberg called the meeting to order at 9:06 a.m. on October 20, 2004.

President Goldenberg welcomed everyone to the board meeting and expressed the goal during his term as board president is to improve communication between licensees, the public and the board. President Goldenberg stated that in working towards that goal, the board's subscriber Web site notification system was activated earlier this month. This feature e-mails interested

parties about updates to the board's Web site and provides a link to the specific addition. Interested parties must subscribe themselves to the board's Web site, and be responsible for keeping their e-mail addresses current. There is no charge for this service.

President Goldenberg reported that within one day of activation, 24 individuals had subscribed to this service. He added that the board is the first agency in the department to use this feature, but other agencies will soon follow. The board will highlight this service in the next *The Script*.

COMMITTEE REPORTS AND ACTION

ORGANIZATIONAL DEVELOPMENT COMMITTEE

Chairperson Tilley stated that at the board's July Meeting, Board President Goldenberg conveyed his goal to obtain diverse opinions from as wide a cross section as possible on matters before the board for policy deliberations.

Chairperson Tilley stated that ideas developed during the Organizational Development Committee meeting included:

1. Inviting local chapters of pharmacist associations to encourage their members to attend meetings in their area.
2. Working with the schools of pharmacy to foster attendance by pharmacy students.
3. Awarding local pharmacists board acknowledgments for significant achievements or for years of service.
4. Notifying other agencies, such as the local Area Agency on Aging, AARP, Senior Outreach, Kiwanis and Rotary organizations about meetings in their communities.

Chairperson Tilley stated that President Goldenberg has pursued some of these ideas for this meeting to promote greater attendance by a more diverse audience. He noted that there were considerably more individuals in the audience than at some other board meetings.

Chairperson Tilley asked those in attendance for additional suggestions to improve communication with the board.

Dr. Schell asked the board to consider using the association's criteria for recognizing individuals for significant achievements and it was suggested that the board target individuals living near the board meeting location site so it would not impose substantial travel for those individuals recognized.

President Goldenberg asked Dr. Schell for assistance in providing the board with the association's criteria for recognition of pharmacists for the committee's review.

Steve Gray, representing Kaiser Permanente, suggested that the board also develop an integrated recognition system sponsored by the Board of Pharmacy with others such as the medical and nursing professions.

- **California Performance Review – A Proposal to Restructure State Government and its Proposal for the Board of Pharmacy**

  Chairperson Tilley stated that the Governor's proposal to restructure state government was released at the beginning of August. His plan is detailed in a 2,547-page report, developed by the California Performance Review (CPR), a group of 275 individuals charged to overhaul state government into a more logical and less costly organization. The CPR states that its reorganization will achieve $32 billion in savings over five years.

  Public hearings have been held to collect information from the public. The restructuring plan would eliminate 118 of 339 boards and commissions, as well as the Department of Consumer Affairs. The healing arts licensing boards of the department would be merged into a new Department of Health and Human Services, this includes the Board of Pharmacy. Most other regulatory boards in the department today have been targeted for elimination. The board's fund would be combined with the special funds of other boards merged into the new department.

  Dr. Fong stated that he supports the Governor's action to review all boards and their role and he added that he is confident that the board will demonstrate its success.

  Mr. Powers stated that the Governor has not taken any position on the recommendations and a Legislative Analyst Office's review of the proposals project that the savings would be considerably less than the $32 billion estimate from the CPR. He added that if adopted, these proposals would downgrade public services.

- **Budget Update and Report**

  1. 2004/05 and Future Year Budgets

     Chairperson Tilley stated that the state's budget for this fiscal year was approved by the Governor on July 31.

     The board's budget is essentially the same as it was last fiscal year with the exception of funding for the AG, which was increased due to the increased hourly fee charges for legal services.

     - **Revenue Projected: $5,444,287**

       The board's revenue for the year is projected to be comprised of $5,346,813 in licensing fees (98.2 percent) and $97,474 in interest (1.8 percent). The revenue

estimate projected from fees is conservative and traditionally is about 10 percent less than actual revenue will be. Not included in this figure is any money collected from cost recovery or citations and fines during the year.

- **Expenditures Projected: $7,360,000**

  The board's maximum expenditure authority for the year is $7.36 million. Personnel is the largest expenditure: $3,686,301 or 50 percent of the board's budget.

- **Redirections and Program Efficiencies to Offset Budget and Staffing Shortages**

  At the beginning of each month, the board submits a backlog report to the administration. This report reflects the status of the board's licensing and enforcement activities with respect to processing times. The board's priorities are to investigate consumer complaints and process applications.

  One of the greatest hurdles the board faces is responding to telephone inquiries. The board lacks even one full-time receptionist (both of the receptionist positions were lost due to budget restrictions and hiring freezes) and receives over 160,000 calls each year. The one part-time individual the board has performs this function but works at most only three days weekly. As a result, all staff are assigned to take turns answering the telephones. Status inquiries are not a priority and callers seeking assistance to be walked through the application process are directed to the Web site instead. This is extremely frustrating to applicants and to staff.

  In early October the board implemented a subscriber e-mail system that will allow interested parties to list their e-mail address with the board, and then be notified of new items posted on the board's Web site, which they can review. This system has the potential to increase communication with licensees and others at virtually no cost to the board. Someday it could eliminate publishing and postage costs for newsletters and *Health Notes*. It will allow the board to advise licensees of new law changes, new regulations, product recalls, and even action items from board meetings. The board is the first entity in the department to use this service, although others will soon implement their own systems.

- **Attorney General's Office Hourly Rates Increase**

  The Attorney General's Office rates increased twice at the end of the last fiscal year (April 1 and after June 30) to a total of $139 per hour for attorneys and $91 for legal assistants. This year the board received an augmentation in its AG budget of $216,034, to accommodate this rate increase. The board's total budget for the AG this year is $996,839 (or 13.5 percent of the board's budget).

3. **Closure Report: Budget Year 2003/04**

- **Actual Revenue Collected: $6,892,789**

  The board's revenue for last year was comprised of $5,641,127 in licensing fees, $70,306 in interest income, $874,532 in citation revenue, and $172,349 in cost recovery.

- **Expenditures for 2003/04 -- $6,816,770**

  The board's largest expenditure during the prior year was for personnel services (54 percent of all expenditures), which actually exceeded the budgeted amount by $30,580. This is even more significant since salary expenditures were not made for several inspectors and two managers during part or all of the year who were on parental leave. As a fixed expense, personnel services expenses are tracked closely by staff.

  Postage has been under-funded in prior years. During 2003/04 to reduce this expense, the board stopped mailing applications and newsletters to pharmacists. Despite these steps, the board still spent nearly $19,000 more in postage than budgeted (30 percent more).

  The board did not spend all of its budgeted amounts in other programs areas (notably printing), which compensates for the over-expenditures in other categories.

4. **Board Fund Condition**

During 2004/05, the board is projected to spend $1,915, 713 more than it will collect in revenue. Any difference between revenue and expenditures will come from the board's fund. Because the board is spending more than it collects in revenue, the board's fund projects a declining balance over the next three years.

- 2004-05: The board is projected to end this fiscal year with a reserve of 4.7 months of expenditures
- 2005-06: The reserve decreases to 1.3 months at the end of the year (June 30, 2006)
- 2006-07: A deficit of 2.3 months is projected (June 30, 2007)

These figures indicate that repayment of the $6 million loan borrowed by the state during 2002/03 will need to begin during mid to late 2005-06.

During the 2003/04 fiscal year, the board spent only slightly less than it made in revenue (specifically $75,000 less). However, the board collected more than $1 million in fines and cost recovery last year, and spent $350,000 less than authorized.

5. **Relocation of the Department of Consumer Affairs**

Chairperson Tilley stated that the lease for the building housing the main portion of the Department of Consumer Affairs, including the Sacramento office of this board, would end late in 2004.

Lease negotiations have not reduced the rent desired by the current building's landlord, and the department is likely to move to a new location in North Natomas (the original Arco Arena), where the rent is less. This location is about 8 miles north of the current location. If these arrangements are finalized, the board will have to move sometime during 2005. No lease has yet been signed for any space. However, the new building's owner has promised to pay for purchase and installation of new systems furniture as well as utilities and janitorial service.

- **Personnel Update and Report**

1. **Hiring Freeze Ends**

The hiring freeze in place since late 2001 expired July 1, 2004.

Recent budget instructions from the Department of Finance would have allowed the board to reinstate four positions lost during July 2002-03, when there was a hiring freeze and the board could not fill positions. However, the Department of Finance has narrowly interpreted this policy and advised the board that it cannot restore positions the board lost before 2003/04. As such, the board will be unable to restore any of the 10 positions lost since imposition of the hiring freeze.

2. **Personnel Actions**

The board has promoted three board employees, and converted a fourth individual to 75 percent of a full-time position (from a 50 percent level). Two seasonal employees have been hired as part-time employees to perform basic clerical functions, and the board has rehired its newsletter editor as a retired annuitant. The board will have to absorb the expense of these salaries.

3. **Vacancies**

Effective October 1, 2004, Chief of Legislation and Regulation Paul Riches accepted a position to become executive officer of the Board of Behavioral Science. Mr. Riches has been with the board five years and has made major contributions to improve and update

California Pharmacy Law. Recruitment is now underway for a new legislative coordinator.

At the beginning of September, part-time Receptionist Denise Wong transferred to a full time position in the Department of Health Services. Ms. Wong worked for the board for approximately five years. This leaves the board with one part-time receptionist. Staff will fill in at the front desk to provide receptionist duties.

Chairperson Tilley announced that the board's vacant second cashier position was recently filled.

The board has one inspector position vacant. It has recruited for this position, but cannot find an applicant with the qualifications needed by the board. Instead, the board has requested that the Department of Consumer Affairs conduct a new civil service examination for the inspector classification.

Chairperson Tilley recognized Paul Riches for his outstanding job performance in handling the board's legislative issues. He added that Mr. Riches would be missed.

Chairperson Tilley stated that the board has two public board member positions vacant; these positions were created January 1, 2004, and are Governor appointments.

The board has two staff on parental leave.

- **Petition from Students Seeking Alternatives from having their Addresses of Record Online**

President Goldenberg welcomed students in the audience who were in attendance to present their concerns about having their addresses of record online. Several students introduced themselves to the board. They were: Roxanne Leong, Jenny Espirity, Jerrod Mills and Nicolas Castro from the University of Pacific; Marshal Abdullah and David Truong from the University of Southern California and Chris Nguyen and Dan Zult from the U.C. San Francisco.

Mr. Truong thanked board members for the opportunity to come before the board.

Mr. Mills stated that this issue arose during a regional meeting in Arizona involving 11 schools of pharmacy. Many of the students were not aware that licensees' address of record are listed on the board's Web site.

Mr. Mills stated that during the meeting students raised concern about the privacy rights of licensees. Students representing six schools of pharmacy in California discussed the matter and came to a consensus that posting addresses on the board's Web site is inappropriate.

Mr. Mills stated that he feels that the problem lies with educating students about their rights. He asked the board for recommendations or advice on the best way to resolve the problem.

Mr. Jones stated that the board has addressed this topic to pharmacists throughout California and most of them are disturbed that their address are posted on the board's Web site. However, the state of California's consumer protection efforts promote public access to this information. He added that the board has advised pharmacists to use an alternate address or a post office box. Students sometimes work in several locations so it might be impractical to use an employer's address.

Mr. Schell suggested talking with the Student Affairs Office so the schools could establish some process to resolve this.

Chairperson Tilley stated that he did not feel that licensees should have to provide their address and thanked the students for attending the board meeting and presenting their concerns.

Ms. Harris stated that this issue will be presented to the Organizational Development Committee for discussion and brought back to the board in January. She added that a licensee's address is a public record that anyone can obtain this address by submitting a written request to the board. However, she cautioned that the address of record should be easily accessible to the licensee because this is the board's method of contact for mailing renewal notices, licenses and informational items.

Carlo Michelotti, representing the California Pharmacists Association, congratulated the students for their initiative at the mid-year meeting in Arizona this past week and then so quickly appearing before the board.

Chairperson Tilley expressed concern for all health care professionals handling dangerous drugs who must have their addresses available as a matter of public record.

President Goldenberg thanked all of the students for bringing this before the board. He encouraged their participation on future matters.

- **Board Acknowledgments**

President Goldenberg presented Carlo Michelotti with a plaque in recognition of his achievements as a pharmacy professional and his role as a pharmacist leader. Mr. Micholotti is leaving his executive vice president position with the California Pharmacists Association at the end of the year.

The inscription read:

Carlo Michelotti, RPh, MPH

The California State Board of Pharmacy recognizes and commends you for your years of service as a pharmacist and your role as a pharmacy leader during a time when pharmacy practice reached new heights. Your dedicated efforts to strengthen the role of pharmacists as health professionals will greatly benefit the public for years to come.

Mr. Michelotti thanked the board and stated that he is honored to receive this recognition from the Board of Pharmacy.

President Goldenberg also recognized and commended Teresa Ann Miller for her years of service and leadership to improve the quality of pharmacists care provided to California patients. Dr. Miller is leaving her executive vice president position with the California Society of Health Systems Pharmacists at the beginning of November. She was unable to attend the board meeting.

The inscription on Dr. Miller's plaque read:

The California State Board of Pharmacy recognizes and commends Teresa Ann Miller, Pharm.D., for your years of service and leadership to improve the quality of pharmacists care provided to California patients. Your efforts have allowed pharmacists to assume a broader and rightful place in managing the drug therapy of patients, and improving the quality of care provided to all.

- **Approval of Minutes (July 21 and 22, 2004)**

President Goldenberg asked if there were any corrections to the minutes.

Mr. Schell referred to pages 22 and 23 of the board minutes and the misspelling Jennigrace Bautista's last name.

MOTION: Approve the minutes of the July 21 and 22, 2004, Board Meeting after correcting the misspelling of the last name of Jennigrace Bautista.

M/S/C: SCHELL/TILLEY

SUPPORT: 8 OPPOSE: 0

COMMUNICATION AND PUBLIC EDUCATION COMMITTEE

Chairperson Zinder reported on the committee's meeting of September 21, 2004.

- **Update on Health Notes and Proposal for Health Notes Issue on Pharmacy Services Following a Natural Disaster**

  Chairperson Zinder stated that RoseAnn Jankowski, chairperson of the board's Competency Committee, who is a hospital pharmacist, is also active as a disaster response team and leader in Orange County. Dr. Jankowski has contacted the board in hopes of developing a pharmacist disaster response monograph for the board. The board currently has no information in this area available to distribute.

  Dr. Jankowski is willing to coordinate this issue, without a fee, and has developed a list of articles and authors.

  Chairperson Zinder stated that the committee saw value in the development of such an issue that could readily be added to the board's Web site. Once the articles are written, federal money will be sought to pay for publication costs to expand distribution of this issue as well.

  The committee requested that Dr. Jankowski attend the board meeting to discuss this concept with the board. However, a prior commitment prevented her from attending this meeting.

  Chairperson Zinder stated that Dr. Jankowski would attend the January 2005 Board Meeting to discuss this monograph with the board.

  The board deferred action on this proposal until Dr. Jankowski can meet with the board.

- **Nancy Hall, Deputy Director of Board Relations, Department of Consumer Affairs**

  President Goldenberg welcomed Ms. Hall, the newly appointed deputy director for board relations, to the board meeting.

  Ms. Hall thanked the board and stated that she was there to observe the meeting and to answer any questions the board may have for her.

  President Goldenberg acknowledged his wife, Susan Goldenberg, who was also in the audience.

- **Development of Consumer Fact Sheet Series with UCSF's Center for Consumer Self Care**

  Chairperson Zinder stated that at the April 2004 Board Meeting, the board approved a proposal by the committee to integrate pharmacy students into public outreach activities. This project will be coordinated by the UCSF Center for Consumer Self Care under the direction of R. William Soller, Ph.D.

The project will have students develop one-page fact sheets on diverse health care topics. The board will work with Dr. Soller to develop these fact sheets, using pharmacy students from UCSF and UCSD. A prototype format for a series of fact sheets will be developed. Each interested student will be acknowledged with a credit at the bottom of the fact sheet he or she develops. Review by professional staff at UCSF for content accuracy will occur as part of the process.

The goal is to develop three fact sheets per quarter. After one year and 12 fact sheets, the Communication and Public Education Committee and the Center for Consumer Self Care will reevaluate the project.

Dr. Soller attended the September meeting of the committee to demonstrate one proposal for a possible template for the fact sheet series.

The committee determined that the fact sheets should address consumer issues involving:

- Safety
- Cost
- Access
- Quality
- Awareness (use and self-use of medications)

Chairperson Zinder stated that over the next quarter Dr. Soller would oversee the development of drafts for the first three fact sheets.

- **Report on the California Health Communication Partnership**

Chairperson Zinder stated that during the July 2004 Board Meeting, the board agreed to join the California Health Communication Partnership as a sponsor and participant. The purpose of this group is to improve the health of Californians by developing and promoting consumer health education programs developed by the members in an integrated fashion. Dr. Soller, of the UCSF Center for Consumer Self Care, is the coordinator of this group.

Chairperson Zinder stated that two meetings of the partnership have been held since the July Board Meeting. The first meeting was held September 2, 2004. Present was a group of founding members called the Steering Committee that included members from the Board of Pharmacy, Medical Board of California, California Society of Hospital Pharmacists, California Medical Association, the UCSF, the Department of Consumer Affairs and via telephone, the National Consumers League and Federal Food and Drug Administration.

The core of the meeting was aimed at developing health priority topics for the partnership. A primary component was a review of consumer materials developed by the FDA in the last few years. Few of the individuals at the meeting were aware of all of the materials.

For the partnership's first integrated project, the partnership selected the FDA materials developed for practitioners and patients on antibiotic use misuse and overuse.

Chairperson Zinder stated that the second meeting continued discussions to promote materials warning of antibiotic misuse during flu season, from November through March. The materials prepared by the FDA will be the focus, and the newsletters of both the Board of Pharmacy and Medical Board will contain the FDA public service message for practitioners and the consumer materials the practitioners can download for their patients.

Ms. Herold added that the FDA has developed a number of communication modules for health care practitioners. She stated that many are not aware of the system on the FDA Web site. She added that The Medical Board of California would run the same materials in their action report for physicians in the January issue and the Board of Pharmacy will run the materials in its *Health Notes* in January. This will be the first time for the boards to fully communicate with all licensees (both pharmacists and physicians) regarding antibiotic misuse using an integrated campaign with the materials the FDA has already promoted. This will provide the board with an opportunity to test the partnership's goal for an integrated message system.

- **Discussion on How the Board of Pharmacy Can Improve and Facilitate Communications with the Public and Licensees**

Chairperson Zinder stated that at the board's July Meeting, Board President Goldenberg expressed his ideas on how he planned to achieve his goal of improving communication with the board and licensees. President Goldenberg's goal is to obtain diverse opinions from as wide a cross section as possible on matters before the board for policy deliberations.

Ms. Zinder noted that the board has a number of procedures it uses to elicit comments from the public and stakeholders.

- Quarterly board meetings, where public input for each agenda area has public input scheduled as a component.
- Web site information
- Consumer education materials
- Co-sponsorship of public education events (e.g., 2003's Hot Topic Seminars with the UCSF School of Pharmacy)
- Attendance at continuing education fairs
- Attendance/staffing at public education fairs and events
- A subscriber e-mail notification system about major new information added to the board's site (about to be implemented)
- The board has at least 19 public meetings annually, where an agenda is mailed and posted on our Web site 10 days before a meeting.
- *The Script* newsletter

- Presentations by board members and supervising inspectors of the board's CE outreach programs to groups of pharmacists, typically at professional meetings (at least 34 presentations were provided during 2003/04)
- Attendance and staffing of information booths at major educational fairs hosted by the major pharmacist associations
- In rare cases, letters are mailed directly to licensees advising them about major changes in programs (for example, changes in wholesaler requirements or foreign graduation evaluations)
- *Health Notes,* a health monograph developed by the board in a particular area that contains current drug treatment modalities, and which provides continuing education for pharmacists in subjects of importance to the board.
- Inspections (2,582 inspections were conducted during 2003/04)
- Written, faxed and telephone inquiries directly to the board.
- Surveys of all complainants following closure of their complaints
- Coming is a "Web site User Survey" (currently the board's Web site is being redesigned. One new component will be a "Web site user survey" to seek feedback on the Web site. This information will be used to enhance our Web site)

During the committee meeting, President Goldenberg noted that only five individuals (including two board members) were in the audience. He encouraged the committee to elicit comments from a number of sources.

The committee noted that the board's Web site is an important means for communication with licensees and the public, and this will likely grow in importance in the future. A referral to the board's Web site address could be added to the board's pre-recorded messages on the telephone system to facilitate this form of communication. An interactive Web site is important; however, current board staffing prevents this form of communication with the board's staff at the current time.

Another suggestion made during the committee meeting is to categorize questions received by the board's staff and add these to agendas for discussions during committee meetings. Also discussions with consumers at public education events may help identify items of concern to the general public.

President Goldenberg proposed that holding board meetings during evening hours may increase attendance and he asked that this be an agenda item.

- **Establishment of Internet Subscriber Lists for Board Materials**

Chairperson Zinder stated that in early October, the board activated its subscriber Web site notification system. This feature e-mails interested parties announcing that the board's Web site has been updated, the nature of the update and provides a link to the specific addition. Interested parties must subscribe themselves to the board's Web site, and be responsible for

keeping their e-mail addresses current. There is no charge for this service and no workload to the board to keep the e-mail addresses up to date.

Chairperson Zinder reported that within one day of activation 24 individuals have already subscribed to this service.

The board is the first agency in the department to use this feature, but other agencies will soon follow. The board will highlight this service in the next *The Script*. According to the department, this e-mail list is not considered a public record under the Public Records Act. The e-mail addresses of others receiving the notifications will not be visible to other subscribing parties as well. Department of Consumer Affairs Legal Counsel Mr. Winterrowd clarified that technically, this is considered to be a public record but the board will consider it confidential and personal and not in the public domain.

Ms. Herold stated that the board's purpose for the e-mail notification system is to communicate with the public and those interested in what the Board of Pharmacy does.

- **Update on *The Script***

Chairperson Zinder stated that the state's hiring freeze ended on July 1, and the board has since been able to hire former Newsletter Editor Hope Tamraz as a retired annuitant. Ms. Tamraz will continue to develop *The Script* as a principal part of her duties.

Chairperson Zinder stated that the board is currently finalizing articles for a November-release edition of *The Script*. Alternatively, a single issue of *The Script* will be published in January 2005.

Chairperson Zinder stated that the last issue of *The Script* was published and mailed to pharmacies in March 2004, and was later reprinted by the CPhA's Pharmacy Foundation of California and mailed to California pharmacists in early June.

The board discussed the importance of *The Script* as a way to communicate with its licensees.

Mr. Micholotti reaffirmed CPhA's commitment to mail the newsletter to all licensees. The board thanked CPhA for its contributions to publish and mail this newsletter to pharmacists.

- **Update on <u>Health Notes</u>**

Chairperson Zinder stated that *Health Notes* is a monograph, produced by the board that contains up-to-date drug therapy guidelines for a specific subject area. Pharmacists can earn continuing education credit by completing a test published at the back of the monograph. Thus the board provides information and actually is sponsoring CE in an area of importance to the board. Seven issues have been produced since 1996.

1. Pain Management Issue

The board's staff is still working to complete this new issue on pain management, which should be published by the end of the year. The new issue will contain new pain management therapies and the new prescribing and dispensing requirements for controlled substances. It will be an interdisciplinary issue for pharmacists as well as physicians, dentists, nurses and nurse practitioners.

2. Smoking Cessation

At the April 2004 Board Meeting, the board agreed to work with the UCSF to develop a *Health Notes* on smoking cessation. The UCSF is seeking funding for this issue from manufacturers of smoking cessation products. If a grant is provided to UCSF to do this issue, the manufacturers will have no editorial or review control over the developed manuscript.

The board will be responsible for the layout and design of the issue. If funding permits, the board will print and mail the issue. If the board lacks funding for this ($85,000), the issue will be placed on the board's Web site.

3. UCSF Monograph on Atrial Fibrilation (will not be called a *Health Notes*)

Chairperson Zinder stated that at the April 2004 Board Meeting, the board voted to become a cosponsor with the UCSF School of Pharmacy to produce a monograph on Atrial Fibrilation. The audience would be pharmacists and physicians. Funding for this issue would come from a drug manufacturer. Continuing education credit for those who complete the reading would be one outcome of this project.

The UCSF intends that in place of publishing this issue as a printed monograph (such as *Health Notes*), to instead place the issue on the Web site for downloading, possibly as a CE program. There would be no direct costs to the board.

- **Emergency Contraception/Pharmacy access partnership Liaison**

Chairperson Zinder stated that since the July Board meeting, the board has updated the emergency contraception protocol to reflect a change in the manufacturers of emergency contraception drugs.

The protocol is new on the board's Web site. Meanwhile the rulemaking to adopt the regulation incorporating the protocol into California Pharmacy Law was approved by the Office of Administrative Law and the regulation will be in November.

- **Presentation by the Center for Health Improvement: Pending Survey to Study the Impact of the Patient Consultation Mandate on Older Californians**

Chairperson Zinder stated that recently the board has been asked to collaborate on a study by the Center for Health Improvement assessing patient consultation requirements and their impact on older Californians aged 65 or older. The CHI is a health policy nonprofit agency based in California. The California Pharmacist Association's Education Foundation of California and the AARP are also collaborators of this project.

The goal for this two-year study is to analyze and improve the patient consultation process to patients aged 65:

- To assess the impact of the pharmacist consultation for persons 65+ through quantitative methods.
- To educate Californians, especially pharmacists about findings and recommendations through development and distribution of a policy brief.
- To begin discussions with policymakers and stakeholders about options for future action.

The committee reviewed written materials about CHI, the survey and the scope of this project.

Chairperson Zinder stated that she had requested that a representative from the CHI be invited to attend the board meeting to discuss the survey with the board but previous commitments prevented a representative from attending. She added that a representative would attend the January 2005 Board Meeting.

President Goldenberg suggested contacting the Long Term Care Management Council and the California Chapter of the American Society of Consultant Pharmacists for help in identifying areas of concern for seniors that are not in institutions. He added that this would also help bring awareness to pharmacists and pharmacies in California.

- **Update on the Board's Public Outreach Activities**

Chairperson Zinder stated that the board continues to operate a vigorous outreach program to provide information to licensees and the public. The board has a number of consumer materials to distribute at consumer fairs and strives to attend as many of these events as possible, where attendance will be large and staff is available.

The board has a PowerPoint presentation about the board that contains key board policies and pharmacy law. This is a continuing education course, typically provided by a board member and a supervising inspector. The questions and answer session usually results in presentations lasting more than two hours, presentations that are well-received by the individuals present.

Since the beginning of 2004, the board has begun providing presentations on SB 151 and new requirements for prescribing and dispensing controlled substances in California. This information is also presented via telephone conference call to large numbers of individuals.

Since July 1, 2004, the board has staffed booths at six consumer fairs, provided CE presentations about the board and pharmacy law to six groups, and made 14 presentations to groups of health practitioners and law enforcement staff about new requirements for prescribing and dispensing controlled substances.

Chairperson Zinder that the committee appreciates staff and board member participation on this extensive outreach effort.

President Goldenberg thanked board members and inspectors for this valuable effort.

Mr. Jones stated that many outreach meetings are at the request of the licensees and he emphasized the importance of responding to these invitations. He encouraged organizations to announce at their meetings that the board is interested in meeting with licensees and talking about topical issues. He added that many groups are not aware that board members or inspectors will accept invitations to speak.

- **Kaiser Family Foundation/Harvard School of Public Health Survey: "Views of the New Medicare Drug Law"**

  Chairperson Zinder stated that the cost of prescription drugs is a problem for many consumers. The board has three brochures and one information link directly related to buying drugs for less.

  In mid-2004, the federal government rolled out its federal drug discount program, which will be in effect until January 2006, when a new Medicare program takes effect. The program has not been popular nor is it widely used. There were more than 70 discount cards and programs initially available. The committee reviewed a survey conducted by the Kaiser Family Foundation/Harvard School of Public Health in August 2004 regarding public opinion about the program.

  With respect to this federal drug discount program, the board has created a one-page information sheet for the public that is available on the Web site. This information refers the reader to the federal government's Web site, and warns about possible fraud from those who contact individuals directly offering to sell them cards.

  The federal government has an extensive Web site developed to aid the public, but because of the number of options, this is a very complicated area to provide consumer information.

LICENSING COMMITTEE

Chairperson Conroy reported on the Licensing Committee Meeting of September 22, 2004.

- **Proposed Omnibus Legislative Changes for the 2005 Legislative Session.**

Dr. Conroy stated that the committee identified four provisions for a future omnibus bill.

1. Elimination of the Rules of Professional Conduct (Bus. & Prof. Code sec. 4005)

Dr. Conroy stated that section 4206 of the California Business and Professions Code requires that each pharmacist sign off on the "rules of professional conduct" as part of the application for pharmacist licensure. This requirement was established in 1959 and was subject to technical amendments in 1965 and 1971. However, this requirement has remained essentially unchanged since that date. Subdivision (c) Section 4005 [formerly Section 4008.2] authorizes the board to adopt these "rules of professional conduct" through the rulemaking process specified in the Administrative Procedures Act.

The current "rules of professional conduct" is actually a listing of selected regulation sections (1714, 1715.6, 1717, 1761, 1764, 1765, 1793.1) and a statement that the applicant agrees to abide by these regulations. The statute appears to allow the board to establish "rules of professional conduct" above and beyond those included in the board's statutes and regulations. However, no such document has existed in the memory of any current board staff, which extends back over approximately 25 years.

Dr. Conroy stated that this requirement provides no public protection, as licensees must comply with the specified sections and all other sections of the Pharmacy Law. Accordingly, staff is suggesting the repeal of Section 4206, and the relevant portion of Section 4005, to streamline the pharmacist licensure process.

Section 4005 of the Business and Professions Code is amended to read:

4005. (a) The board may adopt rules and regulations, not inconsistent with the laws of this state, as may be necessary for the protection of the public. Included therein shall be the right to adopt rules and regulations as follows: for the proper and more effective enforcement and administration of this chapter; pertaining to the practice of pharmacy; relating to the sanitation of persons and establishments licensed under this chapter; pertaining to establishments wherein any drug or device is compounded, prepared, furnished, or dispensed; providing for standards of minimum equipment for establishments licensed under this chapter; pertaining to the sale of drugs by or through any mechanical device; and relating to pharmacy practice experience necessary for licensure as a pharmacist.

(b) Notwithstanding any provision of this chapter to the contrary, the board may adopt regulations permitting the dispensing of drugs or devices in emergency situations, and permitting dispensing of drugs or devices pursuant to a prescription of a person licensed to prescribe in a state other than California where the person, if licensed in California in the same licensure classification would,

under California law, be permitted to prescribe drugs or devices and where the pharmacist has first interviewed the patient to determine the authenticity of the prescription.

(c) ~~The board may, by rule or regulation, adopt, amend, or repeal rules of professional conduct appropriate to the establishment and maintenance of a high standard of integrity and dignity in the profession. Every person who holds a license issued by the board shall be governed and controlled by the rules of professional conduct adopted by the board.~~

~~(d)~~ The adoption, amendment, or repeal by the board of these or any other board rules or regulations shall be in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

Section 4206 of the Business and Professions Code is repealed.

4206. ~~The rules of professional conduct adopted by the board shall be printed as a part of the application for licenses and every applicant shall subscribe thereto when making an application.~~

2. Clarification of Designated Representative Requirements for Wholesalers (Bus. & Prof. Code sec. 4053)

Another proposed legislative change involves Section 4053. The existing section addresses the issuance of "certificates of exemption" to individuals handling dangerous drugs and dangerous devices in wholesale facilities. Senate Bill 1307 changes current board terminology to reflect usage in other states and names these individuals "designated representatives." The proposed change makes the section easier to understand and makes no substantive change in law. The proposed language parallels other sections that authorize the issuance of a personal license.

4053. (a) ~~Subdivision (a) of Section 4051 shall not apply to a veterinary food-animal drug retailer or wholesaler that employs a~~ Notwithstanding Section 4051, the board may issue a license as a designated representative to provide sufficient and qualified supervision in a wholesaler or veterinary food-animal drug retailer. The designated representative shall ~~adequately safeguard and~~ protect the public health and safety in the handling, storage and shipment of dangerous drugs and dangerous devices in the wholesaler or veterinary food-animal drug retailer.,if the ~~, nor shall Section 4051 apply to any laboratory licensed under Section 351 of Title III of the Public Health Service Act (Public Law 78-410).~~

(b) An individual employed by a veterinary food-animal drug retailer or wholesaler may apply for an exemption from Section 4051. In order to obtain and maintain that exemption, the individual shall meet the following requirements:

(1) He or she shall be a high school graduate or possess a general education development equivalent.

(2) He or she shall have a minimum of one year of paid work experience related to the distribution or dispensing of dangerous drugs or dangerous devices or meet all of the prerequisites to take

the examination required for licensure as a pharmacist by the board.

(3) He or she shall complete a training program approved by the board that, at a minimum, addresses each of the following subjects:

(A) Knowledge and understanding of state and federal law relating to the distribution of dangerous drugs and dangerous devices.

(B) Knowledge and understanding of state and federal law relating to the distribution of controlled substances.

(C) Knowledge and understanding of quality control systems.

(D) Knowledge and understanding of the United States Pharmacopoeia standards relating to the safe storage and handling of drugs.

(E) Knowledge and understanding of prescription terminology, abbreviations, dosages and format.

(4) The board may, by regulation, require training programs to include additional material.

(5) The board may, by regulation, require training programs to include additional material.

(6) The board shall not issue a certificate of exemption until the applicant provides proof of completion of the required training to the board.

(c) The veterinary food-animal drug retailer or wholesaler shall not operate without a pharmacist or an individual in possession of a certificate of exemption on its premises.

(d) Only a pharmacist or an individual in possession of a certificate of exemption shall prepare and affix the label to veterinary food-animal drugs.

(e) This section shall become inoperative and is repealed on January 1, 2006, unless a later enacted statute, that becomes operative before January 1, 2006, amends or repeals that date.

(f) Section 4051 shall not apply to any laboratory licensed under Section 351 of Title III of the Public Health Service Act (Public Law 78-410)

3. Technical Updates to Various Licensing Provisions (Bus. & Prof. Code sec. 4127.5, 4205 and 4206)

Section 4127.5 sets the fee for the issuance of a sterile compounding license. Existing board practice based on Section 4400 (a) is to exempt government owned and tribally owned pharmacies from this fee. The proposed amendment clarifies that this exemption applies to sterile compounding licenses as well.

> **4127.5**. The fee for the issuance of a non-governmental license, or renewal of a license, to compound sterile drug products shall be five hundred dollars ($500) and may be increased to six hundred dollars ($600).

Another proposed change would amend section 4205, which details the application requirements for hypodermic licenses. The proposed changes make minor technical changes to eliminate obsolete code section references.

> **4205**. (a) A license issued pursuant to Section 4110, 4120, ~~4130~~, 4160, or 4161 shall be considered a license within the meaning of

Section 4141.

(b) The board may, in its discretion, issue a license to any person authorizing the sale and dispensing of hypodermic syringes and needles for animal use. ~~use for animals and poultry.~~

(c) The application for a license shall be made in writing on a form to be furnished by the board. The board may require any information as the board deems reasonably necessary to carry out the purposes of ~~this article~~. Article 9 of this chapter.

(d) A separate license shall be required for each of the premises of any person who sells or dispenses hypodermic syringes or needles at more than one location.

(e) A license shall be renewed annually and shall not be transferable.

(f) The board may deny, revoke, or suspend any license issued pursuant to this article for any violation of this chapter.

4. Fee Schedule Technical Changes (Bus. & Prof. Code sec. 4400)

This change would make technical amendments to section 4400. This section contains fee provisions and would make a range of changes as follows:

1. Eliminates an obsolete reference to medical device retailers.
2. Combines the application and issuance fee for exemptee licenses, which would permit the board to streamline issuing exemptee licenses.
3. Eliminates the fee for approval as an accrediting entity for continuing education consistent with other proposals under consideration to update the CE regulations.
4. Eliminates the fee for the foreign graduate application consistent with other proposals.
5. Makes a number of other technical changes to the section.

4400. The amount of fees and penalties prescribed by this chapter, except as otherwise provided, is that fixed by the board according to the following schedule:

(a) The fee for a nongovernmental pharmacy license shall be three hundred forty dollars ($340) and may be increased to four hundred dollars ($400).

(b) The fee for a nongovernmental pharmacy ~~or medical device retailer~~ annual renewal shall be one hundred seventy-five dollars ($175) and may be increased to two hundred fifty dollars ($250).

(c) The fee for the pharmacist application and examination shall be one hundred fifty-five dollars ($155) and may be increased to one hundred eighty-five dollars ($185).

(d) The fee for regrading an examination shall be seventy-five dollars ($75) and may be increased to eighty-five dollars ($85). If an error in grading is found and the applicant passes the examination, the regrading fee shall be refunded.

(e) The fee for a pharmacist license and biennial renewal shall be one hundred fifteen dollars ($115) and may be increased to one hundred fifty dollars ($150).

(f) The fee for a non-governmental wholesaler license and annual renewal shall be five hundred fifty dollars ($550) and may be increased to six hundred dollars ($600).

(g) The fee for a hypodermic license and renewal shall be ninety dollars ($90) and may be increased to one hundred twenty-five dollars ($125).

(h) ~~The fee for application and investigation for an exemptee license under Section 4053 shall be seventy-five dollars ($75) and may be increased to one hundred dollars ($100), except for a veterinary food-animal drug retailer exemptee, for whom the fee shall be one hundred dollars ($100).~~

(1)The fee for the application, investigation and issuance of a license as a designated representative pursuant to Section 4053 shall be one-hundred eighty-five dollars ($185) and may be increased to two-hundred fifty dollars ($250). If the applicant is not issued a license as a designated representative, the board shall refund seventy-five dollars ($75) of the fee.

(2)The fee for the annual renewal of a license as a designated representative shall be one-hundred ten dollars ($110) and may be increased to one hundred fifty dollars ($150).

(i) ~~The fee for an exemptee license and annual renewal under Section 4053 shall be one hundred ten dollars ($110) and may be increased to one hundred fifty dollars ($150), except that the fee for the issuance of a veterinary food-animal drug retailer exemptee license shall be one hundred fifty dollars ($150), for renewal one hundred ten dollars ($110), which may be increased to one hundred fifty dollars ($150), and for filing a late renewal fifty-five dollars ($55).~~

(1) The fee for the application, investigation and issuance of a license as a designated representative for a veterinary food-animal drug retailer pursuant to Section 4053 shall be two-hundred fifty dollars ($250). If the applicant is not issued a license as a designated representative, the board shall refund one-hundred dollars $100) of the fee.

(2) The fee for the annual renewal of a license as a designated representative for a veterinary food-animal drug retailer shall be one-hundred fifty dollars ($150).

(j) The fee for an out-of-state drug distributor's license and annual renewal issued pursuant to Section 4120 shall be five hundred fifty dollars ($550) and may be increased to six hundred dollars ($600).

(k) ~~The fee for registration and annual renewal of providers of continuing education shall be one hundred dollars ($100) and may be increased to one hundred thirty dollars ($130).~~

~~(l)~~ The fee for evaluation of continuing education courses for accreditation shall be set by the board at an amount not to exceed forty dollars ($40) per course hour.

~~(m) The fee for evaluation of applications submitted by graduates of foreign colleges of pharmacy or colleges of pharmacy not recognized by the board shall be one hundred sixty-five dollars ($165) and may be increased to one hundred seventy-five dollars ($175).~~

~~(n)~~

(1)The fee for an intern pharmacist license ~~or extension~~ shall be sixty-five dollars ($65) and may be increased to seventy-five dollars ($75). The fee for transfer of intern hours or verification of licensure to another state shall be fixed by the board not to exceed twenty dollars ($20).

~~(o)~~ (m)The board may~~, by regulation, provide for the waiver~~ waive or refund ~~of~~ the additional fee for the issuance of a certificate where the certificate is issued less than 45 days before the next ~~succeeding~~ regular renewal date.

~~(p)~~ (n)The fee for the reissuance of any license, or renewal thereof, that has been lost or destroyed or reissued due to a name change is thirty dollars ($30).

~~(q)~~ (o)The fee for the reissuance of any license, or renewal thereof, that must be reissued because of a change in the information, is sixty dollars ($60) and may be increased to one hundred dollars ($100).

~~(r)~~ (p)It is the intent of the Legislature that, in setting fees pursuant to this section, the board shall seek to maintain a reserve in the Pharmacy Board Contingent Fund equal to approximately one year's operating expenditures.

~~(s)~~ (q)The fee for any applicant for a non-governmental clinic permit is three hundred forty dollars ($340) and may be increased to four hundred dollars ($400) for each permit. The annual fee for renewal of the permit is one hundred seventy-five dollars ($175) and may be increased to two hundred fifty dollars ($250) for each permit.

~~(t)~~ (r)The board shall charge a fee for the processing and issuance of a license ~~registration~~ to a pharmacy technician and a separate fee for the biennial renewal of the license ~~registration~~. The license ~~registration~~ fee shall be twenty-five dollars ($25) and may be increased to fifty dollars ($50). The biennial renewal fee shall be twenty-five dollars ($25) and may be increased to fifty dollars ($50).

~~(u)~~ (s)The fee for a veterinary food-animal drug retailer license shall be four hundred dollars ($400). The annual renewal fee for a veterinary food-animal drug retailer shall be two hundred fifty dollars ($250).

~~(v)~~ (t)The fee for issuance of a retired pharmacist license pursuant to Section 4200.5 shall be thirty dollars ($30).

MOTION: Licensing Committee: That the Board of Pharmacy approve the proposed legislative changes as omnibus items for the 2005 legislative session.

SUPPORT: 8 OPPOSE: 0

- **Proposed Legislative Changes to the Pharmacist License Renewal Process Related to the Continuing Education Requirement (Bus. & Prof. Code sec. 4231 and 4232)**

Chairperson Conroy stated that the California Pharmacists Association (CPhA) requested that the board's continuing education statute be amended to change the term "pharmaceutical" to "pharmacy" education throughout the statute. The CPhA also requested a similar change to the board's CE regulations.

The second change is to relocate to statute from regulation the board's authority to establish the current 30-hour continuing education requirement. Current statute allows the board to set the number of CE hours required for renewal by regulation up to a maximum of 30 hours. Current board regulations specify the maximum 30 hours for renewal. Given this situation, there is no need for both statute and regulation to set the CE hour requirement.

The next proposed change is to modify the existing CE exemption from the first two years following graduation to the first renewal of a pharmacist license. The existing statute exempts recent graduates from complying with the CE renewal requirement. Given that pharmacists moving to California from other states who graduated from pharmacy school more than two years ago must study for both the NAPLEX and the CPJE to become licensed, staff believes that such preparation for the exams should be given equal weight as 30 hours of CE. The revised language would exempt both recent graduates and those becoming licensed in California after graduation.

The last recommended change would specify that pharmacists who fail to provide proof of completed CE (currently proof is a signed statement attesting to completion) within 60 days of the renewal date would be issued an inactive license. Currently pharmacists who fail to certify their continuing education credits but do pay the renewal fee are unable to practice but have an uncertain license status. Their license is not delinquent (because the fee has been paid) and can remain in this uncertain status indefinitely. Their license is not subject to subsequent renewal. Existing law provides for an inactive pharmacist license, which prohibits the licensee from practicing but is subject to renewal. A pharmacist with an inactive license can reactivate that license at any time upon payment of the renewal fee and providing evidence of the required 30 hours of CE. Issuing an inactive license to these CE delinquencies will resolve the ambiguity of their license status and ease the administrative burden to the board for processing these renewals.

Concern was expressed that such a change may place an unfair burden to employers because a pharmacist with an "inactive" license would not be allowed to practice. It was noted that under existing law, pharmacists who fail to certify their CE, cannot legally practice now. President Goldenberg stated that during the Licensing Committee Meeting he was made aware of the audit of CE and discovered that 25 percent of those audited could not produce the CE units they claimed to have. He expressed concern that this situation needs improvement not only for consumer expectation but the pharmacy profession as well.

Dr. Gray suggested that the board consider an alternative to a statute change by separating the CE requirement from the license renewal process so CE is not completed because of a "glitch," this would not be a barrier to renewing a license and prohibiting a pharmacist from working. The board would still have the authority to take action if the CE requirements were not met.

Ms. Harris stated that the CE audit occurs after the license has been renewed. If a licensee does not sign the renewal certificate at the time of renewal, their license is placed on hold and the individual should not be licensed because he or she has not fulfilled the requirements for renewal.

Mr. Jones stated that CE is easy to obtain through pharmacy organizations that have done an excellent job in providing CE at little or no cost to pharmacists.

John Cronin, representing the California Pharmacists Association, expressed concern for the burden this places on employers to be more diligent in tracking active license status to avoid violations from the board.

Ms. Quandt suggested that the board highlight the area where a signature is needed and add an additional statement indicating that by not signing you have not completed 30 hours of CE.

Ms. Herold stated that the board is working on an online renewal system because the current system can be very time consuming and creates a tremendous workload, especially when licensees renew late in the renewal cycle. As a result, frequently they call the board for status and occasionally send in their fees in twice. The board then must refund the duplicate fee.

President Goldenberg stated that there are more pharmacists and pharmacies in California than any other state and this creates a significant challenge.

Mr. Tilley asked if a licensee has 60 days to obtain CE if an audit finds a deficiency.

Ms. Harris explained that in this situation the pharmacist now has a renewed license with a violation of law for not complying with the terms of renewal. She added that the proposed language specifies that pharmacists who fail to provide proof of completed CE (currently proof is a signed statement attesting to completion) within 60 days of the renewal date will be issued an inactive license.

Greg Speicker representing the California Rural Indian Health Community Board stated that the pharmacy profession is detailed oriented and pharmacists must be held accountable. He supports the proposal.

> **4231**. (a) The board shall not renew a pharmacist license ~~issue any renewal certificate~~ unless the applicant submits proof satisfactory to the board that he or she has successfully completed 30 hours of approved courses of continuing pharmacy ~~pharmaceutical~~ education during the two years preceding the application for renewal. ~~The continuing education required by this article shall consist of the number of clock hours, not to exceed 30 clock hours, designated by regulation adopted by the board. This section shall not apply to licensees during the first two years immediately following their graduation from a college of pharmacy or department of pharmacy of a university recognized by the board.~~
> (b) Notwithstanding subdivision (a), the board shall not require completion of continuing education for the first renewal of a pharmacist license.
> (c) If an applicant for renewal of a pharmacist license submits the renewal application and payment of the renewal fee but does not submit proof satisfactory to the board that the licensee has completed 30 hours of continuing pharmacy education within 60 days of the license expiration date, the board shall not renew the license and shall issue the applicant an inactive pharmacist license. A licensee with an inactive pharmacist license issued pursuant to this section may obtain an active pharmacist license by complying with Section 704 of the Business and Professions Code.
>
> **4232**. (a) The courses shall be in the form of postgraduate studies,

institutes, seminars, lectures, conferences, workshops, extension studies, correspondence courses, and other similar methods of conveying continuing professional ~~pharmaceutical~~ pharmacy education.

(b) The subject matter shall be pertinent to the socioeconomic and legal aspects of health care, the properties and actions of drugs and dosage forms and the etiology, and characteristics and therapeutics of the disease state.

(c) The subject matter of the courses may include, but shall not be limited to, the following: pharmacology, biochemistry, physiology, pharmaceutical chemistry, pharmacy administration, pharmacy jurisprudence, public health and communicable diseases, professional practice management, anatomy, histology, and any other subject matter as represented in curricula of accredited colleges of pharmacy.

MOTION: Licensing Committee: That the Board of Pharmacy approve the proposed legislative changes relating to the continuing education (CE) requirements for the renewal of a pharmacist license as follows

SUPPORT: 8 OPPOSE: 0

- **Proposed Regulation Change to Implement SB 1913 related to Foreign Pharmacy School Graduates and the Certification Process by the Foreign Pharmacy Graduate Examination Committee (CCR, title 16, sec. 1720.1)**

Ms. Conroy stated that section 4200 (a)(2)(B) requires an applicant for licensure as a pharmacist who has graduated from a foreign pharmacy school to, among other things, receive a grade satisfactory to the board on an examination designed to measure equivalency. Since the Governor recently signed SB 1913 a graduate from a foreign pharmacy school must now obtain full certification from the Foreign Pharmacy Graduate Examination Committee (FPGEC). This certification is designed to assess the educational equivalence of foreign pharmacy graduates. Forty-six states currently require FPGEC certification. The certification requirements include:

- Graduation from a pharmacy program that requires at least a four-year curriculum if education was completed prior to January 1, 2003, or a five-year curriculum after January 2003. An evaluation of the academic program is complete to ascertain whether it meets certain minimum criteria of length and content.
- Proof of licensure in the country the candidate earned the pharmacy degree.
- Passing scores on the Foreign Pharmacist Graduate Equivalency Examination, Test of Spoken English (50, the same as the board's requirement) and Test of English as a Foreign Language.

As a result of this change, the board will no longer require the submission of a foreign graduate application for the evaluation of foreign transcripts.

To ensure consistency with the statutory changes, the board needs to amend CCR 1720.1. The proposed amendment clarifies that the certification obtained by the FPGEC satisfies the educational requirements detailed in B & P Code section 4200.

A letter will be sent to those individuals with a foreign graduate application on file who currently are not licensed as a pharmacist, notifying them of these changes that will take effect January 1, 2005.

Ms. Harris stated that the FPGEE is part of the National Association of Boards, in existence since the board initially changed the law in 1985.

§ Graduates of Foreign Pharmacy Schools.

Graduates of foreign pharmacy schools who have been certified by the Foreign Pharmacy Graduate Examination Committee shall be deemed by the board to have satisfied the requirements of paragraphs (3) and (4) of Business and Professions Code Section 4200(a)

~~(a) Each applicant for admission to the pharmacist licensure examination, whose eligibility is based on the provisions of Business and Professions Code section 4200(a)(2)(B), shall be required to demonstrate that the education obtained at the foreign school is equivalent to that required of domestic graduates by receiving a grade satisfactory to the board on the Foreign Pharmacy Equivalency examination administered by the National Association of Boards of Pharmacy.~~

~~(b) Each applicant for admission to the pharmacist licensure examination whose collegiate study was in a foreign country shall provide transcripts and other reference material sufficient for the board to evaluate an applicant's collegiate equivalency pursuant to Business and Professions Code section 4200(a)(3). If the applicant cannot provide documents sufficient to determine collegiate equivalency, the board may accept the findings of a foreign credentials evaluation service. This service shall be required at the discretion of the board and may include authentication, translation and or evaluation of such documents as deemed necessary by the board. Any costs for the review shall be paid directly to the evaluation service by the applicant.~~

Authority cited: Section 4005, Business and Professions Code. Reference: ~~Section~~ Sections 851 and 4200, Business and Professions Code.

MOTION: Licensing Committee: That the Board of Pharmacy approve the proposed change to CCR, title 16, sec. 1720.1 to implement SB 1913 related to foreign pharmacy school graduates.

SUPPORT: 8 OPPOSE: 0

- **Proposed Regulation Change to Implement SB 1913 Related to the Application Process for the Pharmacist License Examination and the Internship Requirements (CCR, title 16, sec. 1728)**

Chairperson Conroy stated that as part of the board's ongoing efforts to streamline application requirements, a number of changes to the intern pharmacist program have been pursued. Section 4209 is a new section that will be added to statute detailing the intern requirements an applicant must satisfy before applying for the pharmacist licensure examinations. (This was done via SB 1913, which was recently signed by the Governor). This statute now contains the intern requirements previously listed in the board's regulation CCR 1728.

To clarify the specific intern requirements, amendments are being proposed that:

- Remove the first year maximum cap on intern hours (currently 250 hours).
- Remove the seven required areas of experience listed and instead require that the experience satisfy the requirements for the introductory and advanced pharmacy practice experienced established by the ACPE.
- Require proof that the applicant gradated from a recognized school of pharmacy.
- Require both a state and federal criminal history.

To implement these proposed changes, staff will be revising its application procedures and affidavits.

Mr. Cronin asked if there is still a delay in obtaining criminal history background checks.

Mr. Riches stated that Live Scan results are returned within one or two weeks. He added that delays are more of an issue for out-of-state applicants or foreign graduates.

§1728. Intern Experience--Requirements for <u>Examination</u> Licensure.

~~(a) Minimum Hours: All intern pharmacists must complete 1,500 hours of experience as a prerequisite to licensure.~~

~~(1) First Year Maximum: A maximum of 250 of the 1,500 hours may be obtained during the first year of pharmacy education in a program sponsored by a school of pharmacy recognized by the Board.~~

~~(2) Preceptor Supervision: A minimum of 900 of the required 1,500 hours must be obtained in a pharmacy under the supervision of a preceptor.~~

~~(3) Board Approved Experience: A maximum of 600 of the required 1,500 hours may be granted at the discretion of the Board for other experience which substantially relates to the practice of pharmacy.~~

~~(b) Required Areas of Experience: Effective January 1, 1986 all applicants for licensure must complete experience in both community pharmacy and institutional pharmacy practice in settings in the following areas:~~

~~(1) Receiving and interpreting the prescription;~~

~~(2) Patient medication profiles;~~

~~(3) Prescription preparation;~~

~~(4) Consultation;~~

~~(5) Record keeping;~~

~~(6) Over the counter products;~~

~~(7) Drug information.~~

~~(c) Proof of Experience: All intern pharmacists are required to submit proof of their experience on Board approved affidavits which shall be certified by the preceptor under whose immediate supervision such experience was obtained.~~

~~(d) Out-of-State Exemption: One who is licensed as a pharmacist in any state and who has practiced as a pharmacist in that state for at least one year, as certified by the Board of Pharmacy of that state, shall be exempt from the pharmaceutical requirements of this section.~~

(a) Prior to receiving authorization from the board to take the pharmacist licensure examinations required by Section 4200 of the Business and Professions Code applicants shall submit to the board the following:
  (1) Proof of 1500 hours of pharmacy practice experience that meets the following requirements:
    (A) A minimum of 900 hours of pharmacy practice experience obtained in a pharmacy.
    (B) A maximum of 600 hours of pharmacy practice experience may be granted at the discretion of the board for other experience substantially related to the practice of pharmacy
    (C) Experience in both community pharmacy and institutional pharmacy practice settings.
    (D) Pharmacy practice experience that satisfies the requirements for both introductory and advanced pharmacy practice experience established by the Accreditation Council for Pharmacy Education.
  (2) Satisfactory proof that the applicant graduated from a recognized school of pharmacy.
  (3) Fingerprints to obtain criminal history information from both the Department of Justice and the United States Federal Bureau of Investigation pursuant to Business and Professions Code Section 144.
  (4) A signed copy of the examination security acknowledgment.

(b) Applicants who hold or held a pharmacist license in another state shall provide a current license verification from each state in which the applicant holds or held a pharmacist license prior to being authorized by the board to take the examinations.

(c) Applicants who graduated from a foreign school of pharmacy shall provide the board with satisfactory proof of certification by the Foreign Pharmacy Graduate Examination Committee prior to being authorized by the board to take the examinations.

Authority cited: Sections 4005 and 4114, Business and Professions Code. Reference: Sections 4114 and 4200, Business and Professions Code.

MOTION: Licensing Committee: That the Board of Pharmacy approve the proposed change to CCR, title 16, sec. 1728 related to the application process for the pharmacist license examination and the internship requirements.

SUPPORT: 8 OPPOSE: 0

- **Proposed Omnibus Regulation Changes to Implement SB 1913 and Update of Licensing Requirements**

Senate Bill 1913 (Chapter 695, Statutes of 2004) and the adoption of the NAPLEX requires the board to alter existing regulations relating to the pharmacist licensing process to reflect the new statutes and to streamline board operations. Although a number of the changes are substantive, many are minor or technical.

Section 1706.2 – This amendment relocates existing provisions for the abandonment of applications by pharmacist applicants into this one section. It adds a new provision that will require an individual to take the pharmacist licensure examination(s) within one year of being deemed eligible and will require licensure as a pharmacist within one year of passing the examination. Currently an applicant has two years to become licensed.

§1706.2. Abandonment of Application Files.

(a) An applicant for a ~~permit~~ license to conduct a pharmacy, non-resident pharmacy, sterile injectable compounding pharmacy ~~manufacturer,~~ wholesaler, ~~supplier,~~ out-of-state distributor, or clinic~~, medical device retailer or warehouse of a medical device retailer~~ who fails to complete all application requirements within 60 days after being notified by the board of deficiencies in his, her or its file, may be deemed to have abandoned the application and may be required to file a new application and meet all of the requirements ~~which are~~ in effect at the time of reapplication.
(b) An applicant for a pharmacy technician license ~~registration~~ who fails to complete all application requirements within 60 days after being notified by the board of deficiencies in his or her file, may be deemed to have abandoned the application and may be required to file a new application and meet all of the requirements which are in effect at the time of reapplication.
(c) An applicant who fails to pay the fee for licensure as a pharmacist required by subdivision (f) of section 1749 of this Division within 12 months after being notified by the board of his or her eligibility be deemed to have abandoned the application and must file a new application and be in compliance with the requirements in effect at the time of reapplication.
(d) An applicant to take the pharmacist licensure examinations who fails to take the examinations within 12 months of being deemed eligible, shall be deemed to have abandoned the application and must file a new application in compliance with all of the requirements in effect at the time of reapplication.

Note:

Authority cited: ~~S~~section 4005, Business and Professions Code. Reference: ~~S~~sections 4029, ~~4033, 4034,~~ 4037, 4043, 4110, 4112, 4115, 4120~~,~~ 4127.1, 4160, 4161, 4180, 4190, ~~and~~ 4200, 4201, 4202, 4203, 4204, and 4205, Business and Professions Code.

Section 1719 – This section recognizes schools of pharmacy that are accredited by or granted candidate status by the ACPE, which is a change that was previously approved by the board. The provisions relating to foreign graduates have been eliminated because of SB 1913, which requires all foreign graduates must be FPGEC certified which includes the existing requirements.

§1719. ~~Requirements for Admission to Examination.~~ Recognized Schools of Pharmacy.

As used in this division, "recognized school of pharmacy" means a school of pharmacy accredited, or granted candidate status, by the Accreditation Council for Pharmacy Education or otherwise recognized by the board.
~~(a) Applicants for the pharmacist licensure examination shall have completed all requirements for graduation from a school of pharmacy accredited by the American Council on Pharmaceutical Education or recognized by the Board.~~
~~(b) All candidates for the pharmacist licensure examination shall have completed a minimum of 1,000 hours of experience prior to applying for the examination.~~
~~(c) All candidates for the pharmacist licensure examination who are graduates of a foreign pharmacy school (any school located outside the United States of America) must demonstrate proficiency in English by achieving a score specified by the board on the Test of Spoken English administered by the Educational Testing Service. For candidates taking the Test of Spoken English after June 30, 1995, a score of at least 50 must be achieved. For candidates taking the Test of Spoken English before June 30, 1995, a score of at least 220 must be achieved.~~

Note:

Authority cited: ~~S~~section 4005, Business and Professions Code. Reference: ~~S~~sections ~~851, 4005 and~~ 4200 of the Business and Professions Code.

Section 1720 – This section is changed to reflect the current exam structure.

§1720. Application for Pharmacist Examination and Licensure. ~~Registration.~~

(a) An application for examination shall be submitted on the form provided by the board, and filed with the board at its office in Sacramento.
(b) The fee required by ~~Section 1749,~~ subdivision (d) of section 1749 of this Division shall be paid for each application for initial examination and for any application to retake the examination described in section 4200.2 of the Business and Professions Code. The fee is nonrefundable.
(c) ~~An applicant who fails to pay the fee required by Section 1749, subdivision (f) within one year after being notified of his or her eligibility for a license as a pharmacist shall be deemed to have abandoned the application and must file a new application and meet all of the requirements which are in effect at the time of reapplication.~~
~~(d)~~ Each applicant shall be solely responsible for applying to and complying with the requirements imposed by the administrators of the North American Pharmacist Licensure Examination and the Multi-State Pharmacy Jurisprudence Examination for California for the administration of those examinations.
~~(e) An applicant for examination who does not take the examination within one year of the date the applicant is determined by the board to be eligible to take the examination shall be deemed to have abandoned the application and must file a new application in compliance with all of the requirements which are in effect at the time of reapplication.~~

Note:

Authority cited: ~~S~~section 4005, Business and Professions Code. Reference: ~~Section~~ sections 4200 and 4200.2, Business and Professions Code.

Section 1725 – This section is changed to conform to Section 1719.

§1725. Acceptable Pharmacy Coursework for Examination Candidates with Four Failed Attempts.

(a) Coursework that meets the requirements of section 4200.1 of the Business and Professions Code is any pharmacy coursework offered by a ~~pharmacy~~ recognized school of pharmacy. ~~approved by the American Council on Pharmaceutical Education or recognized by the board.~~
(b) A final examination must be a part of the course of study.
(c) When a candidate applies for reexamination after four failed attempts, he or she shall furnish evidence of successful completion of at least 16 semester units or the equivalent of pharmacy coursework. Evidence of successful completion must be posted on a transcript from the pharmacy school sent directly to the board.

Note:

Authority cited: ~~S~~section 4005, Business and Professions Code. Reference: ~~S~~section 4200.1, Business and Professions Code.

Section 1726 – This section is changed to eliminate reference to "preceptor." Preceptor is no longer a relevant term as interns may be supervised by any pharmacist in good standing.

§1726. ~~Preceptor.~~ Supervision of Intern Pharmacists.

(a) The pharmacist supervising an intern pharmacist shall be responsible for all professional activities performed by the intern under his or her supervision.~~A preceptor is a pharmacist registered in any state whose license is not revoked, suspended or on probation in any state in which he or she is now or has been registered.~~
(b) The ~~preceptor~~ pharmacist supervising an intern pharmacist shall ~~supervise the intern's activities to~~ provide the experience necessary ~~to make~~ for the intern pharmacist to become proficient in the practice of pharmacy. ~~provision of pharmaceutical services.~~
~~(c) The preceptor shall be responsible for all professional activities performed by the intern under his or her supervision.~~

Note:

Authority cited: ~~S~~section 4005, Business and Professions Code. Reference: ~~S~~sections 4030, 4114 and 4200, Business and Professions Code.

Section 1727 – This section is repealed. Similar provisions have been added to the Business and Professions Code (SB 1913).

§1727. Intern Pharmacist.

~~(a) An intern pharmacist is a person who holds a valid intern card.~~
~~(b) An intern card shall be issued for a period of:~~
~~(1) One to five years for the person who is currently enrolled in a school of pharmacy recognized by the Board.~~
~~(2) One year to a person who is a graduate of a school of pharmacy recognized by the Board.~~
~~(3) One year to a foreign graduate who has met educational requirements described in Business and Professions Code Section 4200.~~
~~(4) One year to an out-of-state licentiate who is awaiting the administration of the next licensure examination.~~

~~(c) Registration as an intern may be renewed or extended at the sole discretion of the Board for:~~
~~(1) Persons who have not completed experience requirements.~~
~~(2) Persons who have completed experience requirements but have not taken or passed the licensure examination. Intern cards shall not be extended or renewed for a person who failed the licensure examination three or more times.~~
~~(d) An intern shall notify the Board within 30 days of any change of address. An intern shall return his or her intern card, by registered mail, within thirty (30) days of a change of eligibility status.~~
~~(e) An intern pharmacist may perform all functions of a pharmacist at the discretion and under the supervision of a preceptor in accordance with Business and Professions Code Section 4114.~~

Note:

Authority cited: ~~S~~section 4005, Business and Professions Code. Reference: ~~S~~sections 4030, 4114 and 4200, Business and Professions Code.

Section 1749 – This section is amended to make numerous technical changes. The amendments also include the elimination of the foreign graduate application fee consistent with the changes made to foreign graduate licensing requirements. The amendments also eliminate the fee for registering continuing education accreditation entities to be consistent with changes proposed for continuing education regulations.

§1749. Fee Schedule.

The fees for the issuance and renewal of licenses, certificates, and permits, and the penalties to be assessed for failure to renew in accordance with ~~S~~section 4400 of the Business and Professions Code are hereby fixed as follows:

(a) The fee for the issuance of a ~~permit to conduct a~~ pharmacy license is three hundred forty dollars ($340). The fee for the annual renewal of ~~said permit~~ pharmacy license is one hundred seventy-five dollars ($175). The penalty for failure to renew is eighty-seven dollars and fifty cents ($87.50).
(b) The fee for the issuance of a temporary license ~~permit~~ is one hundred seventy-five dollars ($175).
(c) The fee for the issuance of a pharmacy technician license shall be fifty dollars ($50). The fee for the biennial renewal of a pharmacy technician license shall be fifty dollars ($50). The penalty for failure to renew a pharmacy technician license is twenty-five dollars ($25). (d) The fee for application and examination as a pharmacist is one hundred fifty-five dollars ($155).
(e) The fee for regrading an examination is seventy-five dollars ($75).
(f) The fee for the issuance of an original pharmacist license is one hundred fifteen dollars ($115).
(g) The fee for the biennial renewal of a pharmacist's license is one hundred fifteen dollars ($115). The penalty fee for failure to renew is fifty-seven dollars and fifty cents ($57.50).
(h) The fee for the issuance or renewal of a wholesaler's license ~~permit~~ is five hundred fifty dollars ($550). The penalty for failure to renew is one hundred fifty dollars ($150).
(i) The fee for the issuance or renewal of a hypodermic license is ninety dollars ($90). The penalty for failure to renew is forty-five dollars ($45).
(j) The fees for a certificate of exemption under the provisions of sections 4053~~,~~ or 4054 ~~and 4133~~ of the Business and Professions Code are as follows:
(1) For the application and investigation of the applicant, the fee is seventy-five dollars ($75).
(2) For the issuance or renewal of an original certificate for an application approved by the board the fee is one hundred ten dollars ($110). The penalty for failure to renew is fifty-five dollars ($55).
(k) The fee for the issuance or renewal of a license as an out-of-state distributor ~~manufacturer or wholesaler~~ is five hundred fifty dollars ($550). The penalty for failure to renew is one hundred fifty dollars ($150).
(l) The fee for ~~registration as~~ an intern pharmacist license ~~or extension of the registration~~ is sixty-five dollars ($65). The fee for transfer of intern hours or verification of licensure to another state is ten dollars ($10).

(m) ~~The fee for the reissuance of any permit, license, certificate or renewal thereof, which has been lost, or destroyed or must be reissued because of name change, is thirty dollars ($30).~~ The fee for the reissuance of any permit, license, or certificate, or renewal thereof, which must be reissued because of change in the information, other than name change, is sixty dollars ($60).
(n) ~~The fee for registration and annual renewal of providers of continuing education is one hundred dollars ($100). The penalty for failure to renew is fifty dollars ($50).~~
~~(o)~~ The fee for evaluation of continuing education courses for accreditation is forty dollars ($40) for each hour of accreditation requested.
~~(p) The fee for evaluation of an application submitted by a graduate of a foreign college of pharmacy or college of pharmacy not recognized by the board is one hundred sixty-five dollars ($165).~~
~~(q)~~ (o) The fee for the issuance of a clinic license ~~permit~~ is three hundred forty dollars ($340). The fee for the annual renewal of a clinic license ~~said permit~~ is one hundred seventy-five dollars ($175). The penalty for failure to renew is eighty-seven dollars and fifty cents ($87.50).
~~(r) The fee for the issuance of a permit for a warehouse of a medical device retailer is one hundred seventy dollars ($170). The fee for the annual renewal of said permit is eighty-seven dollars and fifty cents ($87.50). The penalty for failure to renew is forty-three dollars and seventy-five cents ($43.75).~~

Note:

Authority cited: ~~S~~sections 163.5 and 4005, Business and Professions Code. Reference: ~~S~~sections 163.5, 4005, 4110, 4112(h), 4120, ~~4130,~~ 4196, 4200~~(c)~~, 4400~~(a), (b), (c), (d), (e), (f), (g), (h), (i), (j), (k), (l), (m), (n), (o), (q), (r), (s), (t), (u), (v), (w)~~, 4401 and 4403, Business and Professions Code.

Section 1750 – This section is repealed as the underlying statute was repealed in 2003.

§1750. Fee Schedule--Health and Safety Code.

~~The fee for issuance and renewal of a warehouse license as provided by Section 11127 of the Health and Safety Code is one hundred dollars ($100). The penalty for failure to renew is twenty-five dollars ($25).~~

Note:

Authority cited: ~~S~~section 4005, Business and Professions Code; and ~~S~~section 11127, Health and Safety Code. Reference: ~~S~~s ection 11127, Health and Safety Code.

MOTION: Licensing Committee: That the Board of Pharmacy approve the proposed omnibus regulation changes to implement SB 1913 and update of licensing requirements

SUPPORT: 8 OPPOSE: 0

- **Proposed Regulation Change to Update Continuing Education Provisions (CCR, title 16, sec. 1750)**

Chairperson Conroy stated that at the July meeting, the board approved the recommended changes to the CE regulations as proposed by the California Pharmacists Association (CPhA). CPhA provided the board with suggested amendments. One reason for this request was that

in January 2004, the activities of the Accreditation Evaluation Service (AES) moved from the California Pharmacists Association (CPhA) to the CPhA Pharmacy Foundation of California. In addition the following changes were included:

- Change the term "continuing pharmaceutical education" to "continuing pharmacy education"
- Change AES from a "continuing education provider and coursework review component of the California Pharmacists Association" to "the accreditation agency for providers of continuing pharmacy education in California"
- Change the role of AES and ACPE from "approvers" to "accreditors"
- Change the ownership AES to the CPhA Educational Foundation
- Change the language from "organization" to "accreditation agency"
- Change the review/audit requirement 10%
- Change the term "certificates of completion" to "statements of credit"
- Require the provider to furnish the "statement of credit" to participants who complete the requirements for course completion
- Require that the material be current in order for it to be considered valid CE

Upon further review of the CE regulations, it was noted they had not been updated for over 10 years. Therefore, the draft amendments include the CPhA amendments, a reorganization of the law and clean up of the existing language. While the changes represent a substantial reorganization of the existing regulatory provisions, there are a relatively few changes in the substance of the regulations. The draft is footnoted to indicate the location of existing provisions that were moved and to note those provisions that were altered or eliminated.

MOTION: Licensing Committee: That the Board of Pharmacy approve the proposed changes to the continuing education (CE) regulations

§1750. Fee Schedule--Health and Safety Code.

~~The fee for issuance and renewal of a warehouse license as provided by Section 11127 of the Health and Safety Code is one hundred dollars ($100). The penalty for failure to renew is twenty-five dollars ($25).~~

Note:

Authority cited: ~~S~~section 4005, Business and Professions Code; and ~~S~~section 11127, Health and Safety Code. Reference: ~~S~~section 11127, Health and Safety Code.

SUPPORT: 8 OPPSOSE: 0

- **Report on the Implementation of North American Pharmacist Licensure Examination (NAPLEX and the California Pharmacist Jurisprudence Examination (CPJE) – Status Report on the Restructuring of the Competency Committee**

Chairperson Conroy stated that the board transitioned to the new examination structure in January 2004 and began administering the California Pharmacist Jurisprudence Examination (CPJE) in March 2004. She added that 2,500 applications had been received to take the California license exams as of early October, and 108 of these are retake applications. Since mid-June, 1,000 individuals have become licensed as pharmacists. A total of 1,838 individuals have been made eligible to take the licensure examinations and 94 individuals have also been requalified to take the exams (they failed one of the exams, and had to requalify). The board has also verified 1,368 individuals as qualified to take the NAPLEX for California to the NABP (and this includes score transfers). The board has administered 1,299 CPJE examinations. The board has performed 17 regrades of the CPJE, which resulted in no change in the score. The CPJE's pass rate is 86 percent.

There are three ways that an individual may provide a NAPLEX score to the California Board of Pharmacy:

1. The individual becomes qualified by California as eligible to take the pharmacist licensure examinations, with California as the primary state.
2. The individual becomes qualified in another state to take the pharmacist licensure examination, but designates California as a "score transfer" state -- before he or she takes the NAPLEX. Then once California qualifies the individual as eligible to take the licensure examinations here, the NABP will transfer the score to the board.
3. The individual qualifies for the NAPLEX examination in another state and becomes licensed there. Later, at some point, the individual wants to become licensed in California. In some states, the state where the individual is licensed is willing to "assign" the NAPLEX score to California via a process the NABP calls "license transfer" (however, the applicant still needs to fulfill all other requirements for licensure in CA, including passing the CPJE).

Chairperson Conroy stated that since January, the board has been using options 1 and 2 to obtain NAPLEX scores for eligible candidates. She stated that NABP recently surveyed all other states regarding option 3 and their willingness to accept a NAPLEX score from California, after an individual is licensed here. The NABP calls this "License Transfer" or "assignment of a score by licensure." Thirty states responded and not all these states indicated that they are willing to do this. The states willing to accept an "assignment of NAPLEX score" from California are: AK, DE, FL, HI, IL, KS, MN, MO, NE, NH, NY, ND, OH, OR, SD, TN, TX, VA, WI. The states that replied "no" are: AZ, AR, GA, ID, LA, MD, NV, PA, WA and WY.

Those that answered yes indicated that they would accept the NAPLEX score earned after January 1, 2004, for a pharmacist licensed in California – and they would allow a score earned in their state to be used by California for purposes of licensure. In such cases, these candidates would not need to retake the NAPLEX if they want to become licensed in the other state, although there may be other requirements for licensure (in California, the individual

would still need to pass the CPJE if the NAPLEX score was earned after January 1, 2004 and transferred here by an agreeable state).

For those states that answered no, there would be no sharing of NAPLEX scores unless a score transfer (option 2) was requested before the individual took the NAPLEX. Instead these candidates would need to retake the NAPLEX.

For those 19 states that didn't respond, the NABP and the board do not know whether NAPLEX scores could be transferred after licensure in one state to another state. California is willing to share the score even if the state that would receive the score will not allow candidates to transfer their score to California.

Ms. Herold reported that at the April Board Meeting, the board approved the restructuring of the Competency Committee. This committee develops and scores the CPJE. The committee will be restructured into a two-tier structure – a core committee and a group of item writers.

The item writers would develop questions for the examination, and the core committee would select items and refine them for the examination, select cut scores and oversee issues arising from administration of the examination.

The board is now seeking to identify new members for the two committees. In the next board newsletter, the board will seek nominations from interested pharmacists to serve in either capacity.

The board's president will appoint members to the committees. To apply for appointment, an applicant needs to submit one CV/resume and three letters of reference. This material needs to be submitted to the board (Competency Committee Appointments, Board of Pharmacy, 400 R Street, Suite 4070, Sacramento, CA 95814). The new committee structure should be in place early next year.

The National Association of Boards of Pharmacy also periodically seeks item writers for the NAPLEX examination. The board is interested in forwarding to the NABP the names of individuals interested in serving as NAPLEX item writers. The NABP selects its item writers. This will also be discussed in the board's next newsletter as well.

- **Report on the Workgroup on Compounding**

Dr. Conroy stated that last April, the Board of Pharmacy agreed to form a workgroup with the Department of Health Services, State Food and Drug Branch to address pharmacy-compounding issues. The workgroup held its third meeting September 22, 2004. At this meeting, the workgroup discussed and provided comments on a draft proposal on general compounding. The proposal establishes a regulatory framework

for general compounding by a pharmacy. The workgroup and other interested parties were asked to provide comments by November 1, 2004.

Dr. Schell stated that it was a good meeting and, based on the work of the first two meetings, a draft was developed that explained compounding. He encouraged those who have specific comments to attend the December meeting in Burbank when the committee will refine the language. He added these meetings have been very well attended.

- **Competency Committee Report – Job Analysis Survey**

Ms. Herold stated that the most critical issue facing the Competency Committee is the job analysis questionnaire of the pharmacist profession that will be mailed in November to 3,000 California-licensed and residing pharmacists in November. The Department of Consumer Affairs recommends that this job analysis be undertaken every three to seven years. It has been five years since the last job analysis.

Ms. Herold added that the board awards three hours of continuing education credit to encourage completion of this six-page questionnaire because of its importance and the deliberation required. She added that submissions are confidential and anonymous.

The board is exactly six months behind a similar analysis conducted by the NABP and consequently the board's analysis is very timely.

She explained that the job analysis measures tasks performed by pharmacists and the importance of each task. The statements are then aggregated by the Competency Committee who generate a series of task statements that define and describe the California pharmacy practice. From this, a content outline will be developed through the Competency Committee to structure the CPJE. She added that the board must assure that its exam does not test the same things as the NABP's test.

Dr. Conroy thanked Mr. Riches for his assistance in explaining the many law items to her throughout the last year.

- **Recognition of Paul Riches**

Ms. Harris announced that Paul Riches has accepted a position as executive officer of the Board of Behavioral Science Examiners. She added that Mr. Riches has been with the board five years and has made major contributions to improve and update California Law.

Ms. Harris expressed appreciation for Mr. Riches' outstanding job performance with the Board of Pharmacy, and awarded him a commemorative clock to thank him.

ENFORCEMENT COMMITTEE

Chairperson Powers reported on the Enforcement Committee Meeting of September 29, 2004.

- **Proposed Legislative Change to Update the Law Regarding the Pharmacist Recovery Program (Bus. & Prof. Code section 4360-4373)**

Chairperson Powers stated that the purpose of the proposed changes is to update the statutory provisions related to the Pharmacists Recovery Program (program). Most of the proposed changes are minor technical revisions to more closely conform the statute to the current operation of the program; however, there are some substantive changes.

A substantive change effects section 4362. This section specifies who is eligible to enter the program and the terms of entry into the program. First, a licensee can be referred to the program instead of or in addition to disciplinary action. Second, a licensee can enter the program voluntarily. The substantial change proposed is that licensees who enter the program voluntarily will not have their identities withheld from the board. Current law indicates that such "self-referrals" are confidential and the board is generally not informed of their identities. This "confidentiality" can be voided if the program administrator believes the licensee may present a threat to the public. However, participants sign disclosure agreement upon entering the program that permits the program to release their identity to the board. This statutory change would conform to existing practice by the program.

The draft proposal would prohibit the board from taking enforcement action against a self-referred licensee based on his or her entry into the program or any information obtained from the licensee while participating in the program. This change more closely mirrors the diversion programs operated by other boards in the department. The proposal does allow the board to take enforcement action against a licensee in the program if the board independently obtains information supporting such an action.

Another substantial change proposed is to section 4368, which removes the mandate that the board enter into a contract with a professional association to promote the program and coordinate outreach to encourage voluntary participation. The board has not entered into such a contract with a professional association for over five years. Given the current fiscal constraints on the board, it is unlikely that such a contract would be reestablished in the foreseeable future and removing the statutory mandate seems appropriate. The board can use other means to educate licensees about the availability of the program. Moreover, the board could always enter into such a contract, if it desired, without the statutory mandate.

A question was asked whether pharmacy technicians should be included in the program. It was noted that the intent is to rehabilitate pharmacists so that they may return safely to the practice of pharmacy. As a health professional, the pharmacist has much more invested in his or her education and training and thus more incentive to seek treatment. The program also encourages the pharmacist's participation and rehabilitation while providing the oversight necessary to ensure patient safety without undue punishment to the impaired pharmacist.

Dr. Schell expressed support of the proposal to include pharmacy technicians in the program but asked if the board has any other way to handle impaired pharmacy technicians and rehabilitate them.

Ms. Harris stated that currently an impaired pharmacy technician is placed on probation and part of the stipulation may be to participate in a program. The board would monitor the progress and be made aware of the program they were participating in. She added that this program would not be sanctioned by the board but would have the same parameters and testing abilities required for pharmacists.

MOTION: Enforcement Committee: That the Board of Pharmacy support a statutory change to Business and Professions Code sec. 4360 – 4373 to update the law regarding the Pharmacist's Recovery Program

SUPPORT: 8 OPPOSE: 0

- **Proposed Legislative Change to Update the Pharmacy Technician Program (Business and Professions Code sec. 4038, 4114, 4115, 4115.5 and 4202)**

Chairperson Powers stated that these proposed changes to the pharmacy technician program are primarily technical and designed to make the statutes clearer. The most significant change is standardizing the terminology relating to the supervision of ancillary personnel. The different code sections used slight variations of language requiring the supervision of ancillary personnel. This draft adopts the most common verbiage of "direct supervision and control" of the pharmacist and applies this same supervision to interns.

The other changes are mostly technical clean up to eliminate duplicative and unnecessary language. However, one substantive change to 4115 would eliminate the exemption that permits unlicensed personnel to act as a pharmacy technician during their first year of employment at the Department of Corrections, California Youth Authority, Department of Mental Health, Department of Developmental Services or the Department of Veterans Affairs. This provision was initially added to allow personnel to work in those facilities until they could accumulate enough hours to qualify for licensure as a pharmacy technician. However, experience is no longer a means of qualifying for licensure as a pharmacy technician and this provision is no longer appropriate.

Chairperson Powers stated that during the Enforcement Committee Meeting, comments were made that provided general support with the proposed changes with an opportunity for the board to consider some possible enhancements. It was reiterated that the intent of this legislative proposal was not to change the ratio or the basic authority of pharmacy technicians. As legislation is introduced, the opportunity to address these issues is always available.

Steve Gray, representing Kaiser Permanente, stated that Kaiser supports this proposal because it would offer the pharmacist-in-charge a better understanding of their responsibilities and technicians a better understanding of their relationship with pharmacists.

John Cronin, representing the California Pharmacists Association, stated that both the CPhA and CSHP have interest in expanding this proposal and actually rewriting section 4115 and they are in the process of developing language.

MOTION: Enforcement Committee: That the Board of Pharmacy support a statutory change to Business and Professions Code sec. 4038, 4114, 4115, 4115.5 and 4202 related to the pharmacy technician program as proposed.

SUPPORT: 8 OPPOSE: 0

- **Proposed Legislative Change Related to Letter of Admonishment (Bus. & Prof. Code sec. 4315)**

Chairperson Powers stated that section 4315, which authorizes the executive officer of the board to issue a letter of admonishment for a violation of the Pharmacy Law, was added last year to provide the board with a broader range of enforcement options. One requirement in the new section is that the licensee receiving the letter of admonishment must keep a copy of that letter in the pharmacy for three years. This requirement is problematic for licensees who do not work regularly in the same pharmacy or do not work in a pharmacy at all (exemptee, wholesaler, etc.).

MOTION: Enforcement Committee: That the Board of Pharmacy support a statutory change to Business and Professions Code section 4315 related to the Letter of Admonishment.

SUPPORT: 8 OPPOSE: 0

- **Proposed Regulation Change to Implement SB 1913 Related to the Use of Technologies to Record the Identification of a Reviewing Pharmacist**

Chairperson Powers stated that Senate Bill 1913 amended Section 4115 to permit the board to allow the use of electronic technology to satisfy the requirement that a pharmacist sign off on prescriptions filled by pharmacy technicians. The proposed regulation text would allow the use of electronic methods of identifying the reviewing pharmacist. This section would also be an alternative means of documenting the pharmacist's review as required by CCR, title 16, sec. 1717(b)(1) and 1717(g).

Mr. Jones referred to an e-mail dated October 19, 2004, from Fredrick Mayer, President of PPSI, in opposition to this proposed regulation change which states that it appears that the board is advocating an identifiable form of tracking instead of advocating who handled the prescription and when. Mr. Jones clarified that the board is not approving automation, but basically saying that if a pharmacy uses automation, it is the pharmacy or the pharmacist-in-charge that is responsible for assuring safe procedures for consumer protection and if an error occurs, the pharmacy or pharmacist-in-charge would be held accountable.

Chairperson Powers agreed that those who use new technology must ensure that it operates in a reasonable safe and secure way.

MOTION: Enforcement Committee: That the Board of Pharmacy support a proposed regulation change to implement SB 1913 related to the use of technology to record the identification of a reviewing pharmacist.

SUPPORT: 8 OPPOSE: 0

- **Proposed Regulation Change to Amend CCR, title 16, sec. 1715 – Proposed Revisions to the Self-Assessment Forms for Community and Hospital Pharmacies**

Chairperson Powers stated that this regulation section 1715 requires that a pharmacist-in-charge (PIC) perform a self-assessment by July 1 of every odd-numbered year. The self-assessment forms need to be updated with the many law changes in advance of the July 1, 2005 mandate. To do this, the board needs to notice and act on the regulation change at the January Board Meeting. The board reviewed the updated self-assessment forms for community and for inpatient pharmacies.

MOTION: Enforcement Committee: That the Board of Pharmacy consider a proposed regulation change to CCR, title 16, sec. 1715, an update of the pharmacy self-assessment forms.

SUPPORT: 8 OPPOSE: 0

- **Request by Longs Drug Stores for Waiver of CCR, title 16, sec 1717(e) to install a 24-Hour Kiosk for Patients to Drop off their Prescriptions.**

  Chairperson Powers stated that Longs Drug Stores Inc., has requested a waiver of CCR, title 16, sec. 1717(e) to install secure and private, 24-hour prescription drop kiosks. The plan is to install the kiosk adjacent to or in the parking lot at various Longs Drug Stores in California, for patients to use as an easy means to drop off their prescriptions for the pharmacy to fill. The kiosk would be similar to a mailbox or drop off container used by video stores.

  Chairperson Powers referred to an article on hygienists sent from Lowell McNicol on dental hygienists that was provided to board members at Mr. McNicol's request because it had bearing on the discussion regarding "kiosks" and the next agenda item regarding "automated dispensing devices."

  The board's legal counsel has advised that a waiver of the prohibition in 16 CCR § 1717(e) is required to permit Longs to move forward with this proposal.

  The Enforcement Committee referred to the Board of Pharmacy this request from Longs Drug Stores for waiver of 1717(e) to use a 24-hour prescription drop kiosk; however, the committee did not make a recommendation regarding the request.

  Prior to the presentation by Longs Drug Stores, board member David Fong recused himself from the discussion.

  Mike Cantrell and Cooky Quandt, representing Longs Drug Stores, Inc., appeared before the board to make a request for this waiver and to answer questions.

  John Cronin, representing the California Pharmacists Association, stated that the CPhA has serious concerns about this request and stated that the board should discuss this more fully to determine the impact this would have on the role of pharmacists. He stated that this technology has the potential to completely replace pharmacists. He added pharmacist's role must be maintained for evaluating new prescriptions as well as for refills.

  Mr. Cronin referred to the board mission to promote and protect the public's health and safety and ensure that consultation and information is provided to patients and other health care providers about drug therapy. The board also ensures that drugs are dispensed and used correctly and requires that pharmaceutical therapy is provided by highly educated and trained pharmacists that meet the professional standards set by the board.

  Chairperson Powers stated that this proposal is only for filling refills. He stated that there are not many times when interaction with a pharmacist is needed for a refill.

  Mr. Tilley left the board meeting at this point in the discussion.

Ms. Zinder stated that she agrees with Mr. Cronin but consumers are driven to mail order because it saves money and there did not appear to be a difference between mail order and the 24-hour prescription drop kiosk.

Mr. Jones stated that the error rate in an automated setting is very low compared to a setting with distractions, and that consumers should have a choice. He added that automated environments are monitored by people and that both systems have positive aspects and both have limitations.

Dr. Schell stated that he appreciates the comments made by the board and as a public advocate for over 20 years he sees his role on the board exactly how Mr. Cronin explained -- as one providing expertise in the area that he practices. He added that he sees this technology as an opportunity to enhance the role of pharmacists which is to optimize positive medication outcomes, regardless of how this is accomplished.

President Goldenberg stated that new technology should allow pharmacists the opportunity to either be more accurate in dispensing or better in sharing their cognitive knowledge. He added that the technology the board considers is not as important as the board's philosophy to create an opportunity for service that the public may not know exists.

Steve Gray, representing Kaiser Permanente, stated that years ago when the board pursued mandatory patient consultation, Kaiser funded a multi-million dollar project to study the value of patient consultation in health care. The results of the study found that all consultation had value including consultation for refill prescriptions. As a result of the study, Kaiser designed its central fill operation to avoid mail-order and would prefer not to have it, but the market demands that it provide mail order benefits.

Dr. Gray stated that the role of the pharmacist when filling refill prescriptions has not been expressed by the board. He added that over 90 percent of pharmacists feel that they have no responsibility to interact with patients when filling refill prescriptions.

A student in the audience commented that in school all the latest, greatest and cutting edge practice is taught and presented. He added that the profession has expanded and pharmacists are now part of a medical team caring for patients and improving health. He stated that no one would argue against the use of technology that will free the pharmacists to use their clinical skills, but this technology basically would cut away from everything that the profession has fought for.

Another comment from the public stated that several studies revealed that pharmacists by far are the most easily accessed health care providers. Any technology that limits or eliminates contact with pharmacists hinders all that the profession has striven for.

Mr. Cantrell responded that this technology was developed in response to numerous requests from patients to provide a more convenient method for consumers to drop off their prescriptions.

Mr. Cantrell stated that convenience translates into better patient compliance and improved therapeutic outcomes. He added that this is a secure device in which to deposit a prescription or dispense refill medications and pharmacists control access to the contents of the unit.

Mr. Jones asked if patients have after-hour access to a pharmacist.

Mr. Cantrell stated that this technology enables the patient to deposit a prescription in the kiosk and then later return to the pharmacy to pick up the prescription that would be dispensed in a face-to-face setting.

Mr. Cantrell stated that Longs has specially designed envelopes to be used by patients that have all the relevant patient information on them including allergies, etc. that was solicited from patients in person when they come into the store. Information will be provided directly on the drop-off box as to when the contents are actually removed each day and the time when the prescription will be filled.

Dr. Schell stated that he did not feel he is ready to make a decision.

Mr. Powers stated that he is not in favor of supporting a waiver. He asked staff to present their views on any conditions that should be addressed.

Ms. Harris stated that the language drafted by staff for a proposed regulation in this area, states that a patient or patient's agent may deposit a prescription in a secure container that is at the same address or adjoining the licensed premises, the pharmacy shall be responsible for the security and confidentiality of the prescription deposited in the container.

Supervising Inspector Ratcliff stated that this service would provide convenience for the patient, security of the prescription and posted notification indicating when the prescription will be pulled from the container and filled.

M/S/C: JONES/CONROY

MOTION: That the Board of Pharmacy approve the request from Longs Drug Stores for a waiver of 1717(e) to install a 24-hour kiosk for patients to drop off their prescriptions, consistent with the language proposed for the regulation change to section 1713; specifically, authorizing Longs Drugs Stores to install and use a 24-hour prescription drop kiosks at its pharmacies. The board granted the waiver with the condition that the container is secured and it is at the same address or adjoining the licensed premises. In addition the pharmacy is responsible for the

security and confidentiality of the prescriptions deposited in the containers.

SUPPORT: 4 OPPOSE: 3

- **Request from Longs Drug Stores for a waiver of CCR, title 16, Sec. 1717(e) to Install and Use a Self-Service Dispensing Unit for Refill Medications**

Lowell McNicol, Pharm.D., asked the board to keep an open mind and realize that the intent is not to reduce pharmacy positions or the role of the pharmacist, but instead, to provide alternatives.

Board Member David Fong recused himself.

Bob Hansen, Pharm.D., Vice President of Pharmacy Services from Asteres presented a Power Point on ScriptCenter. The ScriptCenter is an automated, self-contained machine that allows patients to obtain their filled prescriptions without directly going to the pharmacy counter. The intent is to install the units in close proximity to the pharmacy area. To improve patient convenience and therapeutic compliance, a patient could access the units during pharmacy hours or during those times when the main store is open, but the pharmacy is closed.

According to Dr. Hansen, a survey of 450 Longs customers regarding the ScriptCenter recently resulted in: 99 percent it was easy to use it, 92 percent are likely to use it, 31 percent gave e-mail addresses to "tell me when and where in use."

At the request of the patient and through the use of a secure method designed to guard against inappropriate access, a patient may retrieve his/her filled prescription from the unit at their convenience. New prescriptions, or those prescriptions requiring consultation, would not be available through these units.

Prescriptions would be filled by a pharmacist and placed into the units either by a pharmacist or pharmacy personnel, under the supervision of a pharmacist. As medications are placed into the units, security measures are used to ensure accurate dispensing.

The board's legal counsel has advised the board that a waiver of the prohibition in 16 CCR § 1717(e) is required, under the authority of that section, to permit Longs and/or Asteres to move forward with this proposal.

The Enforcement Committee advanced to the Board of Pharmacy this request from Longs Drug Stores for waiver of 1717(e) to use a self-service dispensing unit; however, the committee did not make a recommendation regarding the request.

Mr. Cantrell stated that the machine enhances therapeutic outcomes. Moreover, there is a pharmacist shortage almost in every county in California. This machine would provide greater opportunity for patients to pick up their medications.

Mr. Powers stated that the number of positions lost to automation is significant.

Mr. Jones asked if there was a 24-hour pharmacist on-call to handle a patient's questions after they pick up their medications.

Mr. Cantrell stated that for those situations where a patient needs or wants to contact a pharmacist, calls would be routed directly to a 24-hour store.

Dr. Gray, representing Kaiser Permanente, stated that Kaiser is studying whether there is an application such as this for their organization. He added that Kaiser would expect their pharmacists to follow-up on patient therapy and this needs to be expressed to all pharmacists in California.

Ron Bayman, Corporate Pharmacy Director for Safeway, stated that Safeway has also considered this technology because the need for this convenience to the patient is clear, based on market driven requests. He added that it is up to the public and the board to consider providing a valued service in a responsible way for consumers.

The board discussed whether to request that a study be done in advance of granting a waiver. President Goldenberg stated that he welcomed and encouraged public comment regarding use of and patient acceptance of these machines.

Deputy Attorney General Joshua Room stated that any waiver granted by the board can be withdrawn. It is a prohibition that is being waived, not a right that is being granted. Moreover, the pharmacy and pharmacists are still responsible for all dispensing.

Supervising Inspector Ratcliff stated that from an enforcement perspective, he did not see a problem with the board granting a waiver. He suggested a language change from "the device is located at the same address or adjoining the licensed premises" to "the device is located at the same address adjacent to the pharmacy."

Dr. Conroy stated that many pharmacies have different layouts and it may be more practical not to restrict the unit to be adjacent to the pharmacy.

Greg Spieker, representing the Rural Indian Community, cautioned that this technology could allow the pharmacy to cut hours and then cause the market to be drawn to this ATM type of service resulting in the future in limited hours of business, or increased fees for those patients who actually want help inside the pharmacy.

MSC: SCHELL/CONROY

MOTION: That the Board of Pharmacy grant a waiver of 1717(e) to install and use a self-service dispensing unit for refill prescriptions by Longs Drugs, Inc., with recommendation to modify the language to assure that the system is either inside or adjacent to the licensed pharmacy area. Specifically, the board granted the waiver with the condition that the device is for refilled prescriptions only; however, the pharmacist is not to use the device to dispense refilled prescriptions if the pharmacist determines that the patient requires consultation pursuant to section 1707.2(a(2). The device must be located in reasonable proximity to the licensed pharmacy premise. The device must have the means to identify the patient and only release that patient's prescriptions. The device is secure from access and removal by unauthorized individuals. The pharmacy must provide a means for the patient to obtain consultation with a pharmacist if requested, and the pharmacy is responsible for the patient to obtain consultation with a pharmacist if requested, and the pharmacy is responsible for the prescriptions stored in the device. The patient must "opt in" to use this device.

SUPPORT: 4 OPPOSE: 3

- **Proposed Regulation Change to CCR, title 16, sec, 1717(e) and to Add Section 1713 to Authorize a Pharmacy to Use an Automated Dispensing Device and/or Other Secured Means to Depot prescription Medications**

Chairperson Powers stated that based on the request from Longs Drug Stores to permit the use of a secure drop box for receiving prescription orders from patients and to use a self-serving secure device for dispensing filled prescriptions, staff drafted a regulation change that would permit both these activities should the board grant the waivers.

The prescription drop boxes would allow patients to drop off prescriptions in a secure container that is at the same address of the pharmacy or adjoining the licensed premises. The secure devices would be for dispensing refill prescriptions not subject to the consultation requirement and originally was limited to when the pharmacy was closed. However, as counsel advised, the proposed regulation would need to be modified to allow the use of these devices when the pharmacy is open as well as closed. It was modified after the Enforcement Committee meeting by removing the "closed pharmacy" restriction. The proposed draft relocates existing provision 1717(e) into a new section 1713 and provides the authorization for both the drop boxes and self-service dispensing devices.

Currently, the law doesn't require pharmacist consultation on refill prescriptions (only in the pharmacist's professional judgment or upon a patient's request); however, it was argued that the use of these self-service dispensing devices would remove the pharmacist completely away from the process. It was noted that Pharmacy Law doesn't require the pharmacist to physically provide the patient with the refill medication; a cashier does this.

The Enforcement Committee moved this proposed regulation to the Board of Pharmacy for its consideration. The committee did not provide a recommendation.

Mr. Jones asked if the board wanted to wait before considering this matter until it had a chance to review how the waivers worked.

Mr. Cronin suggested that a provision be added to limit use of the machine to hours the pharmacy is open.

M/S/C: FONG/CONROY

MOTION: Enforcement Committee: That the Board of Pharmacy consider a proposed regulation change to add CCR, title 16, sec. 1713 related to the delivery of prescriptions and prescription medications. Specifically, the secure container must be located at the same address or adjoin the licensed premise. The section would also be amended to allow a pharmacy to use a device to dispense refilled prescriptions provided that the device is located in reasonable proximity to the licensed premises, the device has a means to identify the patient and only release that patient's prescriptions, the device is secure, the pharmacy provides a means to the patient to obtain consultation from a pharmacist, and the pharmacist is not to use the device if the prescription requires consultation pursuant to section 1707.2(a)(2). The patient must "opt in" to use this system.

SUPPORT: 5 OPPOSE: 2

Ms. Harris stated that because the board will not have a regulation coordinator for several months due to Mr. Riches transfer to a new position, it will be about six to nine months before the board can act on this proposal to notice it and for the board to adopt it.

President Goldenberg stated that he feels that there are could be gaps, and would like a study. Additional discussion ensued that included belief that other waivers will be requested.

Mr. Riches stated that there would be ample time within the process without additional conditions to make a reasonable judgment whether this is a good idea for policy in California.

The board asked to continue this regulation on the committee's agenda for the future.

- **Importation of Prescription Drugs**

Chairperson Powers stated that the Governor had vetoed the various legislative proposals that would assist Californians in obtaining prescription drugs from Canada. One bill, AB 1957 (Frommer) would have required the Department of Health Services (DHS) to establish a

program that would provide information to consumers and health care providers about options for obtaining prescription drugs at affordable prices and would require DHS to establish a web site before July 1, 2005 describing various drug benefit programs including Canadian pharmacies that meet certain standards. One of the standards is that the Canadian pharmacy meets the requirements of a nonresident pharmacy.

Another bill, SB 1149(Ortiz) would have required the Board of Pharmacy to establish an interactive Internet Web site to identify licensed Canadian pharmacies that meet specified standard criteria for the safe acquisition, shipment, handling, and dispensing of prescription drugs to persons in California. One of the standards is that the Canadian pharmacy meets the requirements for licensure by the board. The board opposed this bill at its last meeting.

The committee was also given a copy a letter from Governor Schwarzenegger to Secretary Tommy Thompson dated August 20, 2004, expressing concern about the growing cost of prescription drugs and his strong desire in identifying approaches that can make medicine more affordable for California's most at-risk consumers. In the letter, California also encouraged the Bush Administration to aggressively pursue its discussions to achieve fairer pricing of pharmaceuticals in the international marketplace and an equitable distribution of the costs of drug research and development.

In an effort to do this, the Governor put forward a "California Rx" program that seeks to provide assistance to these Californians. The proposal would establish a drug discount program for low-income uninsured residents through a state contract with a pharmacy benefit manager (PBM). The intent is for Californians who lack insurance to present a discount card at their local pharmacy to receive a discount on their prescription drugs. The PBM would negotiate discounted prices with drug manufacturers for program participants. The program would be available to low-income seniors and uninsured Californians up to 300% of the federal poverty level ($47,000 for a family of three) to secure meaningful discounts in prescription drug costs.

There was general discussion regarding "California Rx." The board was strongly encouraged to take an active role in the development of this proposal. While a legislative proposal hasn't been drafted, the information will be included if a bill is introduced next year. The board is very sensitive to this issue and is tasked with balancing consumer access to affordable prescriptions against the safety and effectiveness of drugs obtained from foreign sources, and the importance of the Governor's proposal to improve that access through "California Rx" as alternative to importation.

The Senate Health and Human Services Committee held on an informational hearing on the Administration's proposal. The hearing included an in-depth overview of "California Rx", the timeline for implementation, and the estimated cost savings. Representatives were invited to present a critical analysis of the proposal, its feasibility and overall benefit when compared to some of the drug importation proposals that were introduced over the past legislative session.

- **Implementation of SB 151 – Changes to the Prescribing and Dispensing of Controlled Substances**

  More questions and answers were provided on the implementation of SB 151 and the changes to the law regarding the prescribing and dispensing of controlled substances. These questions and answers have been added to the board's Web site.

  There being no additional business, President Goldenberg adjourned the meeting for the meeting for the day at 4:00 p.m.

  The Legislation and Regulation Committee convened its public meeting convened its Public Meeting.

  Mr. Powers thanked and commended Paul Riches for his work as Chief of Legislation and Regulation for the board.

  Mr. Riches provided an overview.

LEGISLATION AND REGULATION COMMITTEE

Chairperson Jones provided an update on legislation and regulations affecting the practice of pharmacy. He stated that the Legislation and Regulation Committee would meet after the board meeting is adjourned. He added that there were significant regulatory and legislative changes achieved during the year and he thanked Paul Riches for his efforts.

Mr. Powers stated that as a former lobbyist, he is well aware of the responsibility to get bills through the Legislature and he also commended Mr. Riches for his efforts. He added that Mr. Riches has demonstrated a grasp of the issues and provided the board with excellent references and advice.

Regulations Report and Action

Approved by the Office of Administrative Law

- **Section 1709.1 – Pharmacist-in-Charge at Two Locations**

  This regulation permits a pharmacist to serve as pharmacist-in-charge at two locations within 50 miles of each other. This regulation became effective October 2, 2004.

- **Section 1710 – Hospital Central Fill**

  This regulation permits central refill operations for hospitals. This regulation became effective October 22, 2004.

- **Section 1711 – Patient Notification**

This regulation clarifies patient notification requirements in the event there is a medication error. This regulation will become effective October 22, 2004.

- **Section 1717.1 – Common Electronic Files**

  This regulation requires pharmacies using common electronic files to adopt policies ensuring patient confidentiality. This regulation will become effective October 22, 2004.

- **Section 1717.4 – Authentication of Prescriptions**

  This regulation will clarify that pharmacists ensure the authenticity of electronically-transmitted prescriptions. This regulation became effective October 22, 2004

- **Section 1720 – Pharmacist License Process**

  This regulation will require pharmacists to pay the licensing fee in a shorter time frame and require applicants to take the examination within one year of applying. This regulation will become effective October 22, 2004.

- **Section 1721 – Pharmacist Exam**

  This regulation specifies the penalties for cheating on the pharmacist licensure examination. This regulation becomes effective October 22, 2004.

- **Section 1724 – Passing Score**

  This regulation specifies the methodology of determining the passing score on the pharmacist licensure examination to comply with changes made by Senate Bill 361. This regulation becomes effective October 22, 2004.

- **Section 1746 – Emergency Contraception**

  This regulation will codify the statewide protocol for pharmacists to dispense emergency contraception that was approved by the board and the Medical Board of California earlier this year. This regulation is undergoing review by the Office of Administrative Law.

- **Sections 1749 and 1793 et seq. – Pharmacy Technicians**

  These regulations conform regulations relating to pharmacy technicians to reflect changes made by Senate Bill 361. This regulation becomes effective October 22, 2004.

- **Section 1751 et seq. – Sterile Compounding**

This regulation will establish guidelines for the compounding of sterile drug products. This regulation takes effect October 29, 2004.

- **Section 1793.3 – "Clerk-Typist" Ratio**

  This regulation eliminates the clerk/typist ratio. This regulation became effective October 3, 2004.

Awaiting Notice

- **Section 1715 – Pharmacy Self Assessment**

  This regulation will update the pharmacy self-assessment form to reflect recent changes in pharmacy law. Board supervising inspectors have updated these forms, which were contained in the board packet materials.

LEGISLATION REPORT AND ACTION

Board-Sponsored Legislation

- **Senate Bill 1307 (Figueroa) and Assembly Bill 2682 (Negrete McLeod)**

  The Governor signed SB 1307 and AB 2682. The bills implement the board's proposed changes to wholesaler regulation including the imposition of bond requirements, establishment of a drug pedigree system, licensing requirements for non-resident wholesalers who ship drugs into California , and increased fines for specified violations.

- **Senate Bill 1913 (Business and Professions Committee)**

  The Governor signed SB 1913. This bill makes numerous technical and non-controversial changes to pharmacy law, including that a pharmacist can supervise two pharmacist interns, an applicant for the pharmacist exam must have 1,500 intern hours of the equivalent before qualifying to take the examination.

Status Update for Bills with Board Position

- **AB 320 (Correa) – Gag Clauses**

  This bill would have prohibited "regulatory gag clauses" in malpractice settlements. The board had a support position on this bill. The Governor vetoed the bill.

- **AB 2126 (Bogh) – Fraudulent Use of a License**

This bill would have added the theft of professional license numbers to identity theft statutes. This bill failed passage in committee.

- **AB 1957 (Frommer et al) – Drug Importation**

  The board opposed this bill that would have required the Department of Health Services and the Board of Pharmacy to establish a Web site for approved Canadian pharmacies. The Governor vetoed this bill.

- **AB 2184 (Plescia) – Automated Dispensing Devices**

  This bill was signed by the Governor (Chapter 342, Statutes 2004) and will allow expanded use of automated dispensing machines in skilled nursing facilities. The board supported this bill.

- **AB 2660 (Leno) – Pharmacist DEA Registration**

  This bill was signed by the Governor (Chapter 191, Statutes 2004) and will allow pharmacists working under protocol to obtain DEA registration numbers, among other provisions. The board supported this bill.

- **SB 1149 (Ortiz) – Importation**

  The Governor vetoed this bill. This bill would have required the board to list Internet sites selling prescription drugs that have violated recognized standards for good practice. The board would have also designated Canadian pharmacies that meet California's standards for pharmacy practice. The board opposed this bill.

- **SB 1159 (Vasconcellos) – Hypodermic Needles**

  This bill was signed by the Governor (Chapter 608, Statutes 2004) and repeals the prescription requirement for needles and syringes, and allows pharmacists under specified conditions to sell 10 needles without a prescription. The board supported this bill.

- **SB 1427 (Ackerman) – Counterfeit Drugs**

  This bill would have imposed a felony for drug counterfeiting. The board supported this bill. The bill failed in committee.

- **SB 1735 (Figueroa) – Special Fund Agencies**

  This bill would have exempted the Department of Consumer Affairs boards and bureaus from the state's hiring freeze that ended June 30, 2004, and restored vacant positions recently

eliminated over the last two years. The board supported this bill. This bill failed in committee.

NEW BUSINESS

President Goldenberg stated that he would like to have further discussion on the automated delivery machine and the possibility of a study. He added that the board's goal is to have a full grasp of the issue for informed decision-making. He stated that this issue will remain an agenda item for future meetings.

ADJOURNMENT

There being no further business, President Goldenberg adjourned the meeting at 5:21 p.m.