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5373.1. (a) Each application for a charter-party carrier of passengers certificate or permit shall be accompanied by a filing fee as follows:

- (1) Class A certificates—five hundred dollars (\$500).
- (2) Class B certificates—five hundred dollars (\$500).
- (3) Permits—five hundred dollars (\$500).

(b) The commission shall also require each application to be accompanied by a fee to offset the cost of the charter-party carrier bus terminal inspections conducted by the Department of the California Highway Patrol. The fee shall be fifteen dollars (\$15) per tour bus, as defined in Section 612 of the Vehicle Code, or a maximum of six thousand five hundred dollars (\$6,500) for each operating carrier.

(c) The commission shall require each charter-party carrier to pass an annual bus terminal inspection conducted by the Department of the California Highway Patrol and to pay an annual fee of fifteen dollars (\$15) per tour bus, or a maximum of six thousand five hundred dollars (\$6,500), to offset the cost of the inspections.

(d) The commission shall deposit the fees collected pursuant to subdivisions (b) and (c) in the Motor Vehicle Account in the State Transportation Fund.

SEC. 5. Section 5374 of the Public Utilities Code is amended to read:

5374. Before a permit or certificate is issued, the commission shall require the applicant to establish reasonable fitness and financial responsibility to initiate and conduct the proposed transportation services. The commission shall not issue a permit or certificate pursuant to this chapter unless the applicant certifies on a form acceptable to the commission that the applicant will maintain its vehicles in a safe operating condition and in compliance with the Vehicle Code and with regulations contained in Title 13 of the California Administrative Code relative to motor vehicle safety.

SEC. 6. Section 5376 of the Public Utilities Code is amended to read:

5376. A permit or certificate, or renewal thereof, is effective for three years, unless suspended or revoked by the commission.

SEC. 7. Section 5387 is added to the Public Utilities Code, to read:

5387. The commission shall, on or before January 1, 1992, prepare and submit to the Legislature a report of its experiences with respect to issuing certificates and permits to charter-party carriers of passengers valid for three years, including its recommendations as to returning to the former requirement for annual certificates and permits and as to issuing certificates and permits which are valid until revoked.

CHAPTER 325

An act to add Section 2457.5 to the Business and Professions Code, relating to osteopathic physicians and surgeons.

[Approved by Governor July 8, 1988. Filed with Secretary of State July 8, 1988.]

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

SECTION 1. Section 2457.5 is added to the Business and Professions Code, to read:

2457.5. (a) In addition to Article 12 (commencing with Section 2220), the charging, or obtaining of an unconscionable fee for professional services rendered to a patient by an osteopathic physician and surgeon constitutes unprofessional conduct and is grounds for disciplinary action.

(b) A fee is unconscionable within the meaning of this section when it is so exorbitant and wholly disproportionate to the services performed as to shock the conscience of physicians of ordinary prudence practicing in the same community. Factors to be considered, where appropriate, in determining the reasonableness of a fee, are based on the circumstances existing at the time of the service and shall include, but not be limited to, the following:

- (1) The time and effort required.
- (2) The novelty and difficulty of the procedure and treatment.
- (3) The skill required to perform the procedure or treatment properly.
- (4) The likelihood, if apparent to the patient, that the proper treatment of the patient will preclude the physician from remuneration from other sources.
- (5) Any requirements or conditions imposed by the patient or by the circumstances.
- (6) The nature and length of the professional relationship with the patient.
- (7) The experience, reputation, and ability of the physician performing the services.
- (8) The results obtained.
- (9) The existence of full fee disclosure and knowing patient consent.