

DECEMBER 13, 2023  
SACRAMENTO, CALIFORNIA

CONTRACTORS STATE LICENSE BOARD

# Board Meeting







**CONTRACTORS STATE LICENSE BOARD**

9821 Business Park Drive, Sacramento, California 95827  
Mailing Address: P.O. Box 26000, Sacramento, CA 95826  
800.321.CSLB (2752) | [www.cslb.ca.gov](http://www.cslb.ca.gov) | [CheckTheLicenseFirst.com](http://CheckTheLicenseFirst.com)

STATE OF CALIFORNIA

Governor Gavin Newsom

**NOTICE OF PUBLIC TELECONFERENCE BOARD MEETING**

December 13, 2023, 9:00 a.m. – 1:00 p.m. (or until the conclusion of business)

**MEETING LOCATION**

Contractors State License Board  
John C. Hall Hearing Room – First Floor  
9821 Business Park Drive  
Sacramento, CA 95827

Teleconference Information to Register/Join Meeting for Members of the Public via WebEx:

**WebEx Link:**

<https://cslb.webex.com/cslb/j.php?MTID=m18543a67b94c124be0f9dbe9c01b96cb>

**Event number:** 2551 705 5419

**Event password:** NUvw53GpgS2

**Join by phone**

1-844-621-3956 United States Toll Free

+1-415-655-0001 US Toll

Access code: 2551 705 5419

Password: 68895347

The meeting will also be live webcast (with an approximate 30-second delay). Links are available at the end of this agenda.

Meetings are open to the public except when specifically noticed otherwise in accordance with the Open Meeting Act. All times when stated are approximate and subject to change without prior notice at the discretion of the Board unless listed as “time certain.” Items may be taken out of order to maintain a quorum, accommodate a speaker, or for convenience. **Action may be taken on any item listed on this agenda, including information-only items.** The meeting may be canceled without notice.

Members of the public can address the board during the public comment session. Public comments will also be taken on agenda items at the time the item is heard and prior to the Board taking any action on said items. Total time allocated for public comment may be limited at the discretion of the board chair.

Members of the public may, but are not obligated to, provide their names or personal information as a condition of observing or participating in the meeting. When signing into the WebEx platform, participants may be asked for their name and email address. Participants who choose not to provide their names will need to provide a unique identifier such as their initials or another alternative, so that the meeting moderator can

identify individuals who wish to make public comment; participants who choose not to provide their email address may utilize a fictitious email address like in the following sample format: [XXXXXX@mailinator.com](mailto:XXXXXX@mailinator.com).

## **MEETING AGENDA**

**Wednesday, December 13, 2023**

### **OPEN SESSION**

- A. Call to Order, Roll Call, Establishment of Quorum and Chair's Introduction
- B. Public Comment for Items Not on the Agenda and Future Agenda Item Requests  
*(Note: Individuals may appear before the CSLB to discuss items not on the agenda; however, the CSLB can neither discuss nor take official action on these items at the time of the same meeting (Government Code sections 11125, 11125.7(a).)*
- C. Presentation of Certificates of Recognition
- D. Executive
  - 1. Review and Possible Approval of June 22 and 23, 2023, Board Meeting Minutes
  - 2. Review and Possible Approval of September 14, 2023, Board Meeting Minutes
  - 3. Review and Possible Approval of October 30, 2023, Board Meeting Minutes
  - 4. Review and Possible Approval of November 15, 2023, Board Meeting Minutes
  - 5. Registrar's Report
  - 6. CSLB Budget Update
  - 7. Administration Update Regarding Personnel and Facilities
  - 8. Information Technology Update
- E. Legislation
  - 1. Review, Discussion and Possible Action on CSLB's Draft 2024 Sunset Report
- F. Enforcement
  - 1. Update Regarding November 29, 2023, Enforcement Committee Meeting and Possible Approval of Summary Report

2. Enforcement Program Update

G. Licensing

1. Review, Discussion and Possible Action to Grant Construction Management Education Account Awards
2. Licensing and Testing Program Statistical Update

H. Public Affairs

1. Update Regarding November 29, 2023, Public Affairs Committee Meeting and Possible Approval of Summary Report
2. Public Affairs Update

**CLOSED SESSION**

- I. Closed Session: Pursuant to Government Code section 11126(e)(1), the Board will move into closed session to confer with, and receive advice from, its legal counsel regarding the following pending litigation: Los Angeles County Superior Court, Case No. 20STCV45568.
- J. Closed Session: Pursuant to Government Code section 11126(c)(17), the Board will move into closed session to review, discuss, and take possible action on the salary or other compensation of the Registrar.

**OPEN SESSION**

- K. Report on Action Taken in Closed Session on the Salary or Other Compensation of the Registrar
- L. Adjournment

**Note:** The Board intends to provide a live webcast of the meeting. Please be aware there will be an approximate thirty (30) second delay in the webcast. The webcast can be found at [www.cslb.ca.gov](http://www.cslb.ca.gov) or on the board's YouTube Channel: <https://www.youtube.com/user/ContractorsBoard/>. Webcast availability cannot be guaranteed due to limitations on resources or technical difficulties. The meeting will not be canceled if webcast is not available. Meeting adjournment may not be webcast if adjournment is the only item that occurs after a closed session.

The meetings are accessible to those needing special accommodation. A person who needs a disability-related accommodation or modification in order to participate in the

meetings may make a request by calling (916) 255-4000, or emailing [Robin.Williams@cslb.ca.gov](mailto:Robin.Williams@cslb.ca.gov), or mailing a request for an accommodation to: Contractors State License Board, 9821 Business Park Drive, Sacramento, CA, 95827. Providing your request at least five business days prior to the meetings will help ensure availability of the requested accommodation.

## **Instructions for Public Participation in CSLB Teleconference Meeting**

The instructions below are for members of the public who want to participate in CSLB's upcoming teleconference meeting, being held via Cisco WebEx. The registration link is on the meeting agenda. There are two ways for you to participate:

1. With Computer, Tablet, or Smart Phone with WebEx
2. With Telephone, not over WebEx

Instructions for each are outlined below.

Please note: In order to participate with a computer, tablet, or smart phone you may need to install a software program. If registering before the meeting, please load this on your computer, tablet, or smart phone at that time. If not, please join at least 15-30 minutes before the meeting starts to give you time to do this.

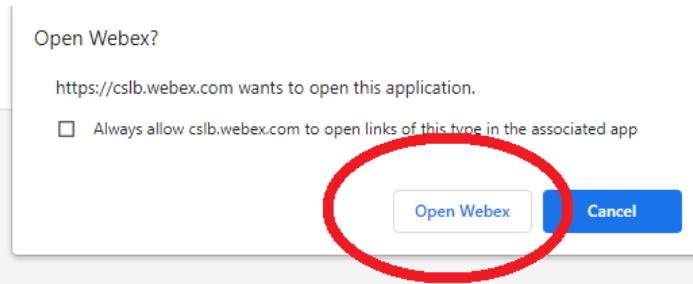
You also will find specifics on how to offer public comment below.

## **To Watch Meeting & Participate with Computer, Tablet, or Smart Phone with WebEx**

This option will provide you live "real time" audio and video of the meeting.

***You can join within 30 minutes of the meeting's start time or while the meeting is in progress:***

1. Click on the link provided on the meeting agenda. You will be prompted to either use the WebEx application, or you can choose to join the meeting in your web browser.



Click **Open Webex** on the prompt.

If the prompt doesn't appear, click **Launch Webinar** instead.



Don't have Webex? [Download it now.](#)

Having trouble with the app? [Join from your browser.](#)

2. Once you've made your selection, enter a name and email address in the appropriate fields.

Please note that the name and email address **do not** have to be your real identity. But, the meeting host will use the name you enter to let you know when it is your turn to speak during the meeting. So, if you use a different name to identify yourself, be sure to remember that name when you are called upon to speak.

3. When joining the meeting, you will choose how you want to get audio. Your choices are: Through your computer; have WebEx call your phone; or you call WebEx. The phone numbers and meeting access code are provided on the meeting agenda.

### **To Join with Telephone (Not over WebEx)**

Call one of the two phone numbers provided on the meeting agenda. Enter the meeting access code when prompted and then the password when prompted.

## To Offer Public Comment During the Meeting

There will be a public comment section during the meeting. The public also will have the opportunity to offer comment during each agenda item.

## For those listening to phone and not on WebEx

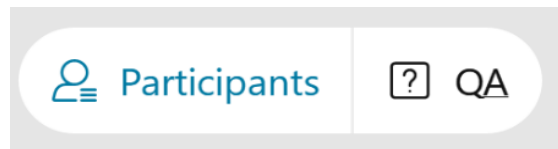
If you want to offer public comment, press \*3 on your phone to raise your hand. You'll hear the prompt, "You have raised your hand to ask a question. Please wait to speak until the meeting host calls on you." If you no longer want to comment, or after the host calls upon you, press \*3 again to lower your hand. You will hear a message, "You have lowered your hand."

When the host calls on you to offer your comment, your line will be unmuted, and you will be able comment. At the end of your comment, or when your allotted time ends, the line will again be muted. During the meeting, the chair will announce the time to be allotted for each public comment.

## For those on WebEx with Computer, Tablet, or Smart Phone

Throughout the meeting, any members of the public may indicate they would like to offer comment on a specific agenda item.

Be sure to activate your Q&A feature at the bottom right of your screen.



If you would like to offer public comment on a specific agenda item, send the host a message at any time during that item stating:

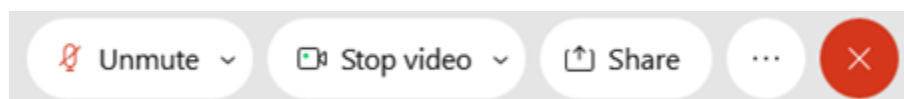
**“I would like to make a comment on this item.”**

The host will call on the public in the order requests are received. When it is your turn, the host will announce your name, or the name you indicated when you registered, and will unmute your line, allowing you to make your public comment.

At the end of your comment, or when your allotted time ends, the line will again be muted. During the meeting, the chair will announce the time allotted for each public comment. The host will note this in the chat as well.

## Leaving the Meeting

At either the conclusion of the meeting, or anytime you wish to leave, you can do so by clicking on the red circle with X in it at the bottom of your screen. After confirming, you will be disconnected from the meeting.



For those calling in on telephone without WebEx, simply hang up.



## **ADDITIONAL ASSISTANCE**

- **WebEx Troubleshooting Info**  
<https://help.webex.com/en-us/WBX9000018881/Troubleshooting-Meetings>
- **WebEx Guide for Setting Up Your Audio**  
<https://help.webex.com/en-us/nt2ig0y/Choose-Your-Audio-and-Video-Settings-Before-You-Join-a-Webex-Meeting-or-Event-Slow-Channel>

Thank you for your interest in participating in a CSLB teleconference meeting.





# CONTRACTORS STATE LICENSE BOARD

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9:00 a.m. – 1:00 p.m. (or until the conclusion of business)**

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- C. Presentation of Certificates of Recognition .....
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### OPEN SESSION

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- L. Adjournment.....

## AGENDA ITEM A

# Call to Order, Roll Call, Establishment of Quorum and Chair's Introduction

Roll is called by the Board Chair or, in his/her absence, by the Board Vice Chair or, in his/her absence, by a Board member designated by the Board Chair.

Eight members constitute a quorum at a CSLB Board meeting, per Business and Professions Code section 7007.

### Board Member Roster

JOËL BARTON	JACOB LOPEZ
RODNEY M. COBOS	DIANA LOVE
DAVID DE LA TORRE	MICHAEL MARK
MIGUEL GALARZA	STEVEN PANELLI
AMANDA GALLO	JAMES RUANE
SUSAN GRANZELLA	MARY TEICHERT
ALAN GUY	





## AGENDA ITEM B

# Public Comment Session - Items Not on the Agenda

(Note: Individuals may appear before the CSLB to discuss items not on the agenda; however, the CSLB can neither discuss nor take official action on these items at the time of the same meeting (Government Code sections 11125, 11125.7(a)). Public comments will be taken on agenda items at the time the item is heard and prior to the CSLB taking any action on said items. Total time allocated for public comment may be limited at the discretion of the Board Chair.

### BOARD AND COMMITTEE MEETING PROCEDURES

To maintain fairness and neutrality when performing its adjudicative function, the Board should not receive any substantive information from a member of the public regarding matters that are currently under or subject to investigation, or involve a pending administrative or criminal action.

- (1) If, during a Board meeting, a person attempts to provide the Board with substantive information regarding matters that are currently under or subject to investigation or involve a pending administrative or criminal action, the person shall be advised that the Board cannot properly consider or hear such substantive information and the person shall be requested to refrain from making such comments.
- (2) If, during a Board meeting, a person wishes to address the Board concerning alleged errors of procedure or protocol or staff misconduct involving matters that are currently under or subject to investigation or involve a pending administrative or criminal action:
  - (a) The Board may designate either its Registrar or a board employee to review whether the proper procedure or protocol was followed and to report back to the Board once the matter is no longer pending; or,
  - (b) If the matter involves complaints against the Registrar, once the matter is final or no longer pending, the Board may proceed to hear the complaint in accordance with the process and procedures set forth in Government Code section 11126(a).
- (3) If a person becomes disruptive at the Board meeting, the Chair will request that the person leave the meeting or be removed if the person refuses to cease the disruptive behavior.







# AGENDA ITEM C

## Presentation of Certificates of Recognition





# AGENDA ITEM D

## Executive





## AGENDA ITEM D-1

# Review and Possible Approval of June 22 and 23, 2023, Board Meeting Minutes







# CONTRACTORS STATE LICENSE BOARD

## BOARD MEETING MINUTES

### Board Meeting Minutes

#### A. Call to Order, Roll Call, Establishment of Quorum, and Chair's Introduction

Board Chair Mary Teichert called the meeting of the Contractors State License Board (CSLB) to order on June 22, 2023, at 1:00 p.m. via Webex teleconference.

#### Board Members Present

Mary Teichert, Chair  
Rodney Cobos  
David De La Torre  
Susan Granzella  
Amanda Gallo  
Alan Guy  
Diana Love  
Jacob Lopez  
Michael Mark  
James Ruane  
Johnny Simpson  
Miguel Galarza

Miguel Galarza arrived at 1:11 p.m. Rodney Cobos arrived at approximately 2:30 p.m. Steven Panelli had an approved absence.

#### CSLB Staff Present On Site

David Fogt, Registrar  
Michael Jamnetski, Chief Deputy Registrar  
Katherine White, Chief of Public Affairs  
Jason Perez, Chief of Information Technology

#### CSLB Staff Present via Webex

Yeaphana La Marr, Chief of Legislation  
Steve Grove, Chief of Enforcement  
Carol Gagnon, Licensing Manager  
Stacey Paul, Budgets Manager  
Americo Garcia, Public Affairs Manager  
Mariah Rovera, Executive Analyst

#### DCA Staff Present On Site

John Kinn, DCA Legal

Board Vice Chair Diana Love led the Board in the Pledge of Allegiance. A quorum was established.



Chair Teichert announced that board member Amanda Gallo has been appointed to join Member Susan Granzella on the Information Technology Committee.

Chair Teichert thanked the United Brotherhood of Carpenters and President Pete Rodriguez for hosting the board meeting and supporting Jacob Lopez in joining the board.

Western District Vice President Pete Rodriguez welcomed the Board to the Carpenters International Training Center (ITC). Rodriguez highlighted the services of the ITC campus and discussed the importance of educating, developing, and training students. Rodriguez emphasized the support for CSLB to assist in maintaining the pursuit of an equitable and fair contractors' industry.

*Member Galarza joined the meeting at 1:11 p.m.*

**B. Public Comment for Items Not on the Agenda and Future Agenda Item Requests**

Public Comment

Davi Rodriguez expressed concern public awarding agencies are hiring unlicensed persons to install public art works such as murals, paintings, and statues. Rodriguez questioned why the board is not doing more to enforce license requirements for public artwork projects.

**C. Presentation of Certificates of Recognition – May Include Oral Presentations Commemorating Board Members**

Board Member Comment

Chair Teichert recognized Board member Johnny Simpson whose term is ending at the end of June 2023. Chair Teichert explained Member Simpson is one of the longest serving members and thanked them for their work and contribution to CSLB and the state of California.

Registrar Fogt thanked Member Simpson for their support over the past 8 years and for his leadership during the COVID-19 pandemic as board chair.

Member Galarza thanked Member Simpson for their help and expressed appreciation for their valued knowledge.

Member Granzella discussed Member Simpson's direction and thanked them for their efforts.





Vice Chair Love thanked Member Simpson and expressed appreciation for their work.

Member Mark thanked Member Simpson.

Chair Teichert thanked Member Simpson and congratulated them on their retirement.

Public Comment

There was no public comment.

**D. Executive**

**1. Review and Possible Approval of the March 21, 2023, Board Meeting Minutes**

Chair Teichert asked for Board member edits to the March 21, 2023, Board Meeting Minutes. No edits were suggested by the Board.

**Motion:** To approve the March 21, 2023, Board Meeting Minutes. Moved by Alan Guy; James Ruane seconded. Motion carried, 11-0.

**YEA:** Mary Teichert, David De La Torre, Miguel Galarza, Amanda Gallo, Alan Guy, Susan Granzella, Jacob Lopez, Diana Love, Michael Mark, James Ruane, Johnny Simpson

**NAY:** None

**ABSENT:** Rodney Cobos, Steven Panelli

Board Member Comment

There was no comment.

Public Comment

There was no public comment.

**2. Review, Discussion, and Action on Nominations Committee Recommendations for Election 2023-2024 Board Officers**

Chair Teichert explained during the March 21, 2023, Board meeting the appointing of Member Granzella and Member De La Torre to a nomination committee to recommend to the board a slate of officers for Chair, Vice Chair, and Secretary for the next fiscal years starting July 1, 2023.

Chair Teichert turned the floor to Member De La Torre for their recommendation. Member Mark recommended Member Love for Chair, Member Mark for Vice Chair, and Member Galarza for Secretary.



Vice Chair Love explained their 25 years of experience and work history throughout 58 counties and volunteering with populations including children, youth, seniors, disabled, and veterans. Vice Chair Love expressed their focus on the protection of individuals' rights, health, safety, housing, and with legislation. Vice Chair Love emphasized the vitality of these protections in relation to CSLB. Vice Chair Love expressed their appreciation and gratitude for their role as a public member, secretary, and vice chair. Vice Chair Love detailed adding language to the mission statement and to be a member of an all-woman board in 2021. Vice Chair Love stated their ambition to serve as the Chair in continuing CSLB's mission, vision, and values providing protection to consumers.

**Motion:** To approve Diana Love for the nomination of Chair. Motion carried, 11-0.

**YEA:** David De La Torre, Miguel Galarza, Amanda Gallo, Alan Guy, Susan Granzella, Jacob Lopez, Diana Love, Michael Mark, James Ruane, Johnny Simpson, Mary Teichert

**NAY:** None

**ABSENT:** Rodney Cobos, Steven Panelli

**Motion:** To approve Michael Mark for the nomination of Vice Chair. Motion carried, 11-0.

Member Mark expressed appreciation for the members of the Board. Member Mark stated they are looking forward to continued collaboration and working with the Board.

**YEA:** David De La Torre, Miguel Galarza, Amanda Gallo, Alan Guy, Susan Granzella, Jacob Lopez, Diana Love, Michael Mark, James Ruane, Johnny Simpson, Mary Teichert

**NAY:** None

**ABSENT:** Rodney Cobos, Steven Panelli

**Motion:** To approve Miguel Galarza for the nomination of Secretary. Motion carried, 11-0.

Member Galarza explained this is their 31<sup>st</sup> year being a contractor. Member Galarza emphasized the importance of consumer protection and expressed appreciation of the privilege of being the licensing committee chair. Member Galarza referenced serving on the reciprocity advisory committee with Member Ruane. Member Galarza stated being honored to be considered for the nomination of Secretary and vowed to advocate for underrepresented contractors and women in construction.

**YEA:** David De La Torre, Miguel Galarza, Amanda Gallo, Alan Guy, Susan Granzella, Jacob Lopez, Diana Love, Michael Mark, James Ruane, Johnny Simpson, Mary Teichert

**NAY:** None

**ABSENT:** Rodney Cobos, Steven Panelli



Board Member Comment

There was no comment.

Public Comment

There was no public comment.

**3. 2023 Sunset Subcommittee Appointments.**

Registrar Fogt updated the Board that CSLB will have to provide an update to a 67-question questionnaire. Registrar Fogt recommended Chair Teichert appoint a two-person advisory committee for staff to work with to draft responses for board consideration at the September Board Meeting.

Chair Teichert appointed Vice Chair Love and Member Galarza to be on the board Sunset Hearing advisory committee.

Board Member Comment

There was no comment.

Public Comment

There was no public comment.

**4. Registrar’s Report**

**a. Review, Discussion and Possible Action on Efforts to Retain Consultant(s) to Research the Scope of Unlicensed Practice and Resource Needs; and Perform a Special Investigator Workload Study.**

Registrar Fogt updated the Board on retaining a consultant to perform an enforcement workload and process improvement study. Registrar Fogt reported the price of the consultant came back \$7,000 less than the board-approved \$75,000.

Registrar Fogt stated the second consultant needed to research the cope of unlicensed practice and disaster related recourse needs may take up to a year to acquire through the request for proposal process. If a consultant cannot be found, the board may need to consider raising the \$75,000 cap.

Board Member Comment

There was no comment.

Public Comment

There was no public comment.



## **5. CSLB Budget Update**

Budget Manager Stacey Paul updated the Board on the 2022-23 fiscal year budget. Paul explained the annual budget spending was \$2 million less than the authorized \$80 million and reported a projection of \$92.5 million in revenue, increasing reserves to \$17 million. Paul explained CSLB is spending less than the expected 80 percent budget authority while bringing in 20 percent more revenue than the prior year. Paul projected the 2022-23 budget reserves ending at \$17.2 million with an increase to \$20.4 million in the 2023-24 budget year.

Manager Paul confirmed an increase in new HIS applications and that active licenses were remaining steady.

Manager Paul also highlighted the Construction Management Education Account (CMEA) fund spending authority was successfully increased to \$175,000.

### Board Member Comment

Member Mark asked if staff responding declared emergencies is related to the overtime budget being higher than usual.

Manager Paul confirmed the overtime budget is attributed to the disaster response efforts. They also confirmed CSLB had received \$1.3 million in reimbursement for disaster response efforts.

Member Granzella asked if the exam proctors funds were residual funds from the PSI testing center transition.

Manager Paul confirmed those funds were from the PSI transition.

Member Granzella asked if the savings from the transition from PSI to exam proctors will be evaluated and what line item would include the actual cost of PSI.

Manager Paul confirmed the line item is under operating expenses.

Member Granzella asked what the \$11 million under personnel services was for.

Manager Paul confirmed it was applicable to the Attorney General's Office and OAH administrative hearings related to enforcement.

Member Galarza asked if the monthly reserves were tracked and what the optimal month fund balance is.

Manager Paul replied the statute provides for CSLB to have a three-to-six-month fund reserve balance.

Member Guy asked if there is a cause for concern regarding a 19 percent decrease in license issuance.

Manager Paul directed the question to Licensing and referenced backlog being attributed to licenses being issued.



Registrar Fogt asked Licensing Manager Carol Gagnon to explain the low application issuance stats.

Manager Gagnon cited a COVID-related application processing backlog attributed to low licensing issuance. They confirmed the license issuance numbers are improving now that there is more staff to help process applications.

Gagnon explained that with PSI, candidates have the option to select their own testing dates. Many applicants pick an extended date, perhaps to provide them more time to study for the exam. This has also contributed to the license issuance decrease.

Public Comment

There was no public comment.

**6. Review, Discussion, and Possible Action on 2022-24 Administrative and Information Technology Strategic Plan Objectives**

Chief Deputy Registrar Michael Jamnetski provided the update on the administrative and information technology Strategic Plan objectives.

**Strategic Plan Item 5.1:** Regularly report to the Board on IT security to protect and secure CSLB sensitive data.

Chief Deputy Registrar Jamnetski said CSLB security policy and enhancement updates have been reported to the Board at regularly scheduled quarterly meetings since August 2022.

**Strategic Plan Item 5.2:** Research and develop tools in addition to existing annual surveys that will provide the Board and staff with feedback on the public’s perception of staff performance and customer service.

Chief Deputy Registrar Jamnetski stated that CSLB has added a “How is CSLB doing?” comment and suggestion box to each of CSLB’s public counters to track and receive feedback on how CSLB is assisting consumers and licensees. CSLB IT is working on the development of a survey for the online renewal processes. Chief Deputy Registrar Jamnetski also noted how this objective is related to a Public Affairs objective on improving website experience and a consumer group is being scheduled to discuss improvements.

**Strategic Plan Item 5.3:** Replace the automated phone system to ensure callers can speak to a representative in a timely fashion.

Chief Deputy Registrar Jamnetski explained the importance of replacing the current automated phone system. An Amazon Connect demo was held in early April to show how the cloud-based platform would work and eventually replace the current automated phone system.



**Strategic Plan Item 5.4:** Improve staff recruitment, onboarding, and training/team building for staff development.

Chief Deputy Registrar Jamnetski noted that CSLB is seeking to reclassify existing Consumer Services Representative (CSR) positions in the Enforcement Division to the more broadly used Staff Services Analyst (SSA) classification, which will enhance staff recruitment by increasing the candidate pool to fill vacancies.

**Strategic Plan Item 5.5:** Evaluate applicant and licensee online logins or profiles to help tailor the content to the user, track submissions/interactions, etc.

Chief Deputy Registrar Jamnetski said this item will receive a verbal update shortly from IT Chief Jason Perez.

Board Member Comment

There was no comment.

Public Comment

There was no public comment.

**7. Administration Update Regarding Personnel and Facilities**

Chief Deputy Registrar Jamnetski explained CSLB's efforts to reduce vacancies from 10 percent to 9 percent. Chief Deputy Registrar Jamnetski highlighted employee recruitment efforts by the Public Affairs Office using social media and job fairs to reach candidates and fill CSLB vacancies.

Board Member Comment

There was no comment.

Public Comment

There was no public comment.

**8. Information Technology Update**

Chief of Information Technology Jason Perez updated the Board on the status of the Business Modernization Initiative. Chief Perez informed the Board that unforeseen events have caused delays in the progress of the initiative and explained the efforts being made to achieve the objectives and projected September as the deadline for the updated plan.

Chief Perez updated the Board on CSLB security enhancements by introducing more robust firewalls and intrusion systems to prevent unauthorized access, conducting regular security audits to identify vulnerabilities and risks, and a partnership with DCA to implement regular employee awareness and programs throughout CSLB. Chief Perez



affirmed CSLB's continued commitment to regularly assessing and enhancing security measures against potential threats.

#### Board Member Comment

There was no comment.

#### Public Comment

There was no public comment.

### **9. Review, Discussion and Possible Action on 2022 Board Member Administrative Procedure Manual, Chapter 6, Legislation (Board Policy), Changes**

Chair Teichert directed the Board to the updated language for this item that was provided as a hard copy for Board members and displayed on the Webex meeting and asked for Chief of Legislation Yeaphana La Marr to explain the recommended proposal.

Chief La Marr explained the recommended proposal to amend the Board Member Administrative Procedure Manual will allow staff flexibility to conduct legislative work between board meetings to effectively communicate to the legislature the board's position and carry out the goals of the board.

Chief La Marr stated in the event that time constraints preclude board action, the Board delegates to the chair of the legislative committee the authority to take action on legislation that would change Contractors State License Law that impacts a previously established board policy or affects the public's health, safety, or welfare. Prior to taking a position on legislation, the registrar or legislative division chief, after consultation with the registrar, shall consult with the ~~board chair and the~~ chair of the legislative committee. The Board shall be notified of such action as soon as possible.

All staff proposals for legislation shall include a statement of the policy or purpose the legislative proposal is intended to achieve. If the Board approves a proposal for staff to seek authorship of a legislative bill, the board's approval shall extend authorization for staff to:

- Locate and secure a legislative author for the bill;
- Communicate in public hearings and in written letters the Board's support for any bill introduced based on that proposal as a "board sponsored" bill;
- Negotiate amendments, both technical and substantive, as long as the amendments are in furtherance the policy or purpose identified in the proposal on which the board previously took a position.



**Motion:** To adopt staff recommendation to amend page 16 of Board Member Administrative Procedure Manual per staff recommendation. Moved by James Ruane. Seconded by Alan Guy. Motion carried, 11-0.

**YEA:** Mary Teichert, David De La Torre, Miguel Galarza, Amanda Gallo, Alan Guy, Susan Granzella, Jacob Lopez, Diana Love, Michael Mark, James Ruane, Johnny Simpson

**NAY:** None

**ABSENT:** Rodney Cobos, Steven Panelli

Board Member Comment

Member Granzella asked how the changes will be communicated to the board.

Registrar Fogt responded the board will be updated regarding legislation status at the next scheduled meeting. They confirmed this amendment is only to streamline the process by requiring consultation with the board chair or vice chair in for minor, not controversial issues.

Public Comment

No public comment.

**E. Legislation**

**1. Update, Review, Discussion and Possible Action on 2022-24 Legislative Strategic Plan Objectives**

Chief La Marr updated the board on Strategic Plan 3.1 - Legislative Day. Chief La Marr explained scheduling conflicts and the legislative calendar prevented the hosting of a Legislative Day in 2023. Chief La Marr stated that Senior Scam Stopper<sup>SM</sup> seminars were useful for Board Members to meet legislators and staffers. Chief La Marr mentioned that there will be an opportunity for board members to meet with legislators during the next fiscal year's Sunset Review.

Chief La Marr updated the board on Strategic Plan 3.6 - Review and collaborate with local and state government to determine if CSLB's hazardous and asbestos certification remain viable and are effective in protecting consumers in declared disaster areas and noted beginning stakeholder consultations near the July 29, 2023, deadline.

**2. Review, Discussion, and Possible Action on 2023 Pending Legislation**

**a. AB 336 (Cervantes, 2023) – Contractors: workers' compensation insurance (classification codes on CSLB renewal)**

Legislative Committee Chair Galarza summarized AB 336 applies to licensees who are required to have workers' compensation insurance. The bill would require licensees to





provide their top three workers' comp codes by payroll to CSLB at the time of license renewal and without them, would prohibit license renewal.

Chief La Marr updated the board on the status of AB 336 stating on April 27 the bill was amended to remove any responsibility for incorrectly reported codes and that CSLB is not responsible for verifying or investigating the accuracy of those codes.

Chief La Marr recommended the board take a neutral position, explaining the bill is expected to be heard in the committee appropriations Monday, June 26.

**Motion:** To change position from neutral to "Support" of AB 336. Moved by Michael Mark. Seconded by Johnny Simpson. Motion does not pass.

**YEA:** David De La Torre, Jacob Lopez, Michael Mark, Johnny Simpson.

**NAY:** Mary Teichert, Miguel Galarza, Amanda Gallo, Alan Guy, Susan Granzella, Diana Love, James Ruane

**ABSENT:** Rodney Cobos, Steven Panelli

**Motion:** To take a neutral position for AB 336. Moved by Mary Teichert. Seconded by Susan Granzella. Motion carried, 11-0.

**YEA:** Mary Teichert, David De La Torre, Miguel Galarza, Amanda Gallo, Alan Guy Susan Granzella, Jacob Lopez, Diana Love, Michael Mark, James Ruane, Johnny Simpson.

**NAY:** None

**ABSENT:** Rodney Cobos, Steven Panelli

Board Member Comment

Member Mark expressed support for the bill and asked which requested amendments the sponsor did not complete.

Chief La Marr explained the consumer protection value was not established.

Chair Teichert expressed support for a neutral stance.

Legislative Chair Galarza concurred with Chair Teichert's neutral stance.

Member Mark stated he was in support of this bill.

Chair Teichert expressed the amendments didn't cover enough of the codes to demonstrate value to the public.

Member Simpson explained the importance of finding a resolution to protect contractors and the public.

Member Guy stated the bill supports contractors but doesn't improve consumer protection.



Public Comment

Mario Wilson of Western Steel Council expressed support for AB 336 and requested a support position from the Board.

Mitchell (last name not obtained) expressed support for AB 336 and requested CSLB take a support position.

*Rodney Cobos joined the meeting.*

**b. AB 968 (Grayson, 2023) – Single-family residential property: disclosures (Work done on house prior to selling)**

Chair Galarza explained the language of AB 968 stating the bill requires sellers of property purchased within the previous 18 months to disclose to the new buyer and room additions, modifications or alterations made to the property and turn over all permits obtained for the work performed, disclosing the name and contact information of contractors who performed the work.

Chief La Marr summarized the bill and stated it is intended to address house flippers and applies to sellers who sell a home within 18 months of purchase to disclose a list of alterations or modifications and provide an explanation of the exact modifications and contractor information who completed the work. Chief La Marr recommended a support position.

**Motion:** To take a support position for AB 968. Moved by Mary Teichert. Seconded by David De La Torre. Motion carried, 12-0.

**YEA:** Mary Teichert, Rodney Cobos, David De La Torre, Miguel Galarza, Amanda Gallo, Alan Guy, Susan Granzella, Jacob Lopez, Diana Love, Michael Mark, James Ruane, Johnny Simpson

**NAY:** None

**ABSENT:** Steven Panelli

Board Member Comment

Vice Chair Love asked if real estate agreements will be upgraded or amended to make sure that the disclosures are identified in escrow, prior to a buyer signing.

Chief La Marr confirmed disclosures will be present prior to a buyer signing.

Public Comment

There was no public comment.



**c. AB 1204 (Holden, 2023) – Contractors: Contracts: restrictions (on subcontracting to other subcontractors in same license class)**

Chief La Marr explained AB 1204 was presented in March when the board decided to watch the bill to give the sponsors time to address board concerns. At that time, the bill did not specify when the prohibition would apply or to whom. Chief La Marr stated staff provided technical assistance to the sponsors and the Assembly Committee on Business and Professions to clarify when this prohibition applies and to which contractor. AB 1204 was amended on April 27, 2023, to specify that the bill would prohibit specialty contractors from subcontracting in the same specialty classification unless that subcontractor has employees, and the prohibition applies to each single project. Chief La Marr stated the bill is intended to address employee misclassification, which is not enforced by CSLB. Chief La Marr stated the consumer protection value is undetermined, but the bill does not impact CSLB fiscally.

Chief La Marr stated staff recommends a neutral position by the board.

**Motion:** To take a neutral position for AB 1204. Moved by Susan Granzella. Seconded by Diana Love. Motion carried, 11-0.

**YEA:** Mary Teichert, Rodney Cobos, David De La Torre, Miguel Galarza, Amanda Gallo, Alan Guy, Susan Granzella, Jacob Lopez, Diana Love, Michael Mark, James Ruane, Johnny Simpson.

**NAY:** None

**ABSENT:** Steven Panelli

Board Member Comment

Chair Galarza expressed support for a neutral position for AB 1204.

Public Comment

There was no public comment.

**d. AB 1383 (Ortega) – Contractors: discipline: noncompliance with child support**

Chair Galarza explained the bill author has removed the bill from consideration and is no longer moving, so a full analysis was not included in the meeting packet.

Board Member Comment

There was no comment.

Public Comment

There was no public comment.



**e. SB 544 (Laird) – Bagley Keene - Open Meeting Act: Teleconferencing.**

Chief La Marr stated SB 544 would adopt a remote meeting option if the board provides the public with the means to hear, observe, and participate in the meeting through publicized conference call or online platforms. The board would also need to have at least one physical site posted on the agenda and meet other requirements. Chief La Marr explained that because SB 544 would go into effect January 1, 2024, the next two board meetings would require full in-person participation. Although this bill would not be effective immediately, this bill would provide flexibility in meeting planning, increase public participation, and increase the pool of those who could serve as a board member. Chief La Marr suggested the board take a support position and requested the board to grant staff authority to work with the Legislative Committee Chair to apply that position if this bill were to be amended so long as the concept of permissible remote meetings was held intact.

**Motion:** To take staff recommendation in a support position for SB 544. Moved by Diana Love. Seconded by Mary Teichert. Motion carried, 11-1.

**YEA:** Mary Teichert, Rodney Cobos, David De La Torre, Miguel Galarza, Amanda Gallo, Alan Guy, Susan Granzella, Jacob Lopez, Diana Love, Michael Mark, James Ruane.

**NAY:** Johnny Simpson

**ABSENT:** Steven Panelli

Board Member Comment

Member Granzella asked how the California Commission of Aging became the sponsor for SB 544.

Chief La Marr explained not knowing the exact reason, but other state agencies were pleased the CCA sponsored SB 544.

Chief Deputy Registrar Jamnetski replied the CCA may have been interested in the benefit in the idea of remote access to the meetings.

Member Simpson expressed not being in support of SB 544.

Member Ruane stated SB 544 relates to the Brown Act.

Public Comment

There was no public comment.

**f. SB 601 (McGuire) – Professions and vocations: contractors: home improvement contracts: prohibited business practices: limitation of actions**

Chief La Marr explained SB 601 requires new payment and performance bond requirements in declared disaster areas. The bill was amended to replace bonding



requirements with an increase in civil penalties for requesting and or receiving excessive down payments and or progress payments that exceed the value of work performed in declared disaster areas. Payment violations contribute to financial hard occurring by job abandonment or poor workmanship.

Chief La Marr also mentioned the statute of limitations will be increased for misdemeanor violations from one year to three years.

**Motion:** To take a position of support for SB 601. Moved by Alan Guy. Seconded by James Ruane. Motion carried, 11-0.

**YEA:** Mary Teichert, Rodney Cobos, David De La Torre, Miguel Galarza, Amanda Gallo, Alan Guy, Susan Granzella, Jacob Lopez, Diana Love, Michael Mark, James Ruane, Johnny Simpson.

**NAY:** None

**ABSENT:** Steven Panelli

Board Member Comment

Chair Galarza asked who receives the \$5,000.

Chief La Marr responded the local jurisdiction of the prosecuting county receives the funds.

Public Comment

There was no public comment.

**g. SB 630 (Dodd) – Contractors State License Board: regulation of contractors**

Chief La Marr updated the board on the status of SB 630 relating to CSLB's ability to obtain and protect licensee email addresses and revoke licenses for failure to take prescribed courses included in a disciplinary order. Chief La Marr confirmed the board voted to support the bill that is scheduled for hearing June 27. Chief La Marr explained that the support position previously taken still stands and has not been amended.

Board Member Comment

Member Granzella asked if the email addresses will be displayed on CSLB's website.

Chief La Marr confirmed the language of the bill protects the email addresses from disclosure.

Public Comment

There was no public comment.



**3. Review, Discussion and Possible Action on Amendments to Business and Professions Code Section 7071.4 to Address Board Exposure to Risk of Liability for Attorney Fees in Litigation Involving a Deposit in Lieu of Bond (Karton v. Ari Design & Construction (61 Cal.App.5<sup>th</sup> 734 (2021)))**

Chair Galarza explained due to a decision in the matter of Karton v. Ari Construction and Design, CSLB could be exposed to financial liability for attorneys' fees in civil cash deposit cases. Chair Galarza stated the Board was named as a codefendant in a consumer versus contractor civil case involving a deposit in lieu of bond and is liable for up to \$100,000 in attorneys' fees. Chair Galarza mentioned staff are proposing amendments to Business and Professions Code section 7071.4 that would clarify that CSLB should not be responsible for attorney fees and introduced Chief La Marr to provide a summary.

Chief La Marr explained Business and Professions Code section 7071.4 allows licensees who do not wish to file a bond acquired through a surety to make a deposit with CSLB in lieu of the bond. Additionally, subdivision (g) prohibits cash in lieu of bond deposits from release unless as determined by the court. In these cases, the law treats CSLB as a surety. Chief La Marr explained Karton v. Ari Construction set the precedent that sureties could be responsible for attorney fees. Chief La Marr explained the proposal would ensure CSLB is not responsible for legal fees associated with any civil action where a cash deposit is made in lieu of a bond. Chief La Marr explained staff are requesting the approval to share this proposal with members of legislature to seek an author or to include this proposal as a new issue in the sunset report.

DCA Attorney John Kinn added the appellate court ruled in the Karton case, the party who aggressively defended rather than released the bond should be reprimanded; however, there are no allegations against CSLB in any of these cases. Attorney Kinn also stated that CSLB advised that the cash in lieu of bond be deposited with the court as soon as possible, and as a matter of court procedure, to limit potential exposure. This procedure has been accepted by the deputy attorney generals who represent CSLB.

**Motion:** To take a position of support to amend Business and Professions Code Section 7101.4. Moved by Johnny Simpson. Seconded by David De La Torre. Motion carried, 11-0.

**YEA:** Mary Teichert, Rodney Cobos, David De La Torre, Miguel Galarza, Amanda Gallo, Alan Guy, Susan Granzella, Jacob Lopez, Diana Love, Michael Mark, James Ruane, Johnny Simpson.

**NAY:** None

**ABSENT:** Steven Panelli



Board Member Comment

Member Guy asked about the percentage of cash deposits versus bonds that are in place.

Chief Deputy Registrar Jamnetski replied that he does not have an exact number because there are many cash deposits still on file that are in their statutory retention period for a consumer to make a claim; however, this requires a consumer to file a court case, and CSLB only receives at most between 5 and 10 court case notifications a year.

Public Comment

There was no public comment.

**1. Regulations**

**a. Review, Discussion and Possible Action on Sprinkler Fitters Association of California Petition (Pursuant to Government Code Sections 11340.6 and 11340.7) to Amend Section 832.16 of Title 16, Division 8, Article 3 of the California Code of Regulations (C-16 Fire Protection Contractor Classification) to Include “Fire Fighter Air Replenishing Systems”**

Chair Galarza directed the board to page 99 of the board packet and explained that CSLB received a petition for the adoption of regulations dated May 11, 2023, from the Sprinkler Fitters Association of California, regarding California Code of Regulations Section 832.16. Member Galarza explained the petition requests an amendment to 832.16, which describes the scope of the C-16 Fire Protection Contractor, the petition would add fire fighter air replenishing systems (FARS) to work that the C-16 classification is authorized to perform.

Chair Galarza introduced Attorney Kinn to provide additional information.

Attorney Kinn explained the Board received the petition under the Administrative Procedure Act (APA) asking for additional language in the classification of C-16 without an explanation other than the requested language is not currently in any regulation. Attorney Kinn noted that the C-36 Plumbing Contractor classification includes work that is generally described by FARS. Attorney Kinn described the petition and questioned whether it left unanswered why the proposed amendment to the regulation was necessary or warranted, as the APA requires petitions to state the substance of the regulation, the reason for request, and the reference to the authority of the board to act. Attorney Kinn explained the proposal lacks information showing the necessity, benefits, or consequences to other classifications or how the proposal would benefit or protect the public. Attorney Kinn stated that staff has recommended a denial of the petition based on merits without prejudice to the opportunity to request reconsideration or reintroduce the issue in the future.

Chair Galarza explained there are two options of solution. [If the Board agrees with the staff recommendation to deny the petition as presented in the meeting materials, the



Board may take the following action]: Deny the petition based on the grounds set forth in the meeting materials and other grounds raised at the meeting and transmit the denial to the Office of Administrative Law within 30 days.

Chair Galarza explained option two. [If the Board approves the petition and considers the proposed text acceptable as presented in the meeting materials, the Board may take the following action]: Grant the petition, approve the proposed regulatory text and changes to Section 832.16 as provided in the materials, and direct staff to submit all approved text to the Director of the Department of Consumer Affairs and the Business, Consumer Services, and Housing Agency for review. If no adverse comments are received, authorize the Registrar to take all steps necessary to initiate the rulemaking process, make any non-substantive changes to the package, and schedule the matter for public hearing. If no adverse comments are received during the 45-day comment period or at the hearing, authorize the Registrar to take all steps necessary to complete the rulemaking and adopt the proposed amendments to Section 832.16, as noticed.

**Motion:** To adopt staff recommendation to deny the petition to amend Section 832.16 of Title 16, Division 8, Article 3 of the California Code of Regulations (C-16 Fire Protection Contractor Classification) to include “Fire Fighter Air Replenishing Systems.” Moved by Mary Teichert. Seconded by Johnny Simpson. Motion carried, 11-0.

**YEA:** Mary Teichert, Rodney Cobos, David De La Torre, Miguel Galarza, Amanda Gallo, Alan Guy, Susan Granzella, Jacob Lopez, Diana Love, Michael Mark, James Ruane, Johnny Simpson.

**NAY:** None

**ABSENT:** Steven Panelli

Board Member Comment

There was no Board Member comment.

Public Comment

Richard Markuson from the Plumbing, Heating and Cooling Contractors Association and the California Chapters of the American Fire Sprinkler Association stated support for the staff recommendation and offered cooperation working with all interested parties in the event the proposal is moved forward.

**b. Review, Discussion and Possible Action on Section 100 Rulemaking Proposal to Raise Fine Maximums to Conform to Business and Professions Code Section 7099.2**

Chair Galarza explained the proposal would amend California Code of Regulations Section 884 to raise the maximum civil penalties for certain violations to the Contractors State License Law.





Chair Galarza introduced Chief La Marr to summarize the proposal.

Chief La Marr explained Business and Professions Code section 7110 establishes a contractor’s willful or deliberate disregard for state and local building permit laws is a violation of the Contractors State License Law. Chief La Marr cited AB 1747 that added section 7110 to the list of violations for which a maximum penalty can be up to \$30,000 and stated staff is requesting authorization to initiate the rulemaking process to amend Title 16, section 884, so the civil penalty thresholds conform to BPC section 7099.2. Chief La Marr stated the section 100 allows non-substantive amendments to be made without subject to notice and 45-day public comment period. Chief La Marr noted the amendments are considered non-substantive and without regulatory effect.

**Motion:** To adopt staff recommendation to approve the proposed regulatory text for CCR section 884, authorize the Registrar to take all steps necessary to pursue the rulemaking through the CCR section 100 procedures, and authorize staff to make non-substantive changes to the text and/or rulemaking package as needed throughout the process. Moved by Michael Mark. Seconded by David De La Torre. Motion carried, 12-0.

**YEA:** Mary Teichert, Rodney Cobos, David De La Torre, Miguel Galarza, Amanda Gallo, Alan Guy, Susan Granzella, Jacob Lopez, Diana Love, Michael Mark, James Ruane, Johnny Simpson.

**NAY:** None

**ABSENT:** Steven Panelli

Board Member Comment

There was no Board Member Comment.

Public Comment

There was no public comment.

*Board took break for 15 minutes from 3:30 to 3:45 p.m.*

**F. Enforcement**

**1. Update, Review, Discussion and Possible Action on 2022-24 Enforcement Strategic Plan Objectives**

Enforcement Committee Chair Michael Mark updated the board on the status of the Enforcement Division’s Strategic Objectives established for 2022-2024 CSLB Strategic Plan and directed the board to page 114 of the board packet.



**Strategic Plan Item 2.1**

Chair Mark stated Strategic Plan Item 2.1 leverages current enforcement tools to increase licensee and business knowledge by requiring contractors subject to CSLB corrective action to take specified courses. Chair Mark explained information about the bill that would implement this was provided during the Legislation Update.

**Strategic Plan Item 2.2**

Chair Mark stated Strategic Plan Item 2.2 is to research the scope of unlicensed practice, evaluate allocated enforcement resources, and meet with industry stakeholders to review enforcement strategies. Chair Mark explained this item was summarized during the Registrar’s Update.

**Strategic Plan Item 2.3**

Chair Mark stated Strategic Plan Item 2.3 is to coordinate educational workshops with agency partners to assist applicants and licensees in complying with Contractors State License Law (CSLL) and other business requirements.

Chair Mark explained an educational workshop is scheduled at CSLB headquarters for September 11, 2023, and an educational workshop is scheduled for Southern California September 18. Chair Mark stated there is a commitment from the Chief of the Labor Enforcement Task Force (LETF) for LETF to participate in these workshops.

**Strategic Plain Item 2.4**

Chair Mark stated Strategic Item Plan 2.4 is to review and create a structured enforcement training program with enforcement academy to achieve statewide investigation and legal action consistency.

Chair Mark stated Enforcement Academies are currently scheduled with one for Northern and Central region staff and one for Southern region staff. Both academies will be conducted by the deputy attorney general liaisons, Brent Jex and Christine Lee, and the Northern and Central Enforcement Academy will take place July 17-21, 2023, at CSLB Headquarters in Sacramento. The Southern Enforcement Academy will take place October 16-20, 2023, in the Norwalk office.

Chair Mark also stated the academy will provide an overview of the Department of Consumer Affairs and CSLB’s Enforcement Division organization, unit functions, and responsibilities, as well as an overview of the Attorney General’s Office and administrative processes.

**Strategic Plan Item 2.5**

Chair Mark stated Strategic Plan Item 2.5 is to research the need to establish a public works enforcement unit to perform outreach to awarding agencies and coordinate public works investigations with compliance groups and government entities to enforce CSLL requirements.



Chair Mark explained an Enforcement Quality Assurance Unit (QA) was recreated in 2022 and four Special Investigators assigned to the QA Unit are designated to perform public works investigations as part of their duty statement.

### **Strategic Plan Item 2.6**

Chair Mark explained Strategic Plan Item 2.6 is to continue to enforce workers' compensation insurance requirements to protect consumers and workers and scrutinize licensees who self-certify they have no employees. This remains an Enforcement objective.

## **2. Enforcement Program Update**

Chair Mark directed the board to page 119 in the board packet and introduced Chief of Enforcement Steve Grove to provide the update.

Chief Grove highlighted two successful criminal investigations. Chief Grove reported the first conviction relates to a contractor using unlicensed subcontractors, who illegally obtained over \$220,000 of a consumer's money.

Chief Grove explained in the other case, the contractor illegally requested an excessive down payment of \$105,000 in down payment. Both investigations resulted in convictions.

Chair Mark updated the board on CSLB's vacancies and complaint statistics. Chair Mark cited 21 vacancies and stated staff are working to fill those vacancies. Chair Mark discussed CSLB average complaints have increased from 1,100 to 1,300 monthly from 2022 to 2023 and attributed the increase primarily to residential solar complaints being filed against a small number of solar contractors who are receiving excessive amounts of complaints. Chair Mark explained Enforcement staff are working very hard to keep up with consumer complaints and noted the Special Investigators are averaging nine closures per month, just shy of the goal of 10 and added CSRs assigned to Intake and Mediation Centers are beating expectations by exceeding more than 20 complaint resolutions monthly, resulting in more than \$25 million in restitution for financially injured parties. Chair Mark stated a Board goal is to appropriately disposition all but 100 complaints within 270 days of receipt and as of April 2023, 308 complaints exceeded 270 days in age.

Chair Mark updated the Board on the proactive enforcement, citing 17 undercover sting operations, 257 sweep days, and responded to 818 leads with investigators closing 2,694 investigations with 741 of those resulting in administrative or criminal legal action. Chair Mark highlighted SWIFT investigators had been redirected to assist with the victims of the 2022-2023 winter storms by staffing more than 50 Local Assistance and Disaster Recovery Centers across the state. Chair Mark added that SWIFT is collaborating with the National Association of State Contractors Licensing Agencies (NASCLA) to perform multi-state proactive enforcement.

### Board Member Comment

There was no Board Member comment.



Public Comment

There was no public comment.

**3. Update on the Solar Restitution Program**

Chair Mark updated the Board on the Solar Energy System Restitution Program. Chair Mark explained the program has received 632 claims of which 320 were approved for a total payout of just over \$4 million, with 37 remaining claims pending. Chair Mark cited the average payout for an approved claim of just over \$12,000. Due to the limitation on remaining funds, claims received after December 31, 2023, are not being processed at this time. Chair Mark explained the program has been a success, benefitting hundreds of Californians and thanked the staff who worked on the program.

Board Member Comment

Member Granzella asked if there were other ways to fund the Solar Energy System Restitution Program.

Registrar Fogt suggested working with the CPUC to find strategies to continue to fund the program. Due to the state budget deficit, it is unlikely general funding will be available.

Member Guy asked if the board had considered working with lenders and holding them accountable for releasing funds to contractors who don't have a license or who haven't completed the work.

Registrar Fogt responded and noted meetings with PACE and other green funding lenders. The lenders generally responded they were duped and do not have funds available for consumer restitution. Staff emphasized the need for the lenders to confirm work completed before paying directly to the contractor.

Chair Mark attributed the bulk of the complaints coming from the same few contractors and commended Enforcement staff for helping with consumer protection.

Public Comment

There was no public comment.

**G. Licensing**

**1. Update, Review, Discussion and Possible Action of 2022-24 Licensing and Testing Program Strategic Plan Objectives**

Licensing Committee Chair Jim Ruane provided an update for Licensing and Testing Objectives.

**Licensing and Testing Objective 1.1**

Chair Ruane explained Objective 1.1 is to assess barriers to licensure for women and minorities and create an outreach plan to community colleges, construction management programs, labor unions, and workforce development groups to increase licensee diversity and create a better understanding of applicants and licensees. Chair Ruane explained progress with this project is ongoing with the Public Affairs and Executive Division's outreach goals for employee recruitment.

**Licensing and Testing Objective 1.2**

Chair Ruane stated Objective 1.2 is to study and appraise existing and prospective reciprocity agreements to determine if they are needed and whether qualifying criteria for reciprocity agreements need to be updated or codified legislatively. Chair Ruane stated the reciprocity agreements between California, Nevada and Louisiana have specific qualifying conditions, thus, there has been a discrepancy between contractors coming to California versus those who leave. Chair Ruane explained receiving over 2,000 requests from other states for license verification from 2022 through May 2023.

Licensing Manager Gagnon noted the exam administration for all 47 trades will be available through PSI in Las Vegas, Nevada and Wilsonville, Oregon. Manager Gagnon cited the reason for the expansion makes it easier for applicants to test near their home.

**Licensing and Testing Objective 1.5**

Chair Ruane stated Objective 1.5 is to partner with Public Affairs to streamline and eliminate jargon on CSLB licensing webpages, handouts, publications, and forms to reduce user confusion and processing times. Chair Ruane cited easier accessibility to documents and clearer explanations to application processes as the reason for this objective.

**Board Member Comment**

Board Chair Teichert expressed appreciation for the effort of gathering data to understand the demographics of existing licensees.

**Public Comment**

There was no public comment.

**2. Licensing and Testing Program Statistical Update**

Chair Ruane updated the Board on the stats of the Licensing and Testing Program and stated the number of applications received in the most recent quarter was higher than the previous three quarters. Chair Ruane added that currently processing times are between three and four weeks; those numbers increased during the first quarter of 2023 due to vacancies that resulted from retirements and promotions. Chair Ruane emphasized the goal is to drop all processing times below three weeks and maintain



this level. Chair Ruane reported that as of June 16, processing times have dropped below three weeks, and he acknowledged staff's hard work for this accomplishment.

Chair Ruane invited Licensing Manager Gagnon to speak to the decrease in pending applications by fiscal year 2021-22.

Manager Gagnon explained the decrease is attributed to COVID restrictions being lifted, PSI testing centers offering more testing time availability, and more fully trained staff have been able to speed up processing of applications.

Chair Ruane noted the calendar year total renewals for 2022 showed 117,694 received, which reflects an approximate 6 percent decline from the last two calendar years, but the general active license populations appear stable for now and cited staff is consistently monitoring this matter. Chair Ruane added an update regarding CSLB's license application experience verification program and stated, as of last summer, the Licensing Division referred most of the experience investigations to the Enforcement Division and in the first quarter of 2023, closed over 30 cases per month.

Chair Ruane provided an update on a reduction in licensees in certain licensing classifications because of new workers' compensation insurance requirements for specific classifications.

Chair Ruane concluded the Licensing and Testing analysis update with a brief overview of the transition to PSI on July 1, 2022, and stated that as of May 2023, PSI Exams had administered 37,638 exams and there are 4,790 exams scheduled and currently there are no backlogs in testing.

Chair Ruane directed the board to page 151 of the board packet and stated CSLB has moved 47 written examinations to PSI and explained the process is running smoothly. Chair Ruane reported that to remove barriers to licensure, CSLB has worked with a vendor to translate 47 study guides to Spanish and have them available on CSLB's website and are also in process of translating the Law and Business exam into Spanish and will have it available by August 2023.

Manager Gagnon explained as of August 2023, the Law and Business Exam will be available in Spanish in test centers and nine Spanish trade exams will be available by the end of the year. Manager Gagnon cited the 10 exams are the most requested exams for a translator and the move to Spanish saves CSLB about \$60,000 annually. Manager Gagnon also stated testing times should improve with the new Spanish exams by reducing waiting times for a translator to be approved.

Board Member Comment

There was no Board Member comment.

Public Comment

There was no public comment.

**H. Public Affairs****1. Update, Review, Discussion and Possible Action on 2022-24 Public Affairs Strategic Plan Objectives**

Chief of Public Affairs Katherine White updated the Board on Strategic Plan items.

**Public Affairs Strategic Plan Update 4.1**

Chief White stated Public Affairs Strategic Plan 4.1 focuses on expanding CSLB's online presence to educate both consumers and the industry by constantly researching and exploring the best ways to deliver CSLB's messages to the industry while also reaching out to underserved communities through targeted outreach efforts.

**Public Affairs Strategic Plan Update 4.2**

Chief White stated Public Affairs Strategic Plan Update 4.2 focuses on establishing a CSLB-specific new board member orientation. Chief White explained that staff have been developing narrative overviews that cover legislative processes, licensing and testing functions, and enforcement procedures. Overviews will be included in the welcome binder provided to new Board members, offering a convenient and informative resource.

**Public Affairs Strategic Plan Update 4.3**

Chief White stated Public Affairs Strategic Plan Update 4.3 focuses on enhancing the user experience through website content updates, improved accessibility, and navigation and explained planning to meet with consumer groups in August to gather valuable input, ensuring CSLB's website caters to the specific needs of the targeted audience.

**Public Affairs Strategic Plan Update 4.4**

Chief White stated Public Affairs Strategic Plan Update 4.4 emphasizes the development of video tutorials designed to reduce errors for consumers, licensees, and applicants by providing clear instructions on various processes, such as completing forms.

**Public Affairs Strategic Plan Update 4.5**

Chief White stated Public Affairs Strategic Plan Update 4.5 involves establishing communication channels with C-20 and C-38 contractors, aligning with Governor Newsom's carbon reduction goals. Chief White explained the Public Affairs Office has already issued industry bulletins on related matters, and CSLB will coordinate with Member Mark in scheduling an industry meeting for October.

**Board Member Comment**

There was no Board Member comment.

Public Comment

There was no public comment.

**2. Public Affairs Update**

Public Affairs Committee Chair Alan Guy updated the Board on the status of the Public Affairs Office (PAO). Chair Guy explained that PAO is responsible for media, industry, licensee, and consumer communications, as well as outreach. Chair Guy also stated PAO provides proactive public relations, responds to media inquiries, and develops and distributes publications and newsletters, while also conducting education and outreach for consumers and contractors.

Chair Guy highlighted PAO's efforts for creating content for CSLB's social media channels and website, including webcasts, videos and conducting workshops and seminars for disaster survivors and contractors, while presenting speeches to service groups and organizations.

Chair Guy stated the disaster response has been a key effort over the past year as CSLB works to educate consumers, so they are not harmed by unlicensed or unscrupulous contractors after a disaster. Chair Guy explained in the latter half of 2022 and early 2023, CSLB staffed and participated in 43 disaster recovery centers throughout California. Chair Guy mentioned PAO's outreach efforts have been vast, including contact with legislator offices, building departments, and construction industry associations. Staff also participated in a multi-agency task force established by the California Governor's Office of Emergency Services (Cal OES).

Chair Guy highlighted PAO's digital services, focusing on creating informative videos for consumers, licensees, and applicants. Chair Guy explained these videos cover topics such as online license renewal, hiring contractors for seniors, contractor advertising guidelines, and celebrating Women in Construction Week. The videos are shared on social media platforms and archived on CSLB's website.

Chair Guy provided insight into the PAO's growing social media presence and noted its following has grown by 7 percent. On YouTube, PAO produced 29 videos and CSLB's video library on the platform earned nearly 75,000 views over the past year, providing increased engagement with applicants, licensees, the news media, and other stakeholders. Chair Guy highlighted Facebook posts reaching 52,000 people and another 40,000 on Instagram and Twitter.

Chair Guy directed the board to page 171 of the packet and pointed out the media relations efforts with PAO responding to 37 inquiries and issued 17 news releases between July 1 and April 30, while media coverage has focused on various topics, including disaster-related reminders, sting operation results, solar scams, and legal actions against unlicensed contractors. Chair Guy noted PAO hired an Outreach Coordinator recently, and that has facilitated more in-person Senior Scam Stopper<sup>SM</sup> Seminars around the state.

Chair Guy mentioned PAO's Graphic Design Unit has completed several publications and reports, including the release of the 2023 California Contractor License Law &





Reference Book and Fast Facts related to disaster response. Chair Guy added Public Affairs Office also writes and publishes content for internal communications and has published 16 employee intranet articles, highlighted employee and organizational accomplishments, and provided access to forms, policies, reports, and other important information for CSLB staff.

Chair Guy concluded that although the Public Information Center has experienced varying wait times due to supervisor turnover and staff absences, improvements have been observed since May and into June, and staff expects continued improvement with the upcoming recruitment of additional staff.

## **I. Adjournment**

**Motion:** To adjourn. Moved by David De La Torre. Seconded by Diana Love. Motion carried.

*Meeting adjourned at 4:36 p.m.*



**Board Meeting Minutes**

**A. Call to Order, Roll Call, Establishment of Quorum, and Chair’s Introduction**

Nevada State Contractors Board (NSCB) Chair Boyd Martin called the meeting of the Contractors State License Board (CSLB) to order on June 23, 2023, at 8:30 a.m. via Webex teleconference.

Board Members Present

- Mary Teichert, Chair
- David De La Torre
- Miguel Galarza
- Susan Granzella
- Amanda Gallo
- Alan Guy
- Jacob Lopez
- Diana Love
- Michael Mark
- Steve Panelli (Webex)
- James Ruane (Webex)
- Johnny Simpson

Rodney Cobos has an approved absence.

CSLB Staff Present On Site

- David Fogt, Registrar
- Michael Jamnetski, Chief Deputy Registrar
- Katherine White, Chief of Public Affairs
- Jason Perez, Chief of Information Technology

CSLB Staff Present via Webex

- Yeaphana La Marr, Chief of Legislation
- Steve Grove, Chief of Enforcement
- Carol Gagnon, Licensing Manager
- Stacey Paul, Budgets Manager
- Americo Garcia, Public Affairs Manager
- Mariah Rovera, Executive Analyst

DCA Staff Present On Site

- John Kinn, DCA Legal

NSCB Chair Boyd Martin led the Board in the Pledge of Allegiance. A quorum was established.

Chair Martin welcomed members of CSLB to the meeting.



**B. Public Comment for Items Not on the Agenda and Future Agenda Item Requests (Note: Individuals may appear before the CSLB to discuss items not on the agenda; however, the CSLB can neither discuss nor take official action on these items at the time of the same meeting (Government Code sections 11125, 11125.7(a)).**

CSLB Board Chair Teichert welcomed the public and explained the rules. Chair Teichert asked all comments to be held to three minutes and specified that Nevada law prohibits Board members from discussing any matter brought up during public comment. Board members are not allowed to act on any item not on the agenda and asked if an application, complaint, or disciplinary charges pending is before the Board, to not discuss the details of the case or pending complaint.

Public Comment

There was no public comment.

**C. Joint Discussion with Nevada State Contractors Board (NSCB)**

**1. Presentation by CSLB Chair Mary Teichert Regarding Women in Construction and Discussion Concerning Opportunities to Recruit Women in Leadership Roles**

Chair Teichert discussed the current situation in California with women in construction and explained workforce development opportunities. Chair Teichert explained that 50 percent of the population is women, less than 11 percent of the construction population are women, and less than 8 percent of license qualifiers, CEOs, and presidents are women. Chair Teichert stated CSLB started gathering demographic information on licensees to help research ideas to increase opportunities to expand the population of the construction industry. Chair Teichert stated there is a need for women in construction and cited an aging workforce, infrastructure needs, and an array of construction jobs that create opportunities and demand for qualified and capable workers. Chair Teichert highlighted the opportunity to promote self-employment, childcare support/options, and the ability to control their environment as reasons woman should consider a construction career. Chair Teichert emphasized eliminating obstacles such as workplace harassment, stereotypes, and promoting a positive workplace culture to help encourage participation. Chair Teichert also stated sponsoring, actively advocating, and providing networking and training opportunities will help provide solutions that can help.

Board Member Comment

Nevada Chair Martin asked how California advocates for women in construction.

Chair Teichert responded and stated making training and guidance publicly available and by using massive outreach techniques.



Member Panelli stated a coloring book made by a female plumber has been sent out to local schools for use as a resource when explaining the benefits of a construction career.

Chair Teichert thanked Member Panelli.

Member Ruane explained a sponsored program that takes children to facilities to show them the opportunities that are available in the construction industry versus the traditional school to college.

Chair Teichert thanked Member Ruane.

Member Mark agreed with Chair Teichert and stated that the trades are going into schools to explain the benefits of transitioning from school into the construction industry. Member Mark explained gaining perspective will help change the culture.

Chair Teichert agreed and expressed their appreciation for the outreach being done in high schools.

Member Lopez explained they have invested a lot of resources into educating members about females in the industry and stated changing the culture by starting with leadership.

Chair Teichert expressed appreciation for their statement and agreed and explained making change at home is also a contributor to accomplishing the goal of introducing women into the industry.

#### Public Comment

Leslie Mujica, executive director of IBEW/NECA/Labor Management and Cooperation Committee – Las Vegas Power Professionals, stated appreciation for the Women in Construction presentation and explained childcare being the biggest priority to getting women to engage in the industry.

Steve Miller expressed having outreach with the Board and would like to be a part of promoting the outreach efforts with CSLB.

#### Nevada Board Member Comment

Nevada Executive Officer Margi Grein explained Nevada's inspiration to identify ways to encourage women to join the construction workforce. Grein stated over the years the board has been more intent on connecting underserved groups, including women, with construction industry counterparts. Grein highlighted two programs, Hammers and Hope events and workforce development programs, as techniques to pursue their interests for reaching women in the construction industry.



## **2. Discussion Regarding NSCB and CSLB Laws and Processes Related to Applicant Background Checks and Requirements for Licensure**

Nevada's former director of investigations, Paul Rozario, gave a presentation on the NSCB applicant background requirement checks for licensure. Rozario explained the origin of background checks and provided analysis on upward trending data for applicants with criminal histories versus those without.

Rozario explained proposed Assembly Bill 363 would restrict what their board can do with a criminal conviction. The legislation did not pass.

Rozario further explained that five years ago the board initiated a background interview due to the number of license denial appeals being initiated. Rozario stated the interview has sped up the application process while reducing the number of appeals by 80 percent and streamlining staff work volume.

Registrar Fogt thanked Rozario and provided a background to the origin of fingerprinting applicants in California. Registrar Fogt explained a convicted felon misled CSLB by obtaining a false ID, false SSN, and misreporting criminal history, which resulted in the person obtaining a license and defrauding more than 70 consumers. Registrar Fogt explained California legislation was implemented to fingerprint applicants and stated that now more than 60 percent of applicants have been fingerprinted. Registrar Fogt emphasized the fingerprinting program provides CSLB the ability to deny licensure and take action for specified criminal convictions upon discovery of violent and harmful crimes committed by applicants and noted that less serious crimes are always considered for licensure.

## **3. Discussion and Comparison of NSCB and CSLB Requirements Concerning Workers' Compensation Insurance**

Registrar Fogt stated workers' compensation insurance is a challenge in California because of the cost. Contractors that do not have workers' compensation insurance have an unfair competitive advantage over contractors that comply with workers' compensation insurance requirements.

Registrar Fogt noted the existence of an uninsured benefit employers trust fund that business with workers' compensation insurance pay into to provide coverage for workers employed by an uninsured employer.

Registrar Fogt discussed legislation that mandated C-39 roofing contractors have workers' compensation and recent legislation that added four more classifications (C-8, C-20, C-22, D-49) to the mandatory workers' comp requirement. Registrar Fogt added that as of January 1, the specified licenses without workers' compensation insurance are not renewed and the license classification will be removed from the licenses July 1, 2023.

Member Mark pointed out that although there was a drop in applications for C-39 roofing classification there is an observed uptick as of late and expects the same for the other four classifications as well. Member Mark added the importance of protecting



consumers from accidental work-related injuries and mentioned an increase in civil penalties that should increase compliance with workers' compensation requirements. Member Mark stated that unfortunately there are still a large percentage of contractors falsely claiming they have no employees, which is leading CSLB to take a more aggressive enforcement approach. Member Mark emphasized the importance of protecting consumers as to the need to enforce the mandated workers' compensation insurance policy.

#### Board Member Comment

There was no Board Member comment.

#### Nevada Board Member Comment

Nevada Licensing Administrator Susan Broili Kamesch commented that Nevada possesses specific language mandating that original licenses and all renewals have workers' comp and explained without proof a renewal or issuance will not be processed. Kamesch stated there is an affidavit that allows for exemption; however, they haven't had any issues with false reports. Kamish added the Division of Industrial Relations notifies NSCB of any lapses in coverage after 30 days and added if there are two violations in a five-year period there is a severe penalty that provided for license revocation.

#### **4. Presentation Related to the Brightline West Rail Project and Discussion Concerning Nevada/California Partnerships Regarding Cross Border Projects**

Sarah Watterson of Brightline West Rail Project gave a presentation to the Boards on the California-Nevada rail project. Watterson explained the importance and significance of train systems and highlighted the company beginning in 2014 with the first phase from Miami to Palm Beach being completed in 2018 and projected to be done in August 2023. Watterson mentioned Las Vegas and Southern California as places of interest for expansion. Watterson detailed the significance of how China built their railway system and explained the opportunity to build something similar in America by emphasizing convenience, flexibility, and the experience they've created using hospitality such as sleeping areas, cargo areas for bikes, and luxury. Watterson explained a 218-mile system between Las Vegas and Rancho Cucamonga is being built with expected trip times of two hours compared to four to eight hours of driving. The railway will reduce safety concerns and provide environmental and economic benefits. Watterson claimed the project costs \$12 billion, in which \$600 million is already invested. The railway should be operational in four years (2028).

#### Board Member Comment

Vice Chair Diana Love asked what the anticipated average ticket cost is and will there be a train stop at the Palmdale station.

Watterson confirmed about \$100 per ticket each way and the train should connect to Palmdale and Victorville.



Nevada Board Member Louis Polish Jr. asked how big the trains are, how many passengers per train, and how many trains are expected daily.

Watterson explained about 450 to 900 passengers per train if coupled together, with times being early morning to midnight and running about 35 trains per day on the hour.

Member Polish thanked Watterson for their presentation and President Joe Biden for the infrastructure bill. Also mentioned the importance for creating jobs and stimulating economic growth.

Watterson emphasized the importance of reducing traffic and creating convenience for local commuters.

Member Polish asked how many tracks.

Watterson confirmed a single track with 56 miles of passing rail.

Member Polish asked how the lack of electricity is being addressed.

Watterson explained the construction of substations, increasing capacity and building redundancy to prevent any issues of blackout.

Vice Chair Love asked if the costs adjust based on destination and distance.

Watterson confirmed the \$100 was for the whole trip from Vegas to Southern California so the ticket process will vary based on location and distance.

Vice Chair Love asked will there be reduced rates for student and seniors.

Watterson stated reduced senior and student rates will be considered.

Vice Chair Love asked will there be parking.

Watterson confirmed yes.

Member Mark affirmed Watterson as a woman in construction and thanked them for their time.

Nevada Board Member Bryan Cowart asked how the construction begins on a project of such size.

Watterson explained starting with road work and breaking the construction into several different phases.

#### Public Comment

There was no public comment.



## **5. Discussion Concerning the Public Benefit of Licensure and Efforts to Promote Consumer Awareness Regarding the Importance of Hiring Licensed Contractors**

Member Alan Guy stated licensing agencies, such as CSLB and NSCB, protect public health and safety by ensuring that contractors meet minimum standards and are current on code requirements. Member Guy explained both boards are dedicated to promoting consumer awareness through CSLB's key outreach utilizing Senior Scam Stopper<sup>SM</sup> seminars and getting information out to consumers at Disaster Recovery Centers around the state, to ensure disaster survivors do not get scammed and that they choose licensed contractors when getting their homes repaired. Member Guy noted CSLB's Public Affairs Office works with Licensing on the monthly *Get Licensed to Build* virtual workshop, providing key details about how to apply for a California contractor's license.

Public Affairs Chief Katherine White explained CSLB wants to reach out to middle and high school students to show them how construction can be a viable career and mentioned that Nevada has built sustainable partnerships with schools around the Silver State with trade-based curriculum programs and connecting students to industry professionals.

Chief White confirmed CSLB wants to expand its efforts to encourage women in construction and mentions NSCB has held its annual Hammers and Hope events in both regions of Nevada for the past few years during National Women in Construction Week, featuring a panel of female professionals across the construction industry who share their testimonies, experiences, and insights on employment opportunities and expectations for a variety of positions.

Member Guy provided an update in the upcoming year, stating the focus is on developing messaging that emphasizes the role licensures play on consumer protection by providing databases to verify contractor credentials and helping consumers regarding complaints. Member Guy mentioned industry integrity and providing publications and resources, working with the Department of Industrial Relations and other agencies to encourage worker safety. Member Guy stated the market benefits by promoting a fair marketplace and by encouraging underserved groups to pursue licensure.

NSCB Public Information Officer Jennifer Lewis discussed Hammers and Hope and explained offering mentorship opportunities helping women understand how their skill sets connect to construction positions. Lewis explained their events are empowering and provide meetings to increase engagement and interest in the construction industry and offer workforce development discussions in the local middle and high schools to help spread awareness.

## **6. Discussion Concerning NSCB and CSLB Partnering Opportunities**

Executive Officer Grein spoke to the collaboration between the two boards on operational levels that promote consistency across the borders of Nevada and California.





Registrar Fogt expressed appreciation for the working relationship with the Nevada staff and Board and stated it has been very effective.

Member Mark explained that the priority is to ensure consumers are protected and cited at a Tahoe sting operation where unlicensed contractors were identified for enforcement action.

Registrar Fogt explained Nevada and California have played a lead role over the years in the multi-state NASCLA stings and sweep operations. Registrar Fogt emphasized the importance of the multi-state enforcement operation is to convey the commitment to a nationwide effort to protect consumers. Registrar Fogt thanked the Nevada Board and staff for their effort and commitment.

Member Mark explained stings yield discoveries of other criminal history of the violating contractors and expressed hiring a licensed contractor limits harm to older consumers.

#### **D. Adjournment**

**Motion:** To adjourn Nevada meeting. Moved by Chair Martin. Seconded by Member Kent Lay. Motion carried.

**Motion:** To adjourn California meeting. Moved by David De La Torre. Seconded by Mary Teichert.

*Meeting adjourned at 11:04 a.m.*



## AGENDA ITEM D-2

# Review and Possible Approval of September 14, 2023, Board Meeting Minutes







### Board Meeting Minutes

#### A. Call to Order, Roll Call, Establishment of Quorum, and Chair's Introduction

Board Chair Diana Love called the meeting of the Contractors State License Board (CSLB) to order on September 14, 2023, at 9:00 a.m. at the Contractors State License Board headquarters, 9821 Business Park Drive, Sacramento, CA 95827.

Board member Michael Mark led the Pledge of Allegiance, and a quorum was established.

#### Board Members Present

Diana Love, Chair  
Joël Barton  
Rodney Cobos  
David De La Torre  
Susan Granzella  
Amanda Gallo  
Alan Guy  
Michael Mark  
Steven Panelli  
James Ruane  
Miguel Galarza

Alan Guy arrived at 9:15 a.m. Jacob Lopez and Mary Teichert had approved absences.

#### CSLB Staff Present

David Fogt, Registrar  
Michael Jamnetski, Chief Deputy Registrar  
Yeaphana La Marr, Chief of Legislation  
Steve Grove, Chief of Enforcement  
Carol Gagnon, Chief of Licensing  
Katherine White, Chief of Public Affairs  
Stacey Paul, Budget Manager  
Mariah Rovera, Executive Analyst  
Amy Lawrence, Television Specialist  
Natalie Rosenberger, Information Officer  
Natalie Watmore, Information Officer

#### DCA Staff Present

John Kinn, DCA Legal  
Yvonne Durantes, Assistant Deputy Director of Board and Bureau Relations



Public Visitors

Davi Rodrigues  
Larissa Petrucci  
Rob Carrion  
Beverly Carr  
Rick Pires  
Phil Vermeulen

Chair Love introduced the newest member of the Board, Joël Barton.

Member Barton stated they currently serve as the Business Manager and Financial Secretary of International Brotherhood of Electrical Workers (IBEW) Local Union 11 in Los Angeles and the Secretary/Treasurer of the California State Association of Electrical Workers. Member Barton added that they have 47 years in the construction industry and looked forward to serving on the Board.

Chair Love also introduced the new Chief of Licensing Carol Gagnon, stating that Chief Gagnon has 17 years of experience at CSLB.

**B. Public Comment for Items Not on the Agenda and Future Agenda Item Requests**

Public Comment

Phil Vermeulen of the Flasher Barricade Association suggested the Board allow for a backup qualifier on licenses when the original qualifier passes away. Vermeulen asked that the item be on a future agenda.

Davi Rodrigues expressed concern public awarding agencies are hiring unlicensed persons to install public art works such as murals, paintings, and statues. Rodrigues thanked CSLB for the letter that was posted on the CSLB website regarding contractor license requirements for creation and installation of artistic works.

**C. Presentation of Certificates of Recognition**

Chair Love presented certificates to more than 30 Licensing Division staff in recognition of their outstanding performance reducing the application processing time to under two weeks.

Board Member Comment

Member Miguel Galarza expressed their gratitude to staff on behalf of applicants and California contractors.

Chief Gagnon thanked staff and encouraged them to keep up the good work.

At 9:15 a.m. Chair Love called for a 5-minute break to take a group photo with Licensing staff.



*The meeting reconvened at 9:25 a.m.*

**D. Executive**

**1. Review and Possible Approval of the June 22 and 23, 2023, Board Meeting Minutes**

Chair Love asked for Board member edits to the June 22 and 23, 2023, Board Meeting Minutes. No edits were suggested by the Board.

**Motion:** To approve the June 22 and 23, 2023 Board Meeting Minutes. Moved by James Ruane; Alan Guy seconded. Motion carried, 10-0-1

**YEA:** Diana Love, Joël Barton, Rodney Cobos, David De La Torre, Miguel Galarza, Amanda Gallo, Susan Granzella, Alan Guy, Michael Mark, James Ruane.

**NAY:** None

**ABSTAIN:** Steven Panelli

**ABSENT:** Jacob Lopez, Mary Teichert

Board Member Comment

There was no comment.

Public Comment

There was no public comment.

**2. Registrar’s Report**

**a. Update on Efforts to Retain Consultant(s) to Research the Scope of Unlicensed Practice and Resource Needs; and Perform a Special Investigator Workload Study**

Registrar David Fogt informed the Board that CSLB has entered into a contract with Cooperative Personnel Services (CPS) to perform a workload and process improvement study in the Enforcement Investigation Centers and Intake Mediation Centers. Registrar Fogt also stated that CSLB had a Request for Proposal (RFP) with the Department of Consumer Affairs (DCA) and the RFP may be released to the public at the end of the week.

**b. National Association of State Contractors Licensing Agencies (NASCLA) Update**

Registrar Fogt provided a brief summary of their time serving as the president of NASCLA and provided examples of NASCLA’s benefit to the state of California and CSLB.



**c. Review, Discussion and Possible Action on NASCLA Development of Public Safety Announcement Videos for Potential CSLB Rebranding in Issues of Consumer Protection Particularly in the Solar Industry, and the Benefits of Licensing**

Registrar Fogt introduced two NASCLA public safety announcement videos that they wanted the Board to consider for CSLB rebranding and distribution on CSLB's website and YouTube.

Board Member Comment

Chair Love stated that the videos were well put together.

Member Barton said the solar installation video is important not only because of the finance aspect but also for safety reasons.

Member James Ruane asked where the videos would be posted and available for contractor associations.

Registrar Fogt stated that NASCLA would be promoting these videos on their website and for California, they would be placed on the CSLB website and ask the California Solar and Storage Association to distribute them.

Member Amanda Gallo asked if there was a plan to have the videos translated into Spanish.

Registrar Fogt said they would recommend the video be translated.

Member Alan Guy asked whether there could be more emphasis on California's specific down payment laws in the video rather than being broader.

Registrar Fogt noted that other states have different rules when it comes to down payments, but they'll see what they could do with that part of the video.

Member Steven Panelli asked if it would be possible to distribute the videos to California building departments.

Registrar Fogt said that CSLB would work with California Building Officials Association (CALBO) about distributing the videos.

Member Panelli stated they could speak with their department for distribution and then work with the Public Utilities Commission and DPW to have it available.

Member David De La Torre suggested getting the video on social media such as Instagram.

Chair Love asked if the payment information that Member Guy suggested to specify needs to be left in the video.

Registrar Fogt clarified that Member Guy's recommendation was specific to California and will look into if that information can be added to the video.





Member Michael Mark asked if the videos shown were the final cut. Adding that the videos were a little too long for social media platforms and suggested a one-minute or less version in the future.

Public Comment

There was no public comment.

**Motion:** To rebrand the NASCLA videos with today’s suggested edits as CSLB videos and post to the CSLB website. Moved by Rodney Cobos; David De La Torre seconded. Motion carried, 11-0.

**YEA:** Diana Love, Joël Barton, Rodney Cobos, David De La Torre, Miguel Galarza, Amanda Gallo, Susan Granzella, Alan Guy, Michael Mark, Steven Panelli, James Ruane.

**NAY:** None

**ABSENT:** Jacob Lopez, Mary Teichert

**3. CSLB Budget Update**

Budget Manager Stacey Paul provided the Board with a summary of the budget for fiscal year 22-23 and provided the fund condition projections for budget year 24-25. Manager Paul also provided an update on the Construction Management Education Account (CMEA) fund condition, stating CSLB had submitted the necessary documents to authorize an increase in grant distributions for the current fiscal year. Manager Paul added CSLB should have the final CMEA update at the December meeting.

Board Member Comment

Member Susan Granzella commended Manager Paul on the fund reserve and said they were looking forward to the December report on PSI.

Public Comment

There was no public comment.

**4. Administration Update Regarding Personnel and Facilities**

Chair Love announced the retirement of the Chief of Administration Mike Melliza.

Chief Deputy Registrar Michael Jamnetski provided a brief overview of the Administration Division’s Personnel Unit and Business Services Unit. Chief Deputy Jamnetski highlighted the low vacancy rate of 7 percent, adding that during the pandemic CSLB’s vacancy rate was as high at 14 percent. Chief Deputy Jamnetski also highlighted the training and development that the Administration Division tracks for the Board.

Board Member Comment

There was no comment.



Public Comment

There was no public comment.

**5. Information Technology Update**

Member Granzella provided the Information Technology (IT) update to the Board. Member Granzella stated that they are on the IT Advisory Committee with Member Gallo and have been meeting with Chief of Information Technology Jason Perez to discuss CSLB's business modernization goals. Member Granzella added that IT is making significant strides in updating CSLB's technology foundation to enhance operations and provided updates on Microsoft Teams Calls implementation and CSLB's call center migration to Amazon Web Services.

Member Granzella stated Chief Perez and the IT advisory committee would be meeting monthly to discuss modernization goals with vendors to help move paper-based processes online. Member Granzella said the vendor options will hopefully be presented at the December meeting for the Board to vote on.

Board Member Comment

There was no comment.

Public Comment

There was no public comment.

**6. Review, Discussion and Possible Action on Development and Status of CSLB's Draft 2024 Sunset Review Report**

Registrar Fogt provided background on the Sunset Review process with the California Legislature and noted that CSLB was last up for review in 2019. He noted the importance of the Sunset Report. Registrar Fogt noted a handout that described the prior issues that would be addressed in the Sunset Report. Registrar Fogt said the final report would need to be approved at the December 13, 2023, Board meeting.

As part of the Sunset Advisory Committee, Chair Love and Member Galarza met to discuss the report on September 5. Chair Love noted that Chief La Marr would explain the Sunset Report prior items and Member Galarza would explain the new issues.

Chief La Marr explained the prior issues, which included staffing challenges, board member vacancies, legislation implementation, fund reserves, pro rata, examination passage rates, licensing and certifications, disaster response, workers' compensation, tree worker safety, IT upgrades, technical changes to law, LLC filing, unsatisfied judgments, C-10 fee collection, and continuing CSLB.

Member Galarza then explained the new issues, which included reimbursement for industry expert costs, enforcement fine minimums, workers' compensation submission, hazardous substance certification, and license examination fee structure.



Board Member Comment:

Member Guy asked whether insurance companies will still be submitting workers' compensation certificates.

Registrar Fogt responded the online submission is still working but this is for those using a broker.

Vice Chair Mark asked whether this puts the onus on the contractor.

Registrar Fogt noted that if an insurance company doesn't file it timely, it can cause license maintenance issues for the contractor. Registrar Fogt said this would allow contractors to do it directly.

Member Mark asked what classifications do hazardous substance work and whether this issue would be expanding it to disaster zones.

Registrar Fogt said yes and noted what happened after the Paradise wildfire when it came to hazardous cleanup. They added that the current certification only applies to underground storage tanks.

Member Mark asked what would the fee increase be related to administrative fines.

Registrar Fogt said they would look at the consumer price index and noted contractors appeal the actions and get the fine reduced to the minimum. They asked Chief Deputy Registrar Jamnetski what the minimums would be.

Chief Deputy Registrar Jamnetski said it would be based off the CPI and noted that floor was last assessed in 2007. They noted it would be easier to adjust in statute.

Member Panelli asked whether the industry expert reimbursement would be a survey fee.

Registrar Fogt explained the increase in consumer complaints with many coming from the same contractors. He noted that many don't take care of their complaints and noted the industry experts who inspect the job sites. Registrar Fogt said the contractors should be reimbursing the costs and be held accountable.

Chief Grove added that enforcement has been overwhelmed with complaints and that contractors need to stop using CSLB as quality control.

*Chair Love called for a 5-minute break around 10:56 a.m.*

*The meeting reconvened at 11:01 a.m.*

**6. Review, Discussion and Possible Action on Development and Status of CSLB's Draft 2024 Sunset Review Report**

Chief La Marr explained the remaining new issues, including the 20 percent ownership requirement in Business and Professions Code section 7068.1, the cash in lieu of bond issue, and licensing tribes.



Registrar Fogt noted on BPC 7068.1 that Phil Vermeulen had suggested a multiple qualifier bond as part of this review.

Legal Counsel Kinn noted that the cash in lieu of bond issue that there would need to be a change in statute so CSLB is not treated as a surety.

Registrar Fogt noted that CSLB is a regulatory board and not a surety.

Chief La Marr said they discussed the bond proposal with the Legislature after the June meeting, but it was too late to get into legislation.

Chief La Marr explained the restrictions in CSLB law on licensing tribes and that this proposal would change that.

Registrar Fogt noted that staff will develop the new issues and bring them back to the Board for another meeting before December.

Chief Love said the Board will hold a virtual meeting before December related to the new issues.

Board Member Comment:

Member Guy asked if contractors have to have a California contractor's license to work on tribal land.

Chief La Marr explained they do not need a license to work on tribal land.

Public Comment:

Phil Vermeulen explained the percentages of ownership for someone being on three contractor licenses and that the only way the Board tracks is marking on an application the percentage of ownership being 20 percent. They said that rather than just marking the 20 percent box on the application, they should provide a qualifier bond. They also commented on the Karton case and showed their strong support for the proposal. They asked about tribes being federally recognized and how that would affect the proposal.

Chief La Marr said it only does if they're working on tribal or federal land. They explained how a tribe wants to work on a project on state land for which they would need a state license.

**E. Legislation**

**1. Review, Discussion and Possible Action on 2023 Pending Legislation**

*Items in agenda items E1a-g were heard out of order.*

Legislative Committee Chair Michael Mark provided an update on agenda item E1a: AB 143 (Committee on Budget) – State government and E1e: SB544 (Laird) – Badley Keene Open Meeting Act: teleconferencing.



**a. AB 143 (Committee on Budget) – State government.**

Committee Chair Mark informed the Board AB 143 was signed by Governor Gavin Newsom the night before the meeting and the Board will no longer consider taking a position on the bill.

Chief La Marr added the bill adds a section to the Business and Professions Code to create a registry of contractors who are licensed by other states who are active members of the military and stationed in California, amends the Bagley-Keene Open Meetings Act and amends the Labor Code to facilitate apprenticeships for women in construction. Chief La Marr stated AB 143 was effective immediately.

Board Member Comment

There was no comment.

Public Comment

There was no public comment.

**e. SB 544 (Laird) – Bagley-Keene Open Meeting Act: teleconferencing.**

Committee Chair Mark stated SB 544 was significantly amended since the Board took a support position on the bill at the June 22, 2023, meeting. Chair Mark explained the bill was amended to add a sunset date of January 1, 2023, and removed the concept of entirely remote meetings. Chief La Marr explained the amendments and they were substantial enough that staff are recommending the Board take action to revise their position to neutral.

**Motion:** To change the Board position to the staff recommended position of neutral for SB 544. Moved by Susan Granzella; Joël Barton seconded. Motion carried 11-0.

**YEA:** Diana Love, Joël Barton, Rodney Cobos, David De La Torre, Miguel Galarza, Amanda Gallo, Susan Granzella, Alan Guy, Michael Mark, Steven Panelli, James Ruane.

**NAY:** None

**ABSENT:** Jacob Lopez, Mary Teichert

Board Member Comment

There was no comment.

Public Comment

There was no public comment.

Committee Chair Mark informed the Board that Chief La Marr would provide status updates on the remaining bills listed on the meeting agenda.



**b. AB 336 (Cervantes, 2023) – Contractors: workers’ compensation insurance (classification codes on CSLB website)**

Chief La Marr informed the Board AB 336 had passed the Legislature and was presented to the Governor the day before the meeting.

**c. AB 968 (Grayson, 2023) - Single-family residential property: disclosures (work done on house prior to selling)**

No update was provided outside the meeting materials.

**d. AB 1204 (Holden, 2023) – Contractors: contracts: restrictions (on subcontracting to other subcontractors in same license class)**

Chief La Marr informed the Board AB 1204 was presented to the Governor on September 12 and had passed the Legislature.

**f. SB 601 (McGuire, 2023) – Professions and vocations: contractors: home improvement contracts: prohibited business practices: limitation of actions (increasing civil penalty for progress payment violations and extending the statute of limitations for misdemeanor prosecution of licensees that aid and abet unlicensed persons)**

Chief La Marr informed the Board SB 601 had cleared the Assembly and was back in the Senate due to the amendments made by the Assembly to narrow the scope of the bill to only apply to CSLB and not all Department of Consumer Affairs (DCA) programs.

**g. SB 630 (Dodd, 2023) – Contractors State License Board: regulation of contractors (probationary authority and collection of licensee emails)**

Chief La Marr informed the Board that CSLB-sponsored bill SB 630 was signed by the Governor and is effective January 1, 2024.

**F. Enforcement**

**1. Enforcement Program Update**

Enforcement Committee Chair James Ruane introduced the Enforcement Program Statistical Update, providing updates on the Enforcement Division’s vacancy rate and complaint handling totals.

Chief of Enforcement Steve Grove provided highlights from a recently resolved case against former licensed general contractor David Forkosh that resulted in 10 criminal complaint filings. Chief Grove also highlighted Enforcement’s recently resolved case against solar contractor, Zenernet Installation Company, LLC. Zenernet has received 218 complaints ranging from no work done to complete installations but failed to obtain proper building permits. Chief Grove added that Zenernet’s case was being referred to the Attorney General’s criminal division for prosecution.



Committee Chair Ruane concluded the Enforcement update by informing the Board of the five-day enforcement academy that was held in July at Sacramento headquarters and added that the next academy would be held in October.

Board Member Comment

There was no comment.

Public Comment

There was no public comment.

**2. Consumer Satisfaction Survey**

Committee Chair Ruane updated the Board on the 2022-23 fiscal year consumer satisfaction survey results. Committee Chair Ruane informed the Board that the survey results had declined 18 percent overall, but CSLB was taking steps to resolve the identified issues, such as telework, training deficits, and the unprecedented amount of Disaster Recovery Centers CSLB had to staff during last year's winter storms. Committee Chair Ruane informed the Board that they had requested Chief Grove to schedule an Enforcement Committee meeting for October or November 2023 to further discuss opportunities to improve consumer satisfaction.

Board Member Comment

There was no comment.

Public Comment

There was no public comment.

**G. Licensing**

**1. Licensing and Testing Program Statistical Update**

Licensing Committee Chair Alan Guy provided an update on the Licensing Division's application units, including the current processing times. All applications except for Home Improvement Salesperson (HIS), adding new officers and name change forms were under 3 weeks. Committee Chair Guy informed the Board that license renewals are on track to rebound to 2021 numbers, with CSLB having already received 71,000 renewals in the first 7 months of the year. Committee Chair Guy also stated there had been a 3 percent increase in workers' compensation policies, believed to be a result of Board-sponsored SB 216 for mandated workers' compensation.

Committee Chair Guy informed the Board that PSI Exams had administered 43,467 between August 2022 and July 2023. In addition, CSLB expanded to two new test centers in Las Vegas, Nevada and Wilsonville, Oregon. Committee Chair Guy also explained that the Exam Development Unit released five updated exams since April 2023: C-17 Glazing, C-42 Sanitation System, C-46 Solar, C-53 Swimming Pool, and C-54 Ceramic and Mosaic Tile.



Board Member Comment

Member Gallo asked if the data collected from Enforcement Division regarding solar is used to update the solar exam.

Chief Gagnon explained that they do work with Enforcement when the issues involve a specific trade, but the current issues are with contractors being paid and not completing work, which relates more to the Law and Business Exam that is also updated every five years.

Public Comment

There was no public comment.

**2. Exam Translation Update**

Committee Chair Guy informed the Board that on August 1, 2023, PSI began administering the Law and Business exam in Spanish and nine more trade exams would follow in the next few months.

Committee Chair Guy also noted that CSLB staff is researching various letters and standard CSLB correspondence regarding licensure to be translated in Spanish. Additionally, the bond and fee letter had been translated and would be program for use shortly.

Board Member Comment

There was no comment.

Public Comment

There was no public comment.

**3. C-49 Exam Development and Implementation Update**

Committee Chair Guy provided the Board with an update on the new C-49 Tree and Palm classification. Committee Chair Guy reminded the members that the Board approved to develop the C-49 classification in April 2018 to ensure licensees would be tested on health and safety protocols in the tree service industry. Additionally, C-49 trade licensees would be able to plant, maintain and remove trees and palms. Committee Chair Guy concluded that the new classification would be effective January 1, 2024.

Board Member Comment

There was no comment.

Public Comment

There was no public comment.



**H. Public Affairs****1. Public Affairs Update**

Public Affairs Committee Chair Miguel Galarza provided the update for the Public Affairs Office (PAO). Committee Chair Galarza explained disaster response had been a key part of the CSLB's outreach efforts over the past year. PAO worked to educate business and property owners to prevent them from being harmed by unlicensed or unscrupulous contractors after a disaster and CSLB staff participated in seven disaster recovery centers throughout California. Committee Chair Galarza also provided an update on the various industry bulletins, videos, and news releases PAO has distributed. They highlighted PAO's prioritization of translating CSLB videos into Spanish.

Committee Chair Galarza concluded CSLB's Public Information Center had improved wait time for callers and noted the wait time in August averaged 7 minutes.

**Board Member Comment:**

There was no comment.

**Public Comment:**

There was no public comment.

**I. Closed Session**

Board Chair Love stated the Board would take a 10-minute break and return to closed session to conduct an evaluation of the performance of the Registrar.

The Board returned from closed session at approximately 12:45 p.m.

**J. Adjournment**

Chair Love adjourned the Board meeting at approximately 12:50 p.m.



## AGENDA ITEM D-3

# Review and Possible Approval of October 30, 2023, Board Meeting Minutes







**Board Meeting Minutes**

**A. Call to Order, Roll Call, Establishment of Quorum, and Chair’s Introduction**

Board Chair Diana Love called the meeting of the Contractors State License Board (CSLB) to order on October 30, 2023, at 8:03 a.m. via WebEx teleconference.

A quorum was established. Board Vice Chair Michael Mark led the Board in the Pledge of Allegiance.

Board Members Present

Diana Love, Chair  
Joel Barton  
Miguel Galarza  
Susan Granzella  
Alan Guy  
Michael Mark  
Steven Panelli  
James Ruane  
Mary Teichert

Rodney Cobos, David De La Torre, Amanda Gallo, and Jacob Lopez had approved absences.

CSLB Staff Present

David Fogt, Registrar  
Michael Jamnetski, Chief Deputy Registrar  
Carol Gagnon, Chief of Licensing  
Jason Perez, Chief of Information Technology  
Katherine White, Chief of Public Affairs  
Robin Williams, Executive Office Technician  
Amy Lawrence, Television Specialist  
Natalie Rosenberger, Information Officer

DCA Staff Present

John Kinn, DCA Legal

**B. Public Comment**

Nicole Fink requested CSLB investigate owner builders hiring unlicensed contractors.



C-54 licensee Chris Lark explained inspectors are not following contractors' laws and have failed him twice during tile inspections and requested the CSLB investigate inspectors not following inspection codes.

**C. Closed Session**

Board Chair Love stated the Board would move into closed session to discuss pending litigation.

Board returned to open session at 8:41 a.m.

**D. Adjournment**

**Motion:** Adjourn the October 30 Board meeting. Jim Ruane moved; Diana Love seconded.

Board Chair Love adjourned the Board meeting at 8:43 a.m.

## AGENDA ITEM D-4

# Review and Possible Approval of November 15, 2023, Board Meeting Minutes









### Board Meeting Minutes

#### **A. Call to Order, Roll Call, Establishment of Quorum, and Chair's Introduction**

Board Chair Diana Love called the meeting of the Contractors State License Board (CSLB) to order on November 15, 2023, at 8:02 a.m. via WebEx teleconference.

#### Board Members Present

Diana Love, Chair  
Joel Barton  
Rodney Cobos  
Miguel Galarza  
Amanda Gallo  
Susan Granzella  
Alan Guy  
Jacob Lopez  
Steve Panelli  
Michael Mark  
James Ruane  
Mary Teichert

David De La Torre has an approved absence.

#### CSLB Staff Present

David Fogt, Registrar  
Michael Jamnetski, Chief Deputy Registrar  
Yeaphana La Marr, Chief of Legislation  
Katherine White, Chief of Public Affairs  
Jason Perez, Chief of Information Technology  
Steve Grove, Chief of Enforcement  
Henry Duong, Licensing Manager  
Stacey Paul, Budgets Manager  
Robin Williams, Executive Technician  
Amy Lawrence, Television Specialist  
Natalie Rosenberger, Information Officer  
Natalie Watmore, Information Officer

#### DCA Staff Present

John Kinn, DCA Legal

Board Vice Chair Michael Mark led the Board in the Pledge of Allegiance. A quorum was established.

*Mary Teichert joined the meeting at 8:10 a.m.*



**B. Public Comment for Items Not on the Agenda and Future Agenda Item Requests**

Board Member Comment

There was no board member comment.

No Public Comment

There was no public comment.

**C. Review, Discussion, and Possible Action on CSLB’s Proposed Responses to Prior Issues from 2018 Sunset Report and New Issues for the 2024 Sunset Report Before the California State Legislature**

Legislative Chief Yeaphana La Marr explained the issues being presented were still in draft form and would only discuss any changes made from the previous review. Chief La Marr directed the board that each issue has five parts. The first part is the questions the Legislature is asking CSLB, the second is the background, the third is the Committee Staff recommendations, the fourth being the CSLB’s 2018 response to recommendation, and the fifth response is the current response for approval by the Board in December.

**1. Staffing**

Chief La Marr explained the staffing issue regarding challenges impacting operation remained the same and the only substantive change was the removal of references to a new issue that would allow applicants to submit insurance after determining that it should be dropped.

**2. Board Member Vacancies**

Chief La Marr explained that the issue of board vacancies has not impacted CSLB’s ability to establish a quorum, and there are no substantive or non-substantive changes to be made from the September review.

**3. Implementation of Recent Legislation**

Chief La Marr discussed due to not having delayed implementation, the Information Technology (IT) does not have time to secure staffing resources in the form of contractors and staff, therefore the CSLB has absorbed significant IT workload implementing legislation. Chief La Marr stated the only edit made to this issue was removing the same new issue removed from Issue No.1.

**4. Fund Condition**

Chief La Marr explained the proposed response to this issue remains unchanged.



**5. Pro Rata**

Chief La Marr explained the proposed response to this issue remains unchanged.

**6. Examination Passage Rates**

Chief La Marr explained the response to this issue was substantively edited and referenced paragraph 3, page 14 of the Board packet for the additional response.

**7. Licensing and Certifications**

Chief La Marr stated the response to this issue was edited with additional text regarding expanding the hazardous substance removal certificate to include debris removal in declared disaster areas.

**8. Enforcement Priorities**

Chief La Marr explained the proposed response to this issue remains unchanged.

**9. Workforce Development and Disaster Response**

Chief La Marr explained the non-substantive change made to the response of this issue was to add a chapter number after SB 601 by Senator McGuire was signed by the Governor.

**10. Workers' Compensation**

Chief La Marr explained the proposed response to this issue remains unchanged.

**11. Tree Worker Safety**

Chief La Marr explained the proposed response to this issue remains unchanged.

**12. BreEZe**

Chief La Marr stated the response to this issue is still in process and the Information Technology Chief will provide an update in December 2023.

**13. Technical Changes May Improve Effectiveness of the Law Administered by the CSLB**

Chief La Marr explained the proposed technical amendments will likely be on the December 13 agenda.

**14. LLCs**

Chief La Marr explained the proposed response to this issue remains unchanged.

**15. Unsatisfied Judgments**

Chief La Marr explained the proposed response to this issue remains unchanged.



**16. C-10 License Category Fee Collection**

Chief La Marr stated the response to this issue was substantively edited, noting that the \$20 fee to C-10 electrical contractors' renewal was set by SB 610 in 2019 so CSLB is no longer requesting this amendment. Chief La Marr also described why more positions have not been dedicated to electrician certification requirements.

**17. Should The CSLB Be Continued?**

Chief La Marr explained the proposed response to this issue remains unchanged.

Board Member Comment

There was no board member comment.

Public Comment

There was no public comment.

**Proposed New Issues Summaries for 2024 CSLB Sunset Report**

Board Chair Diana Love and Member Miguel Galarza presented the proposed new issues for the 2024 CSLB Sunset Report.

**1. Reimbursement for Industry Expert Costs**

Chair Love explained the proposal would allow CSLB to recover costs of reimbursement payments made to pay industry experts being charged to contractors who have been alleged in a complaint when the investigation concludes with a letter of admonishment or citation. Chair Love stated this proposal would offer a deterrent to contractors who are repeat offenders.

**2. Adopt Enforcement Fine Minimums in Statute Consistent with Other Boards and Bureaus**

Chair Love explained that this proposal would raise minimum administrative fines and adopt them in statute and stated the fine needs to be correspond with the public harm caused to serve as a deterrent to future citations.

**3. Expand Hazardous Substance Certification to Include Excavation and Debris Removal**

Chair Love explained this proposal would require a contractor to obtain a hazardous waste removal certificate to perform debris removal in disaster declared areas.

**4. Correct License Examination Fee Structure to Reduce Costs to Applicants and to CSLB**

Member Galarza explained this proposal amends the CSLB statute fee to state applicants shall pay the exam rescheduling fee directly to PSI. This would eliminate



CSLB receiving payment for rescheduled exams and no longer pay PSI for \$50 per exam.

**5. Licensing Tribes**

Member Galarza explained this proposal would remove barriers specific to tribal-owned business that seek to lawfully engage in contracting. Chair Galarza stated the proposal also recognizes the various ways in which a tribal business can be organized along with the registration of the Secretary of State

**6. Cash Bond In Lieu Of Surety Bond – Potential Liability for Attorney Fees**

Member Galarza explained this proposal would exempt CSLB from responsibility of paying attorney’s fees in private civil cases between contractor’s bond claimants and contractors. Member Galarza stated this proposal makes clear CSLB is not a surety and does not sell sureties and has no discretion to release a cash deposit and is not subject to financial liability.

Board Member Comment

Board Member Michael Mark supported the proposal for New Issue No. 2, regarding raising fine minimums.

Public Comment

Analise Rivero, Associate Director of Policy at CalTrout, supported the proposal for Issue No. 5 regarding tribal-related contractors being recognized licensed construction companies.

**Issues No Longer Recommended for 2024 Sunset Review**

**7. Issue: Requirements and Restrictions for Qualifiers on Multiple Licenses**

Registrar Fogt explained this issue is no longer recommended for the 2024 Sunset Review process and stated there will be a stakeholder meeting on November 28 to evaluate the issues and concerns and possibly bring it back to the board on a later date.

**8. Issue: Workers’ Compensation Certificates to be Submitted by Applicants, Licensees, or Insurers**

Registrar Fogt explained this issue is no longer recommended for the 2024 Sunset Review process and said with research, the current process, and programs of verifying proof of workers’ compensation are sufficient.

**9. Issue: Removal or Deletion Of C-61 / D-49 Tree Service Contractor License**

Registrar Fogt explained this issue is no longer recommended for the 2024 Sunset Review process. Registrar Fogt stated the creation of the C-49 license and exam focuses on tree safety and will eventually become the standard classification while the



D-49 will decline through attrition and therefore there is no need to include this as a new issue.

Board Member Comment

There was no board member comment.

Public Comment

Ernesto Macias, Vice President of Risk Management, Labor Relations of West Coast Arborists, supported the creation of the C-49 Tree Service classification and thanked staff for their efforts and work.

**D. Adjournment**

Vice Chair Love adjourned the Board meeting at approximately 8:48 a.m.

## AGENDA ITEM D-5

# Registrar's Report







## AGENDA ITEM D-6

# CSLB Budget Update







### CSLB Budget Update

#### Fiscal Year (FY) 2023-24 CSLB Budget Summary

CSLB has an authorized Governor’s Budget of \$79 million.

At the fiscal year-end, CSLB projects to spend \$78.5 million of its authorized budget on board expenditures. In addition to its board expenditures, the board projects \$6.3 million in external mandatory costs.

The fiscal year-end revenue is projected at \$91.5 million.

As a result of these figures and projections, CSLB is expecting the fund reserve to increase from a beginning balance of \$25.8 million to \$32.5 million (approximately 4.5 months’ reserve) at fiscal year-end.

This information is summarized in the chart below:

#### FY 2023-24 BUDGET SUMMARY

Description	Amount
<b>Beginning Reserve Balance</b>	<b>\$25,820,000</b>
<i>Projected Fiscal Year-End Totals:</i>	
<b>Revenue</b>	<b>\$91,500,000</b>
Board Expenditures	\$78,520,000
External Costs	\$6,335,000
<b>Total Expenditures</b>	<b>\$84,855,000</b>
<b>Ending Reserve Balance (Projected)</b>	<b>\$32,465,000</b>
<b>Months in Reserve</b>	<b>4.5</b>

What follows are details of CSLB’s budget for each of the following topics:

- Fiscal Year 2023-24 Expenditures
- Fiscal Year 2023-24 Revenue
- CSLB fund condition
- Construction Management Education Account fund condition

**Expenditures**

Through October 31, 2023, CSLB spent or encumbered \$26 million, roughly 33 percent of its FY 2023-24 budget:

<b>EXPENDITURE DESCRIPTION</b>	<b>FY 2023-24 BUDGET ACT</b>	<b>OCTOBER 2023 EXPENSES</b>	<b>BALANCE</b>	<b>% OF BUDGET REMAINING</b>
<b>PERSONNEL SERVICES</b>				
Salary & Wages (Staff)	\$31,170,000	\$9,354,230	\$21,815,770	70.0%
Board Members	16,000	1,700	14,300	89.4%
Temp Help	360,000	133,569	226,431	62.9%
Overtime	146,000	35,328	110,672	75.8%
Staff Benefits	17,247,000	5,228,044	12,018,956	69.7%
<b>TOTALS, PERSONNEL</b>	<b>\$48,939,000</b>	<b>\$14,752,871</b>	<b>\$34,186,129</b>	<b>69.9%</b>
<b>OPERATING EXPENSES AND EQUIPMENT (OE&amp;E)</b>				
Operating Expenses	\$17,009,000	\$9,431,957	\$7,577,043	44.5%
Exams – Subject Matter Experts	2,315,000	209,038	2,105,962	91.0%
Enforcement	10,610,000	1,923,648	8,686,352	81.9%
<b>TOTALS, OE&amp;E</b>	<b>\$29,934,000</b>	<b>\$11,564,643</b>	<b>\$18,369,357</b>	<b>61.4%</b>
<b>TOTALS</b>	<b>\$78,873,000</b>	<b>\$26,317,514</b>	<b>\$52,555,486</b>	<b>66.6%</b>
Scheduled Reimbursements (i.e., fingerprint, public sales)	-353,000	-52,226	-300,774	
Unscheduled Reimbursements (i.e., invest. cost recovery)		-148,566	148,566	
<b>GRAND TOTALS</b>	<b>\$78,520,000</b>	<b>\$26,116,722</b>	<b>\$52,403,278</b>	<b>66.7%</b>

**Revenue**

CSLB received the following revenue through October 31, 2023:

<b>Revenue Category</b>	<b>Through 10/31/2023</b>	<b>Percentage of Revenue</b>	<b>Change from prior year (10/31/2022)</b>
Duplicate License/Wall Certificate Fees	\$145,296	0.4%	-7.7%
New License and Application Fees	\$8,058,952	21.6%	10.0%
License and Registration Renewal Fees	\$26,438,880	71.0%	27.0%
Delinquent Renewal Fees	\$1,423,417	3.8%	-11.3%
Citation Penalty Assessments	\$776,266	2.1%	0.4%
Misc. Revenue	\$402,032	1.1%	N/A
<b>Total</b>	<b>\$37,244,843</b>	<b>100.00%</b>	<b>14.3%</b>



**CSLB Fund Condition**

Below is the fund condition for the Contractors’ License Fund, which shows the final fiscal year (FY) 2022-23 reserve with adjustments (\$25.8 million, approximately 3.7 months’ reserve), along with the projected reversion amounts for current year (CY) 2023-24 through budget year (BY) 2024-25:

<i>(Dollars in thousands)</i>	<b>Final FY 2022-23</b>	<b>Projected CY 2023-24</b>	<b>Projected BY 2024-25</b>
<b>Beginning Balance <i>(Fund/Savings Account)</i></b>	<b>\$9,053</b>	<b>\$25,820</b>	<b>\$32,465</b>
Prior Year Adjustment	\$601	\$0	\$0
<b>Adjusted Beginning Balance</b>	<b>\$9,654</b>	<b>\$25,820</b>	<b>\$32,465</b>
<b>Revenues and Transfers</b>			
Revenue	\$95,528	\$91,500	\$93,000
Transfer from General Fund (Disaster Response)	\$1,271		
<b>Total Resources <i>(Revenue + Fund/Savings Acct.)</i></b>	<b>\$106,453</b>	<b>\$117,320</b>	<b>\$125,465</b>
<b>Expenditures</b>			
Board Expenditures	\$74,298	\$78,520	\$80,876
External Costs	\$6,335	\$6,335	\$6,335
<b>Total Expenditures</b>	<b>\$80,633</b>	<b>\$84,855</b>	<b>\$87,211</b>
<b>Ending Balance <i>(Fund/Savings Account)</i></b>	<b>\$25,820</b>	<b>\$32,465</b>	<b>\$38,254</b>
<b>Months in Reserve</b>	3.7	4.5	5.1
<b>Dollars in Reserve</b>	\$25.8 M	\$32.5 M	\$38.3 M

Notes:

- 1) Board expenditures include staff pay, benefits, and operating expenses.
- 2) External costs include statewide pro rata.
- 3) CY 2023-24 & BY 2024-25 assumes workload and revenue projections.
- 4) CY 2023-24 assumes board expenditures is proposed Governor’s budget with no savings and BY 2024-25 assumes a 3% increase in board expenditures over current year budget.



**Construction Management Education Account (CMEA) Fund Condition**

Below is the CMEA fund condition, which shows the final fiscal year (FY) 2022-23 reserve of \$533,000, along with the projected reversion amounts for current year (CY) 2023-24 through budget year (BY) 2024-25:

<i>(Dollars in thousands)</i>	<b>Final FY 2022-23</b>	<b>Projected CY 2023-24</b>	<b>Projected BY 2024-25</b>
<b>Beginning Balance</b>	\$ 501	\$ 533	\$ 514
Prior Year Adjustment	\$0	\$0	\$0
<b>Adjusted Beginning Balance</b>	<b>\$ 501</b>	<b>\$ 533</b>	<b>\$ 514</b>
<b>Revenues and Transfers</b>			
Revenue	\$214	\$212	\$212
<b>Totals, Resources</b>	<b>\$ 715</b>	<b>\$ 745</b>	<b>\$ 726</b>
<b>Expenditures</b>			
Disbursements:			
Program Expenditures (State Operations)	\$7	\$6	\$6
Local Assistance Grant Disbursements	\$175	\$225	\$225
<b>Total Expenditures</b>	<b>\$ 182</b>	<b>\$ 231</b>	<b>\$ 231</b>
<b>Fund Balance</b>			
Reserve for economic uncertainties	<b>\$ 533</b>	<b>\$ 514</b>	<b>\$ 495</b>

Notes:

- 1) Projected CY 2023-24 and ongoing includes increasing grants based on assumed approved CMEA annual augmentation from \$100,000 to \$225,000.



# CONTRACTORS STATE LICENSE BOARD

## STATISTICS SUMMARY

### Statistics Summary

#### All Applications Received

Month	2020-21	2021-22	2022-23	2023-24
July	3,323	4,479	3,749	3,794
August	3,863	3,527	5,926	4,511
September	3,441	3,398	5,094	3,920
October	4,324	3,909	4,640	4,324
<b>Total</b>	<b>14,951</b>	<b>15,313</b>	<b>19,409</b>	<b>16,549</b>

% Change from Prior FY -14.7%

#### Original Applications Received (includes exam and waivers)

Month	2020-21	2021-22	2022-23	2023-24
July	1,311	1,782	1,779	1,973
August	1,226	1,138	2,235	2,289
September	1,122	1,153	1,767	2,084
October	1,834	1,311	2,126	2,256
<b>Total</b>	<b>5,493</b>	<b>5,384</b>	<b>7,907</b>	<b>8,602</b>

% Change from Prior FY 8.8%  
% of Apps Rcvd are Original Apps 52.0%

#### Original Licenses Issued

Month	2020-21	2021-22	2022-23	2023-24
July	1,032	1,650	1,571	1,350
August	1,084	1,760	1,408	1,937
September	1,171	1,516	1,375	1,473
October	1,257	1,438	1,278	1,663
<b>Total</b>	<b>4,544</b>	<b>6,364</b>	<b>5,632</b>	<b>6,423</b>

% Change from Prior FY 14.0%

#### Licenses Renewed (Peak renewal years notated in red)

Month	2020-21	2021-22	2022-23	2023-24
July	12,460	7,232	10,339	10,042
August	10,396	11,805	10,445	10,269
September	11,507	10,443	9,784	8,809
October	9,252	8,112	9,029	9,576
<b>Total</b>	<b>43,615</b>	<b>37,592</b>	<b>39,597</b>	<b>38,696</b>

% Change from Non-Peak FY 2021-22 2.9%  
% Change from Peak FY 2022-23 -2.3%



Original HIS Registrations Issued

Month	2020-21	2021-22	2022-23	2023-24
July	596	533	693	701
August	487	742	830	578
September	570	677	821	691
October	594	722	779	828
<b>Total</b>	<b>2,247</b>	<b>2,674</b>	<b>3,123</b>	<b>2,798</b>

% Change from Prior FY -10.4%

HIS Registrations Renewed

Month	2020-21	2021-22	2022-23	2023-24
July	646	541	551	578
August	714	588	596	703
September	646	566	602	598
October	548	571	576	668
<b>Total</b>	<b>2,554</b>	<b>2,266</b>	<b>2,325</b>	<b>2,547</b>

% Change from Prior FY 9.5%

License Population by Status

Status	Nov. 1, 2020	Nov. 1, 2021	Nov. 1, 2022	Nov. 1, 2023
Active	229,400	232,374	236,775	237,043
Inactive	52,828	51,556	49,215	47,947
<b>Total</b>	<b>282,228</b>	<b>283,930</b>	<b>285,990</b>	<b>284,990</b>

% Change from Prior FY -0.3%

HIS Registration Population by Status

Status	Nov. 1, 2020	Nov. 1, 2021	Nov. 1, 2022	Nov. 1, 2023
Active	21,749	23,655	26,376	29,277

% Change from Prior FY 11.0%

Complaints By Fiscal Year

Complaints	2019-20	2020-21	2021-22	2022-23
Received	18,190	16,551	19,158	21,158
Reopened	1,133	1,058	1,231	1,578
Closed	20,272	16,851	19,397	22,181
Pending (As of June 30)	3,898	4,716	5,747	6,361



## AGENDA ITEM D-7

# Administration Update Regarding Personnel and Facilities







### Administration Update Regarding Personnel

#### Personnel Unit

#### Transactions

During the fourth quarter of Fiscal Year 2023-24 (July 1, 2023-September 30, 2023), CSLB Personnel staff completed 30 personnel transactions. This included the addition of 10 employees from other state agencies and three employees new to state service. Within CSLB, there were nine promotions and four transfer appointments. In addition, one retired annuitant and three student assistants were hired.

#### Total Number of Personnel Transactions Per Quarter – FY 2023-24

Recruitment Type	Quarter 1 <i>July-Sept</i>	Quarter 2 <i>Oct-Dec</i>	Quarter 3 <i>Jan-March</i>	Quarter 4 <i>April-June</i>
From other State Agencies	10	---	---	---
New to State Service	3	---	---	---
Student Assistants	3	---	---	---
Retired Annuitants	1	---	---	---
Promotions	9	---	---	---
Transfers within CSLB	4	---	---	---
Training and Development	0	---	---	---
<b>Total Per Quarter</b>	<b>30</b>	<b>---</b>	<b>---</b>	<b>---</b>

#### Total Number of Personnel Transactions Per Quarter – FY 2022-2023

Recruitment Type	Quarter 1 <i>July-Sept</i>	Quarter 2 <i>Oct-Dec</i>	Quarter 3 <i>Jan-March</i>	Quarter 4 <i>April-June</i>
From other State Agencies	7	11	8	11
New to State Service	3	10	9	8
Student Assistants	0	1	0	2
Retired Annuitants	3	1	0	0
Promotions	9	7	6	4
Transfers within CSLB	10	26	2	5
Training and Development	1	2	1	0
<b>Total Per Quarter</b>	<b>33</b>	<b>58</b>	<b>26</b>	<b>30</b>



**Vacancies**

CSLB averaged 33 vacancies out of 425 authorized positions in the first five months of Fiscal Year 2023-24. The Personnel Unit continuously works with CSLB hiring managers and the Department of Consumer Affairs’ (DCA) Office of Human Resources to identify and minimize any delays in recruitment for key positions.

**Average Monthly Vacancies by Fiscal Year**

Fiscal Year	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
2023-24	38	36	32	30	30	---	---	---	---	---	---	---
2022-23	52	51	54	48	46	44	46	45	45	43	41	40
2021-22	43	45	49	52	51	45	47	50	47	44	46	42
2020-21	43	50	51	50	47	51	55	50	47	49	45	40

**Employee Recruitment**

CSLB continues to work with DCA, the California Department of Human Resources (CalHR) and other organizations on opportunities to partner and participate in career fairs and recruitment/outreach events. The Personnel Unit is also working closely with the Public Affairs Office in tracking the results of recruitment campaigns through social media platforms.

**Consumer Service Representatives Classification Transition**

In June 2023, CSLB began the process of transitioning from the Consumer Services Representatives (CSR) classification to the Staff Services Analyst (SSA) classification. The transition is being made to better align with the analytical duties performed by the Board’s 32 CSR employees as well as increase recruitment and retention efforts. The transition should be completed by December 2023.

**Examinations**

The majority of examinations are now done online through CalHR at <https://jobs.ca.gov/>. Listed below are the CSLB classifications with examinations administered by DCA.

ADMINISTERED BY DCA	STATUS	DATE
Consumer Services Representative	Effective date of last exam:	November 2023
	Next effective date of exam:	N/A
Office Services Supervisor II	Effective date of last exam:	November 2022
	Effective date of next exam	December 2023
Supervising Special Investigator II (Non-Peace Officer)	Effective date of last exam:	June 2023
	Next effective date of exam:	December 2023



## Administration Update Regarding Facilities, Contracts, and Training

### Facilities

- **Sacramento:** Staff completed and submitted all appropriate forms to renew the lease for CSLB's Sacramento Headquarters office. The tenant improvement list was submitted to the Department of Consumer Affairs (DCA) and the Department of General Services (DGS) for approval. The current lease expires October 31, 2026.
- **West Covina:** The lease was extended due to delays in completing the tenant improvements. The current lease expires December 31, 2023.
- **Norwalk Enforcement:** Staff completed and submitted all appropriate forms to renew the lease for CSLB's Norwalk Enforcement field office. The tenant improvement list was submitted to DCA and DGS for approval. Per DGS, the lessor approved a two-year soft-term lease extension.
- **San Jose Testing:** The suite is vacated; however, due to this being a state-owned building, CSLB is responsible for rent until the building is sold, or until space is leased to another state entity. Staff are waiting for notification from DGS that the building has been sold.

### Contracts

#### Contracts in process:

- The Request for Proposal (RFP) for a study to be conducted to evaluate the resources to address unlicensed practice in California and unlawful construction activity in declared disaster areas is in process. The final filing date for proposers to submit their bid was November 27.
- The Survey Monkey contract for online survey purposes is in process.
- The BTCPower contract for electric vehicle charging station services at CSLB's San Diego field office is in process.

#### Executed contracts:

- The CPS HR Consulting contract for Enforcement process improvement and production study goals contract's term dates are July 1, 2023, through June 30, 2024.
- The Employment Development Department (EDD) contract for data sharing between EDD and CSLB is in process. The new contract terms were effective September 11, 2023, through September 10, 2028.



- The Department of Human Resources interagency agreement to conduct psychological screening services for Peace Officer applicants is in process. The current contract terms were effective July 1, 2023, through June 30, 2024.
- The DCA, Division of Investigation contract for Peace Officer background investigations were effective July 1, 2023, through June 30, 2024.
- The International Mailing Equipment contract for the mail room letter opener maintenance is in process. The current contract terms were effective November 1, 2023, through October 31, 2026.

### Training

- Staff are monitoring the completion of (2) mandatory training courses for 2023. These trainings include:
  - *“Information Security Awareness Fundamentals,”* which is required annually for all employees. All staff have completed this training.
  - *“Continual Leadership Training and Development”* includes 20 hours of ongoing leadership training and is required every two (2) years for Supervisory, Managerial and Career Executive Assignment employees.

## AGENDA ITEM D-8

# Information Technology Update









### Information Technology Update

#### Business Modernization

The CSLB's Information Technology Division continues to make significant progress in its business upgrade initiative, with a special focus on transitioning the "Application for Original Contractors License" for sole owners to an online platform. After a thorough evaluation process, the IT team has selected a vendor that aligns with CSLB's technological needs and strategic goals. This partnership marks a critical step in modernizing the application process, ensuring a more streamlined, efficient, and user-friendly system.

Further advancements include the development of a new online portal. This portal is designed to provide a seamless experience for applicants, enabling them to submit their applications, track the status, and receive updates in real-time. The portal also integrates advanced security features to protect sensitive applicant information.

Finally, the IT Division is committed to ongoing collaboration with stakeholders within CSLB to gather feedback, address concerns, and keep everyone informed about progress and future plans. This collaborative approach ensures that the modernization efforts are aligned with the needs and expectations of both internal and external stakeholders, paving the way for a more efficient, responsive, and future-ready CSLB.

#### CSLB Advances Customer Service with New AWS Connect IVR System

CSLB is in the process of transitioning to a new Interactive Voice Response (IVR) call center software – Amazon Web Services (AWS) Connect. This state-of-the-art system is a part of our ongoing commitment to providing outstanding public service.

#### Key Features and Benefits:

1. **Improved Call Routing and Management:** AWS Connect offers a more sophisticated call routing system, ensuring that customer calls are directed to the most appropriate representative swiftly and efficiently. This reduces wait times and enhances overall customer satisfaction.
2. **Advanced Data Analytics:** The new IVR system is equipped with comprehensive data analytics capabilities. This feature allows us to analyze call patterns, identify common inquiries, and continuously improve our service based on data-driven insights.
3. **Scalability and Flexibility:** AWS Connect's cloud-based nature provides exceptional scalability and flexibility. It can easily adapt to fluctuating call volumes and enables us to seamlessly integrate additional features as our needs evolve.



4. **Enhanced Security and Compliance:** Security is paramount at CSLB. AWS Connect adheres to stringent security standards, ensuring that all customer interactions and data are protected with the latest security protocols.
5. **Cost-Efficiency:** By leveraging the cloud infrastructure of AWS, costs associated with maintaining and upgrading physical call center hardware will be significantly reduced.

### **AWS Anticipated Completion Date**

By April 2024, we anticipate having a fully operational, state-of-the-art IVR system that will significantly enhance CSLB customer service capabilities. This milestone will mark a key achievement in CSLB's ongoing journey to leverage technology for operational excellence and superior stakeholder service.

### **CSLB Successfully Completes Transition to Microsoft Teams Calling**

The IT Division has successfully completed the migration from the existing Voice over IP (VoIP) phone system to Microsoft Teams calling. This significant modernization initiative, aligning with CSLB's commitment to continuous system improvement and enhanced collaboration, now brings a unified communication experience to the entire organization.

#### **Key Achievements and Features:**

1. **Unified Communication Platform:** Microsoft Teams calling integrates voice calls, video meetings, instant messaging, and collaborative tools into a single cloud-powered platform. This convergence eliminates the need for separate phone and conference systems, streamlining our communication processes.
2. **Enhanced Productivity and Collaboration:** The transition has notably boosted productivity by facilitating effortless cooperation among team members. With the ability to place and receive calls directly from desktops, laptops, or mobile devices, CSLB staff enjoy flexible and efficient communication options.
3. **Organization-wide Implementation:** The migration to Teams calling, which began at CSLB headquarters, has now been successfully rolled out across all remote offices. This comprehensive implementation ensures consistency in communication across the entire organization.
4. **Smooth Transition and Ongoing Support:** Throughout the migration process, the IT team has meticulously monitored the transition, addressing any challenges promptly. Their ongoing support and training have been instrumental in ensuring a smooth adaptation for all staff members.

# AGENDA ITEM E

## Legislation





## AGENDA ITEM E-1

# Review, Discussion and Possible Action on CSLB's Draft 2024 Sunset Report





# AGENDA ITEM F

## Enforcement







## AGENDA ITEM F-1

# Update Regarding November 29, 2023, Enforcement Committee Meeting and Possible Approval of Summary Report







### Enforcement Committee Meeting Summary Report

#### A. Call to Order, Roll Call, Establishment of Quorum, and Chair's Introduction

Enforcement Committee Chair Jim Ruane called the meeting of the Contractors State License Board (CSLB) Enforcement Committee to order on November 29, 2023, at 9:02 a.m. via WebEx teleconference. A quorum was established.

#### Enforcement Committee Members Present

James Ruane- Chair  
Joel Barton  
Rodney Cobos  
Miguel Galarza  
Jacob Lopez

Michael Mark and Amanda Gallo had approved absences.

David Fogt, Registrar  
Michael Jamnetski, Chief Deputy Registrar  
Steve Grove, Chief of Enforcement  
Katherine White, Chief of Public Affairs  
Carol Gagnon, Chief of Licensing and Examinations  
Yeaphana La Marr, Chief of Legislation  
Stacey Paul, Budgets Manager  
Jason Perez, Chief of Information Technology  
Robin Williams, Executive Staff  
Amy Lawrence, Television Specialist  
Natalie Rosenberger, Information Officer  
Natalie Watmore, Information Officer

#### DCA Staff Present

John Kinn, DCA Legal Counsel  
Yvonne Durantes, Assistant Deputy Director for DCA Board and Bureau Relations

Chair Ruane led the Board in the Pledge of Allegiance.

Chair Ruane welcomed Yvonne Dorantes, Assistant Deputy Director for DCA Board and Bureau Relations, and thanked her for her support and regularly sharing ideas for outreach and consumer protection ideas with Registrar Fogt.

Yvonne Dorantes stated that she is available as a resource for any questions, or concerns that the Board or Public may have.

**B. Public Comment for Items Not on the Agenda and Future Agenda Item Requests**Committee Member Comment

Legal Counsel Kinn clarified which Enforcement Committee members were present.

Registrar Fogt stated Michael Mark and Amanda Gallo had excused absences.

Public Comment

There was no public comment.

**C. Update Regarding Hiring a Consultant to Research the Scope of Unlicensed Practice and Evaluate Enforcement Resources**

Chair Ruane explained that at various times during the past 20 years, CSLB has undertaken internal office reviews of closed case files at enforcement offices and periodically hired outside consultants to perform enforcement program assessments. They mentioned that in 2006, the following performance goals were developed in coordination with enforcement investigation staff and have been in place ever since:

- No more than 100 open complaints exceeding 270 days in age; and
- A weighted closing average goal of 10 completed investigations per month.

Chair Ruane explained that from 2006 until the COVID pandemic in March 2020, Enforcement staff have consistently met, or came very close to meeting, these performance objectives, but unfortunately, the number of aged cases has increased since 2020, hitting an all-time high of 308 in April 2023. Additionally, the annual consumer satisfaction survey results have dropped. Chair Ruane mentioned that enforcement management is very concerned about these trends and is focused on turning this around and is pleased to report that as of November 1, 2023, aged cases were down to 207. They mentioned that COVID changed the way CSLB performed field investigations and that many witness interviews were conducted virtually and job site visits by CSLB staff were limited. Chair Ruane added that CSLB has experienced a significant increase in solar complaints that have increased enforcement staff caseloads.

Chair Ruane noted that at the March 2023 board meeting, the board approved spending up to \$75,000 to hire a consultant to perform an enforcement workload study and that on July 24, 2023, CSLB contracted with Cooperative Personnel Services (CPS) to perform a workload study for \$68,587.50 to determine if:

1. The current Special Investigator investigation goals remain viable.
2. To determine if enforcement classifications are appropriate for work performed.

Chair Ruane mentioned that the specific requirements of the contract include reviewing complaint-handling processes at the board's Intake/Mediation Centers and field investigation centers. In addition, Chair Ruane gave a background and noted that



consumer complaints are initially received at one of two Intake/Mediation Centers, where the complaint is opened, and a negotiated settlement of licensee complaints is performed. Complaints that are not resolved at the Intake/Mediation Center and may include a violation of Contractors State License Law are referred to one of nine investigation centers. Complaints that include allegations of more serious criminal violations are referred to the Board's Special Investigation Unit that is comprised of Peace Officers.

Chair Ruane noted CPS is well under way on completing their research and they have conducted a thorough review of process documentation and complaint/investigation data. In addition, CPS has conducted more than 50 interviews with enforcement Consumer Services Representatives, Special Investigators, Investigators, supervisors, and managers. Chair Ruane noted that the purpose of the interviews is to confirm resource needs and identify complaint-handling process improvements. Chair Ruane stated the results and recommendations from the study are expected to be delivered to CSLB in January 2024.

In addition to authorizing staff to secure a consultant for the workload study, Chair Ruane stated the board authorized spending up to \$75,000 to hire a second consultant to research the scope of unlicensed practice and evaluate disaster response resource requirements. They noted that an Enforcement Division strategic objective is to research the scope of unlicensed practice, evaluate allocated enforcement resources, and meet with industry stakeholders to review enforcement strategies.

Chair Ruane stated that a request for proposal, or RFP, was released to hire a private consultant to:

1. Better assess the scope of unlicensed practice in the construction industry.
2. Evaluate disaster response resource requirements.

Chair Ruane mentioned regarding disaster response, historical data will need to be reviewed because declared disasters vary year-to-year. They gave background and mentioned that since the winter storms at the end of 2022 through present day, 47 CSLB staff have served at 22 state Local Assistance Centers and/or federally coordinated Disaster Response Centers (DRC). Chair Ruane mentioned the RFP cutoff date to receive proposals was Tuesday, November 28, 2023, but unfortunately there were no bidders.

Chair Ruane stated that as a result staff has communicated with two consultants who advised conducting a study of this complexity will cost far more than \$75,000.

Chair Ruane stated that the staff recommends that the committee recommend to the full Board raising the not to exceed cap from \$75,000 to \$200,000.

**Motion:** To increase the amount of funds approved for hiring a consultant to research the scope of unlicensed practice and resource needs to respond to declared disasters from \$75,000 to \$200,000. Moved by Rodney Cobos. Seconded by Jacob Lopez.



Motion carried.

**YEA:** James Ruane, Joel Barton, Rodney Cobos, Miguel Galarza, Jacob Lopez

**NAY:** None

Committee Member Comment

There was no committee member comment.

Public Comment

Ali Altaha stated that their primary function is construction management services and wanted to address items that may have been ignored. They mentioned Government Code 4525 (which includes a definition of Construction Project Management), and Senate Bill 605 (which amended the Government Code relating to certification provisions under the Small Business Procurement and Contract Act, specifically creating a new Small Business certification category for the purposes of Public Works contracts/projects) and voiced concerns that these roles have been replaced by unqualified individuals. They would like CSLB to respond to concerns they voiced in the past.

**D. Review, Discussion and Possible Action on Strategies to Improve Consumer Complaint Satisfaction**

Chair Ruane explained that the consumer complaint satisfaction report is based on surveys of individuals who have filed complaints with the Enforcement Division against licensed or unlicensed contractors and the surveys assess the public's satisfaction with CSLB's handling of their complaints. They stated the original benchmark survey began with complaints that were closed in 1993, and assessment of consumer satisfaction has continued since that time.

Chair Ruane mentioned that in FY 2022-23, the survey was emailed to 10,104 valid email addresses with closed cases and 1,320 complainants and 13 percent responded. Chair Ruane stated the satisfaction measures showed a steady decrease from the previous five years and gave an example, comparing 2018 to 2022-23 satisfaction with the clarity in explanation of complaint procedures decreased from 76 percent to 63 percent, satisfaction with information regarding case progress decreased from 68 percent to 54 percent, satisfaction with timeliness of case processing decreased from 66 percent to 51 percent, and satisfaction with CSLB services decreased from 61 percent to 50 percent.

Chair Ruane stated as the current Enforcement Committee Chair, they were aware of the challenges faced by Enforcement staff in adjusting to budget restrictions, the COVID pandemic, and the significant increase in solar complaints and that budget challenges restricted the use of the CSLB industry expert and arbitration program, which have been resolved. Chair Ruane mentioned that Special Investigators are again performing field



visits/inspections, and they are confident that the strategies developed to address solar contractors receiving multiple complaints will be successful.

Chair Ruane mentioned Enforcement management is working closely with the Special Investigators to ensure that complaints are investigated as soon as possible after assignment and the delay due to heavy caseloads has significantly impacted the survey results. He mentioned the implementation of the new Multiple Offender Unit will also play a significant role in reducing staff caseloads and related complaint-handling cycle times.

Chair Ruane stated the Enforcement Division was excited to report 2024 staff training initiatives that includes bi-annual enforcement academies, career development, customer service, and staff development training opportunities. They stated they're optimistic that these complaint-handling changes will significantly improve consumer satisfaction.

Committee Member Comment

There was no Committee Member comment.

Public Comment

There was no public comment.

**E. Review, Discussion and Possible Action on Development of a Multiple Offender Unit to Investigate Licenses Subject to Multiple Complaints**

Chief Grove began by acknowledging that most solar contractors do conduct their business in a professional and legal manner, providing excellent construction services to California consumers, but unfortunately, some solar contractors do not respond timely to their customer concerns, look to CSLB for their quality control, and engage in egregious acts causing significant consumer financial harm.

Chief Grove mentioned there has been a troubling increase in consumer-filed solar complaints. They stated that when comparing FY 2018-2019 to FY 2022-2023, CSLB has seen a 176 percent increase in solar complaints and during this same period, the number of non-solar complaints has remained steady, even showing a slight decline. Chief Grove mentioned that CSLB has more than 900 open solar complaints, which is more than 20 percent of all CSLB open complaints and that the excessive number of solar complaints has created high caseloads for enforcement staff.

Chief Grove stated that the number and egregiousness of solar complaints further contributes to a workload issue and these cases often include elder abuse, fraud, and other high priority complaint types that require these cases to be prioritized over other complaints. He mentioned these make investigating these complaints more complex and time consuming to investigate.

Chief Grove mentioned that to provide effective consumer protection and address this unsustainable increase in consumer filed solar complaints, a Multiple Offender Unit was established this month and is comprised of a supervisor, CSLB executive staff and three



volunteer special investigators. They stated that the goal of this new unit is to focus on the solar contractors with the most open complaints, assign all of the complaints against a contractor to a single investigator, and take swift, aggressive action to persuade the contractor to resolve pending complaints and implement business practices that address their customer complaints before their customer finds need to file a CSLB complaint. In addition, Chief Grove stated that contractors will be subject to legal action if they do not resolve their complaints timely, and a violation of Contractors State License Law is supported.

Chief Grove stated that staff has met with the Office of the Attorney General and developed a streamlined legal action process for these cases and that solar contractors need to be aware that consumer protection statutes will be strictly enforced.

With this process Chief Grove stated staff anticipates that this new, aggressive approach will send a message to solar contractors receiving multiple complaints and contractors will take necessary steps to prevent their projects from resulting in a complaint to CSLB.

Chief Grove stated that solar contractors receiving multiple complaints should assume they will be subject to a legal action, likely an accusation, if they fail to respond to requests for correction/completion work timely and CSLB incurs the expense of sending out an industry expert to determine the contracted work was not completed and/or performed to industry standards. Chief Grove added CSLB will no longer send out IEs for the purpose of assisting a solar contractor with multiple complaints to settle their disputes with their customers. In addition, CSLB has identified a solar industry expert who has agreed to provide remote guidance to consumers on correcting and completing their solar project if their complaint is not needed to support legal action.

Chief Grove stated the Special Investigations Unit will be working with local prosecutors and the Attorney General's Office on pursuing charges of unfair business practice against some of these solar contractors and this approach will be effective in substantially reducing future solar complaints. However, further outreach to contractors and consumer support is needed for consumers with incomplete or defective solar installations. It is for this reason CSLB is looking for assistance from the California Solar and Storage Association (CALSSA). Chief Grove stated that a very productive meeting was held November 27, 2023, with Josh Buswell-Charkow from CALSSA who was in attendance.

Committee Chair Jim Ruane invited Buswell-Charkow to speak.

Buswell-Charkow stated they appreciate CSLB notifying their association of these problems and looks forward to working with CSLB to address these concerns. They are supportive of the CSLB and their efforts to address these efforts moving forward.

#### Committee Member Comment

There was no committee member comment.





Public Comment

Ben Airth, Policy Director at Freedom Forever, mentioned it is important to address consumer protection and the high number of complaints. Airth stated Freedom Forever takes consumer protection very seriously and appreciates CSLB working with them to address complaints.

**F. Adjournment**

**Motion:** To adjourn. Moved by Jacob Lopez. Seconded by Rodney Cobos. Motion carried.

*Meeting adjourned at 9:32 a.m.*



## AGENDA ITEM F-2

# Enforcement Program Update







### Enforcement Program Update and Statistical Review

#### Staff Vacancy Update

There are currently 24 vacancies in the Enforcement Division. The division's management team is working hard to fill these vacancies. Candidates have been selected and are pending approval for 11 positions. The other 13 positions are publicly posted or are under review prior to public posting. The current vacancies are listed below by position classification.

<i>Position Classification</i>	<i>Vacant</i>
<b>Supervising Special Investigator I</b>	1
<b>Special Investigator</b>	11
<b>Special Investigator (Peace Officer)</b>	2
<b>Consumer Services Representative</b>	1
<b>Office Technician (Typing)</b>	6
<b>Program Technician II</b>	3
<b>TOTAL</b>	<b>24</b>

#### Investigation Highlights

##### **CSLB Recommends Criminal Prosecution**

In October 2019, two homeowners entered into a \$330,000 contract with Jeffrey Nguyen for home improvements to their property in Los Gatos. CSLB's investigation determined that the RMO failed to exercise his duties as a qualifier and aided and abetted two unlicensed contractors, one of which was a previously revoked licensee. In November 2022, CSLB closed the investigation with a recommendation for criminal prosecution to the Santa Clara County District Attorney's Office against Nguyen for fraudulent use of an incorrect license and defrauding by presenting false statements. The other two unlicensed contractors were also charged with the same violations, in addition to engaging in business without a license. In August 2023, the Santa Clara County DA's Office issued an arrest warrant for all three individuals – each with a bail of \$40,000. An administrative case was referred to accusation against Nguyen and a virtual hearing was conducted on November 6, 2023. That hearing was continued on November 27, 2023 because Nguyen requested a Vietnamese translator be present.



Due to a miscommunication no translator was secured, resulting in a second continuance, scheduled for December 12, 2023.

**Arrest Warrant Issued for Unlicensed Contractor**

Christian Johnson, DBA Sustainable Building Council LTD, entered into a written contract with a homeowner in Los Gatos for \$270,000 to construct an accessory dwelling unit in the backyard. The homeowner paid an excessive deposit of \$40,000 and no work other than architectural drawings was performed. The drawings provided by Johnson were not approved by the City of Los Gatos leaving the homeowner with nothing of value.

In February 2023, CSLB closed the investigation with a recommendation for criminal prosecution against unlicensed contractor Johnson. In September 2023, the Santa Clara County District Attorney's Office issued a warrant for Johnson's arrest for engaging in business without a license, excessive down payment, and grand theft with bail set at \$75,000.

**Office of Administrative Hearings Orders Restitution of \$267,850**

A complaint was filed against Joe Varghese DBA SLV Refrigeration Co, who was hired to demolish a commercial structure and install a walk-in freezer for \$650,000. CSLB closed the complaint with a recommendation for accusation against Varghese for departure from accepted trade standards, failure to complete project for the contract price, willful or fraudulent act injuring another person, and acting as a contractor in an unauthorized classification.

The matter was heard at the Office of Administrative Hearings in September 2022. The proposed decision issued by the Administrative Law Judge determined that there were not grounds to request restitution for the property owner. However, the Registrar non-adopted the decision and a Decision after Rejection was issued for the revocation of Varghese's license and that he be prohibited from serving as anything other than a bona fide non-supervising employee on any license. The decision also ordered restitution of \$267,850 to be paid to the consumer and cost recovery to CSLB in the amount of \$21,032.55. The Decision and Order became effective September 15, 2023.

**Repeat Offender David Mudway Pleads Guilty to Felony Counts**

This case involves unlicensed contractor David Mudway, who is no stranger to CSLB. In 2019, homeowners who met David Mudway at his booth at the San Jose Home Show, entered into a contract with him to remodel their kitchen, two bathrooms, and replace multiple windows for \$95,555. Mudway provided two different license numbers in his communications with the homeowners, neither of which belonged to him. The



complainants later spent approximately \$50,000 for a licensed contractor to correct Mudway's work.

This case was headed to a jury trial set for the week of September 28, 2023. However, on that day, the district attorney's office notified CSLB that Mudway pleaded to a felony for commercial burglary and a misdemeanor for contracting without a valid contractor's license. His sentence included six months in county jail, two years formal probation, and stipulation to \$40,250 in restitution. Additionally, in 2010 and 2016, CSLB referred two separate criminal cases against Mudway to the San Mateo District Attorney's Office for fraudulent use of a license number and selling without a registration.

### **Husband and Wife Charged Related to Tubbs Fire**

In January 2018, two Sonoma County homeowners who lost their home in the 2017 Tubbs Fire entered into a pre-construction agreement contract with husband and wife duo Andrew and Jennifer Dickson of Acre Designs, Inc. (Acre), for \$10,000. The agreement designated Acre and its project manager to act as a representative on behalf of the homeowners. In July 2018, the homeowners signed an "Acre Home Package Sales Order" totaling \$459,686. The homeowners then contracted with Empire Contracting for the construction of their home for \$411,203. The contract specified mechanical, plumbing, and fire sprinkler work that would be performed by Acre, and Acre hired several subcontractors to do the work. In July 2019, Andrew Dickson informed Empire Contracting and the homeowners that he would be unable to complete the work due to project costs. By this point, the homeowners paid Acre \$447,203. Ultimately, the homeowners had to purchase materials and hire the subcontractors Acre had been using to finish the project. The homeowners reported spending \$293,188 to complete Acre's portion of the build.

In March 2019 another homeowner in Napa County entered into a \$10,000 home reservation agreement and a \$10,000 pre-construction agreement with Acre. As with the previous situation, Acre was going to build the home and have Empire Contracting do the construction. The homeowner paid Acre a total of \$20,000, which Andrew Dickson purported would cover all pre-construction site adapt services. He stated that any excess funds would be refunded. However, the only work Acre performed was a layout of the property created based on a drone video. No other services were performed. In July 2019, the homeowner received an email from Acre stating they were having financial issues and would contact her within a week but failed to follow up. Empire Contracting informed the homeowner that they would not be taking on any more contracts with Acre.

In August 2023, CSLB was notified by the Sonoma County District Attorney's Office and the Napa County District Attorney's Office that charges were filed against Andrew and Jennifer Dickson in connection with both projects. In Sonoma County, the Dicksons are



charged with theft of an elder and engaging in business without license in an area for which a state of emergency has been declared. In Napa County, they are charged with engaging in business without a license and diverting money from a loan that was obtained for the payment of services, labor, materials, or equipment. There is an active warrant for their arrest in both counties. Empire Contracting was issued a Letter of Admonishment for aiding and abetting an unlicensed contractor, after being cooperative in the investigation.

### **Complaint Handling Statistics (For January 1, 2023 to October 31, 2023)**

#### **Investigations Initiated & Complaints Received**

- CSLB received 15,803 complaints from January 1, 2023 to October 31, 2023.
- CSLB self-initiated 514 investigations from January 1, 2023 to October 31, 2023.

#### **Pending Investigations**

- With current staffing levels, the optimum maximum Enforcement Division caseload is 4,740 pending complaints. As of October 31, 2023, the pending caseload was 5,132.

#### **Special Investigator Production Goals**

- For January 1, 2023 to October 31, 2023, the weighted monthly case-closing average per Special Investigator in CSLB Investigative Centers was 9 closures per month, one less than the closure goal of 10.

#### **Complaint-Handling Cycle Time**

- The Board's goal is to appropriately disposition all but 100 complaints within 270 days of receipt. As of October 31, 2023, 207 complaints exceeded 270 days in age. Enforcement supervisors and managers continue to conduct monthly case reviews and provide assistance to investigators to resolve aged cases.

#### **Restitution to Financially Injured Persons**

- CSLB continues to assist consumers and help licensees resolve non-egregious consumer complaints. From January 1, 2023 to October 31, 2023, complaint negotiation efforts by the Intake and Mediation and Investigative Centers resulted in more than \$30.8 million in restitution to financially injured parties.

#### **Investigative Center Legal Actions**

- From January 1, 2023 to October 31, 2023, the Investigative Centers referred 534 (30 percent) of the 1,801 legal action investigations for criminal prosecution.





**Case Management Activities (For January 1, 2023 to October 31, 2023)**

**Arbitration**

- 414 arbitration cases were initiated, resulting in \$3,232,777 in restitution ordered to injured parties.
- 79 licenses were revoked for non-compliance with an arbitration award.

**Citations**

	<i>Licensees</i>	<i>Non-Licensed</i>	<i>Total</i>
Citations Issued	649	612	1261
Citations Appealed	314	220	534
Citations Complied With	418	320	738

**Civil Penalties Collected**

*Licensee Citation Civil Penalties*

Informal Citation Conferences Conducted	212
Civil Penalties Collected	\$1,457,927.50
Restitution Ordered	\$869,371.00

*Non-Licensee Citation Civil Penalties*

Informal Settlement Conferences Conducted	170
Civil Penalties Collected	\$528,678.00

**Accusations**

Accusations Filed	164
License Revocations	162
Licenses Placed on Probation	58
Restitution Paid to Injured Parties	\$516,993.00
Cost Recovery Collected	\$426,196.00

**Letter of Admonishment**

The Letter of Admonishment is a form of disciplinary action CSLB was authorized to use in 2018 to enhance public protection by promptly addressing less-egregious violations by licensed contractors. The letter provides for up to two years of public disclosure after issuance, offers an option for requiring corrective action by the contractor that can include taking prescribed training courses, and provides written documentation that can be used to support formal disciplinary action in the future, if warranted.

From January 1, 2023, to October 31, 2023, CSLB issued 488 Letters of Admonishment. The most common violations cited in Letters of Admonishment during that timeframe were conviction of a non-violent misdemeanor criminal offense, failure to comply with permit requirements, and failure to meet home improvement contract requirements.

Contractors who receive a Letter of Admonishment are afforded an opportunity to contest its issuance via an Office Conference CSLB administers. The Office Conference procedures provide CSLB the discretion to uphold, modify, or withdraw the Letter of Admonishment based on a second review of the case. Between January 1, 2023, to October 31, 2023, CSLB conducted 53 Office Conferences. As a result of those conferences, 35 Letters of Admonishment were upheld as issued, 13 were withdrawn, four were modified, and one was retracted.

Beginning in 2020, contractors who have violated local permit requirements have been issued a Letter of Admonishment with a corrective order to complete a video training session on building permits. Violators who do not complete the training are subject to an administrative citation. Between January 1, 2023, to October 31, 2023, 86 Letters of Admonishment included a requirement to complete the permit training.

**Statewide Investigative Fraud Team**

CSLB's Statewide Investigative Fraud Team (SWIFT) is comprised of Special Investigators who enforce license and workers' compensation insurance requirements at active jobsites, respond to leads, and conduct enforcement sweeps and undercover sting operations targeting unlicensed persons.

From January 1, 2023, to October 31, 2023, SWIFT conducted 30 sting operations days, participated in 318 sweep days, and responded to 834 leads. SWIFT closed 2,629 cases as a result of stings, sweeps, and leads. Of these 2,629 cases, 717 resulted in administrative or criminal legal action, as well as the issuance of 961 advisory notices for minor violations.



**District Attorney Referrals**

From January 1, 2023, to October 31, 2023, SWIFT referred 279 cases to local district attorneys’ offices for criminal prosecution – 245 for contracting without a license and 34 against licensees, primarily for failure to secure workers’ compensation insurance.

**Administrative Actions**

From January 1, 2023 to October 31, 2023, SWIFT issued 101 licensee citations and 245 non-licensee citations, issued 86 Letters of Admonishment, filed 6 accusations, and assessed \$458,350 in non-licensee citation civil penalties. Administrative violations include working out of classification, working under a suspended or expired license, failing to obtain permits, and other license law violations that do not warrant a criminal referral.

**Stop Orders**

A Stop Order is a legal demand to cease all employee labor at any jobsite due to workers’ compensation insurance violations until an appropriate policy is obtained. Failure of a contractor to comply with a stop order is a misdemeanor criminal offense, punishable by up to 60 days in county jail and/or a fine of up to \$10,000. From January 1, 2023, to October 31, 2023, SWIFT issued 200 Stop Orders to licensed and unlicensed individuals for using employee labor without having a valid workers’ compensation policy.

**Outstanding Tax and State Agency Liability Suspensions**

CSLB can suspend a license if the licensee is delinquent in paying outstanding liabilities owed to CSLB or to other state agencies. The table below summarizes liabilities owed to state agencies that were collected or resolved to avoid a license suspension or to reinstate a suspended license.

**Amounts Collected or Resolved**

	2020	2021	2022	2023 (through 10/31/23)
<b>CSLB</b>	\$139,775	\$82,938	\$104,507	\$82,315
<b>EDD</b>	\$10,372,682	\$9,149,749	\$13,280,832	\$9,567,454
<b>DIR-Cal/OSHA</b>	\$1,031,736	\$267,256	\$243,066	\$430,269
<b>DIR-DLSE</b>	\$2,726,391	\$3,476,291	\$5,217,626	\$4,000,468
<b>FTB</b>	\$4,211,003	\$5,868,340	\$4,024,936	\$4,520,321
<b>Totals</b>	<b>\$18,481,587</b>	<b>\$18,844,574</b>	<b>\$22,870,967</b>	<b>\$18,600,827</b>



**Labor Enforcement Task Force**

The Labor Enforcement Task Force (LETF) is comprised of investigators from CSLB, the Department of Industrial Relations’ (DIR) Division of Labor Standards and Enforcement (DLSE) and Division of Occupational Health and Safety (Cal/OSHA), as well as the Employment Development Department (EDD). LETF combats the underground economy in California and aims to ensure that workers receive proper payment of wages and are provided a safe work environment.

Below are LETF statistics for January 1, 2023 to October 31, 2023:

Number of Contractors Inspected	107
Number of Contractors Out of Compliance	94
Percentage of Contractors Out of Compliance	88%
Total Initial Assessments	\$264,480

*Note: The results reflect joint LETF inspections with Cal/OSHA, CSLB, DLSE & EDD. Total initial assessments reflect the amount assessed by Cal/OSHA and DLSE at the time of the inspection. These amounts are subject to change.*

**Training Update**

**CSLB Enforcement Academy:** CSLB’s Enforcement Academy for the Southern Region took place October 16-20, 2023 in Norwalk. This Academy provided an overview of the Department of Consumer Affairs’ and the Contractors State License Board’s Enforcement Division organization, unit functions, and responsibilities, as well as an overview of the Attorney General’s Office and administrative processes. Topics included an introduction to investigations, interview techniques, report writing, safety awareness, phone tactics, specific code training, as well as practical exercises and individualized assessments. There were 15 staff in attendance at the Southern Region Academy and all indications are that it was a huge success. The Northern Region Academy took place in July 2023. Going forward, CSLB plans to hold two academies per year – one in the north and one in the south.

# AGENDA ITEM G

## Licensing





## AGENDA ITEM G-1

# Review, Discussion and Possible Action to Grant Construction Management Education Account Awards









# CONTRACTORS STATE LICENSE BOARD

## CONSTRUCTION MANAGEMENT EDUCATION ACT 2024 DISBURSEMENTS

### Construction Management Education Act 2024 Disbursements

#### Background

Under the Construction Management Education Sponsorship Act of 1991, the legislature has charged the Contractors State License Board (CSLB) with responsibility for collecting funds to award grants to specified institutions that offer construction management education programs.

In 2023, CSLB received grant applications from five institutions – California State University, Chico, California State University, Fresno, California State University, Sacramento, California Polytechnic State University, San Luis Obispo and California Polytechnic State University, Pomona. Staff reviewed the applications and presented a suggested level of funding to the Construction Management Education Advisory Committee. The Advisory Committee reviewed the staff proposal in early November 2023 and made no objections.

#### 2021-2024 Construction Management Education Advisory Committee

ASSOCIATION	REPRESENTATIVE	ORGANIZATION
Associated General Contractor of CA (AGC)	Erin Volk	AGC
Associated General Contractors of San Diego (AGC)	Dustin Steiner	AGC
Associated Builders & Contractors (ABC)	Ed Duarte	Aztec Consultants
California Building Industry Association (CBIA)	Nick Cammarota	CBIA
National Electrical Contractor Association (NECA)	Vincent Bernacchi	Schetter Electric, Inc.
Plumbing Heating Cooling Contractor Association (PHCC)	Patrick Wallner	Wallner Plumbing Company Inc.
Southern California Contractor Association (SCCA)	Paul Von Berg	SCCA
United Contractors (UCON)	Emily Cohen	UCON
Engineering Contractors Association (ECA)	Ray Baca	ECA
Sheet Metal & Air Conditioning Contractors National Association (SMACNA)	Chris Walker	Walker Strategies
CSU / UC Construction Management Programs	Mikael Anderson	CSU Sacramento



**Prior Year (2023) Grant Disbursements**

For reference, four institutions applied for Construction Management Education Act awards last year, and the board approved the following disbursements.

Institution	Number of Applicable Graduates	Award Amount per Graduate	Grant Award
CSU Chico	111	\$538.46	\$59,769.00
CSU Sacramento	58	\$538.46	\$31,231.00
CSU Fresno	36	\$538.46	\$19,385.00
Cal Poly, San Luis Obispo	120	\$538.46	\$64,615.00
<b>Total</b>	<b>325</b>		<b>\$175,000.00</b>

**Changes in Spending Authorization**

In the Budget Act of 2023, CSLB was appropriated \$100,000 to the CMEA fund to provide award grants to eligible institutions.

Last fiscal year, CSLB received \$214,000 in contributions and the overall fund now holds \$533,000. For this reason, staff sought to increase the appropriation from \$100,000 to \$225,000 this year. CSLB recently received final approval from the Department of Finance to increase its total spending authority to \$225,000. For this reason, staff is recommending an increase in fund distributions to the grant applicants for 2024 as follows.

**Staff Recommendation:** That the board authorize the following Construction Management Education Act grant disbursements for 2024.

Institution	Number of Applicable Graduates	Award Amount per Graduate	Grant Award
CSU Chico	116	\$533.18	\$61,849.00
CSU Sacramento	75	\$533.18	\$39,988.00
CSU Fresno	54	\$533.18	\$28,791.00
Cal Poly, San Luis Obispo	129	\$533.18	\$68,780.00
Cal Poly, Pomona	48	\$533.18	\$25,592.00
<b>Total</b>	<b>422</b>		<b>\$225,000.00</b>

## AGENDA ITEM G-2

# Licensing and Testing Program Statistical Update







# CONTRACTORS STATE LICENSE BOARD

## LICENSING PROGRAM UPDATE

### Application Processing Statistics

The charts below provide the total number of incoming applications received by the application units each month, quarter, and calendar year.

#### Total Number of Applications Received Per Month

	2022 Nov	Dec	2023 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
Original Exam	1,180	1,119	1,285	1,396	1,574	1,494	1,610	1,603	1,326	1,525	1,427	1,527
Original Waiver	337	482	674	726	720	735	813	757	647	764	657	729
Add Class	327	343	341	341	307	376	420	387	366	416	334	413
Qualifier Replacer	208	231	277	226	230	266	272	253	235	284	275	329
Home Improvement	1,207	975	1,213	1,198	1,379	1,149	1,173	957	899	1,050	894	1,058
<b>Total Per Month</b>	<b>3,259</b>	<b>3,150</b>	<b>3,790</b>	<b>3,887</b>	<b>4,210</b>	<b>4,020</b>	<b>4,288</b>	<b>3,957</b>	<b>3,473</b>	<b>4,039</b>	<b>3,587</b>	<b>4,056</b>
<b>3 – Month Totals</b>	<b>Nov - Jan: 10,199</b>			<b>Feb - Apr: 12,117</b>			<b>May - Jul: 11,718</b>			<b>Aug - Oct: 11,682</b>		

#### Total Applications Received – Prior Calendar Years

	CY 2018	CY 2019	CY 2020	CY 2021	CY 2022
Original Exam	15,500	15,244	13,193	15,729	15,861
Original Waiver	9,327	8,796	7,456	7,558	7,970
Add Class	4,220	4,526	4,231	4,138	4,112
Qualifier Replacer	2,706	2,792	2,620	2,813	3,024
Home Improvement	9,720	11,122	9,694	12,411	12,466
<b>Total Received</b>	<b>41,473</b>	<b>42,480</b>	<b>37,194</b>	<b>42,649</b>	<b>43,433</b>



**Weeks to Process**

CSLB management closely monitors processing time for the various licensing units on a weekly and monthly basis.

The chart below provides the “weeks to process” for applications, license transactions, and public information unit documents (i.e., record certification) received each month. “Weeks to process” refers to the average number of weeks before an application or document is initially pulled for processing by a technician after it arrives at CSLB.

	2022		2023									
	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
<b>Original Exam</b>	4.5	5.9	6.0	4.7	5.1	5.5	4.9	3.1	2.8	2.0	2.0	1.9
<b>Original Waiver</b>	4.4	4.8	5.1	5.1	5.7	5.4	5.1	3.9	2.5	1.7	1.5	1.4
<b>Add Class</b>	4.4	4.1	2.9	2.6	2.9	4.3	3.9	2.6	2.2	2.3	1.4	1.0
<b>Qualifier Replacer (Exams &amp; Waiver)</b>	4.3	4.1	2.9	2.7	2.9	4.2	3.8	2.6	2.4	2.4	1.5	1.0
<b>Home Improvement</b>	3.7	2.7	2.1	2.7	3.5	3.3	3.1	2.7	3.8	2.9	1.9	1.1
<b>Renewal</b>	1.1	0.9	1.6	1.6	1.1	1.0	1.4	1.2	1.1	0.9	1.0	0.9
<b>Add New Officer</b>	2.2	2.8	2.4	2.1	2.7	4.4	3.0	4.5	3.5	2.1	1.3	0.9
<b>Address / Name Change</b>	2.2	2.8	2.6	2.6	2.9	2.6	2.0	3.4	3.9	2.1	1.7	0.8
<b>Bond / Bond Exemption</b>	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.7	0.4
<b>Workers' Comp / Exempt</b>	3.3	2.7	2.6	3.2	3.2	2.8	3.2	2.8	1.7	1.6	1.6	1.4
<b>Certified License History</b>	0.0	0.0	0.0	0.0	0.0	0.2	0.1	0.0	0.0	0.0	0.0	0.0
<b>Copies of Documents</b>	0.0	0.0	0.1	0.0	0.0	0.1	0.1	0.1	0.0	0.0	0.1	0.0
<b>Criminal Offender Record Information (CORI) Review*</b>	2.7	2.4	2.4	2.3	2.0	1.9	2.0	2.1	1.9	2.0	2.5	2.0

\*Outside CSLB Control—DOJ /FBI timeframe



The chart below illustrates the number of applications received in the previous fiscal years and the final disposition of these applications, regardless of the year they were processed. This is the combined total for all exam, waiver, add class, qualifier replacement, and home improvement salesperson applications. This report allows staff to monitor application cycle times and dispositions.

**Disposition of Applications by Fiscal Year**

Fiscal Year	Number of Apps Received	Processed & Issued	Voided	Pending*
2019-2020	38,251	16,415	4,161	17,675
2020-2021	41,864	16,176	4,098	21,590
2021-2022	43,707	19,148	4,801	19,758
2022-2023	47,042	22,301	5,197	19,544

\* These are the total number of applications pending at the close of each fiscal year.

An application may be classified as pending because:

- The applicant does not pass the exam but is still within the 18-month window during which they may retest.
- The application is in the experience verification process.
- The application is not yet cleared by CSLB’s Criminal Background Unit.
- The applicant has not submitted final issuance requirements (proof of bond, workers’ compensation insurance, asbestos open book examination results, and/or fees).



**Renewal Processing Statistics**

The charts below provide the number of incoming renewals received by the Renewal Unit each month, quarter, and calendar year.

**Total Number of Renewals Received Per Month**

	2022 Nov	Dec	2023 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
<b>Reactivation</b>	82	109	107	104	138	123	118	97	87	126	85	117
<b>Active</b>	6,772	6,543	8,041	6,948	8,471	7,112	9,119	8,017	7,924	8,143	6,857	7,529
<b>Inactive</b>	707	670	821	778	892	798	1,003	809	846	800	714	709
<b>Delinquent Active</b>	1,071	982	987	1,063	1,100	996	1,166	1,043	1,136	1,178	1,102	1,178
<b>Delinquent Inactive</b>	130	140	135	135	128	126	156	134	136	148	136	160
<b>Received Per Month</b>	<b>8,762</b>	<b>8,444</b>	<b>10,991</b>	<b>9,028</b>	<b>10,729</b>	<b>9,155</b>	<b>11,562</b>	<b>10,100</b>	<b>10,129</b>	<b>10,395</b>	<b>8,894</b>	<b>9,693</b>

**3 – Month Totals**      **Nov – Jan: 28,197**      **Feb – Apr: 28,912**      **May – Jul: 31,791**      **Aug – Oct: 28,982**

**Total Renewals Received – Prior Calendar Years**

	CY 2018	CY 2019	CY 2020	CY 2021	CY 2022
Reactivation	1,421	1,358	1,164	1,230	1,250
Active	104,330	98,901	97,037	94,480	93,180
Inactive	13,757	13,007	12,379	11,351	9,087
Delinquent Active	11,091	10,721	12,636	13,162	12,519
Delinquent Inactive	1,892	1,734	2,071	2,163	1,658
<b>Total Received</b>	<b>132,491</b>	<b>125,721</b>	<b>125,287</b>	<b>122,386</b>	<b>117,694</b>



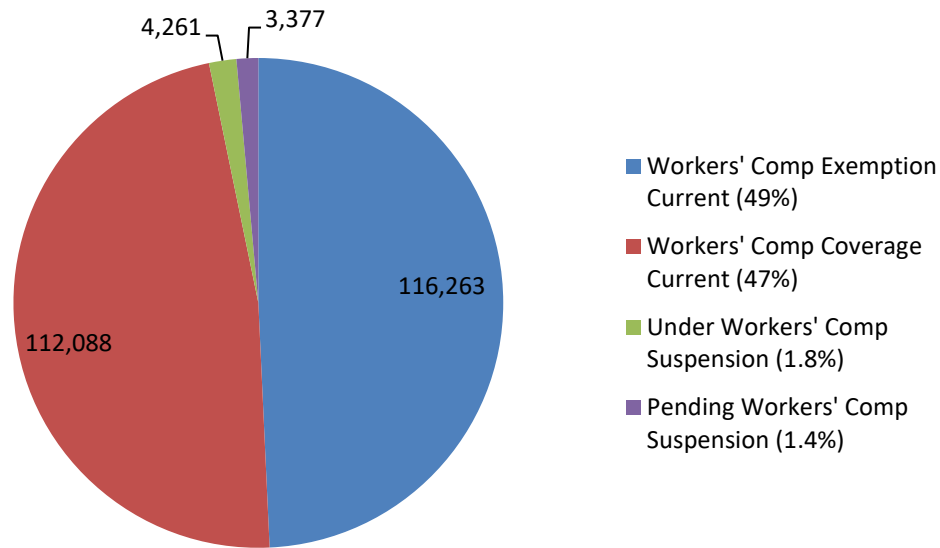


**Workers' Compensation Recertification Statistics**

The law requires that at the time of renewal, an active licensee with an exemption for workers' compensation insurance on file with CSLB either recertify that exemption or provide a current and valid Certificate of Workers' Compensation Insurance or Certificate of Self-Insurance. If at the time of renewal, the licensee fails to comply, then the law allows for the retroactive renewal of the license if the licensee submits the required documentation of the missing information within 30 days after notification by CSLB.

The chart below provides a snapshot of workers' compensation coverage for active licenses.

**Workers' Comp Coverage for Active Licenses - October 31, 2023**



**Total Number of Active Licenses: 237,042**

The following chart shows the workers' compensation coverage (policies and exemptions) on file as October 31, 2023, for active licenses by classification and the percentage of exemptions per classification.

**Active License Classifications Workers' Comp Status: As of October 31, 2023**

Classification	Exemptions on File	WC Policies on File	Total Policies & Exemptions	% of Total with Exemptions
<b>A</b> General Engineering	5,157	9,508	14,665	35%
<b>B</b> General Building	60,130	42,638	102,768	59%
<b>B-2</b> Residential Remodeling	440	131	571	77%
<b>C-2</b> Insulation and Acoustical	253	920	1,173	22%
<b>C-4</b> Boiler Hot Water	111	586	697	16%
<b>C-5</b> Framing / Rough Carp	493	475	968	51%
<b>C-6</b> Cabinet-Millwork	2,522	1,955	4,477	56%
<b>C-7</b> Low Voltage Systems	1,960	2,811	4,771	41%
<b>C-8</b> Concrete	9	5,222	5,231	0.2%
<b>C-9</b> Drywall	1,257	1,860	3,117	40%
<b>C10</b> Electrical	13,887	12,875	26,762	52%
<b>C11</b> Elevator	47	160	207	23%
<b>C12</b> Earthwork & Paving	980	1,449	2,429	40%
<b>C13</b> Fencing	686	1,019	1,705	40%
<b>C15</b> Flooring	3,631	3,427	7,058	51%
<b>C16</b> Fire Protection	713	1,487	2,200	32%
<b>C17</b> Glazing	1,117	1,886	3,003	37%
<b>C20</b> HVAC	6	11,062	11,068	0.1%
<b>C21</b> Building Moving Demo	502	1,246	1,748	29%
<b>C22</b> Asbestos Abatement	1	297	298	0.3%
<b>C23</b> Ornamental Metal	430	630	1,060	41%
<b>C27</b> Landscaping	4,743	6,939	11,682	41%
<b>C28</b> Lock & Security Equipment	139	228	367	38%
<b>C29</b> Masonry	887	1,346	2,233	40%
<b>C31</b> Construction Zone	68	328	396	17%
<b>C32</b> Parking Highway	168	308	476	35%
<b>C33</b> Painting	8,596	6,923	15,519	55%
<b>C34</b> Pipeline	139	371	510	27%
<b>C35</b> Lath & Plaster	623	1,198	1,821	34%
<b>C36</b> Plumbing	8,674	7,770	16,444	53%
<b>C38</b> Refrigeration	468	1,253	1,721	27%
<b>C39</b> Roofing	0	4,913	4,913	0%
<b>C42</b> Sanitation	351	603	954	37%
<b>C43</b> Sheet Metal	248	1,086	1,334	19%
<b>C45</b> Sign	375	499	874	43%
<b>C46</b> Solar	400	835	1,235	32%
<b>C47</b> Gen Manufactured House	203	237	440	46%
<b>C50</b> Reinforcing Steel	68	198	266	26%
<b>C51</b> Structural Steel	426	1,081	1,507	28%
<b>C53</b> Swimming Pool	1,192	1,568	2,760	43%
<b>C54</b> Tile	3,552	2,787	6,339	56%
<b>C55</b> Water Conditioning	118	176	294	40%
<b>C57</b> Well Drilling	273	500	773	35%
<b>C60</b> Welding	551	497	1,048	53%
<b>C61</b> Limited Specialty	7,208	13,318	20,526	35%



**Fingerprinting/Criminal Background Unit Statistics**

As mandated in January 2005, CSLB continues to fingerprint all license applicants. The California Department of Justice (DOJ) and the Federal Bureau of Investigation (FBI) conduct criminal background checks and provide criminal offender record information to CSLB for in-state convictions and for out-of-state and federal convictions.

DOJ and FBI typically provide responses to CSLB within a day or two of an applicant being fingerprinted, but occasionally the results are delayed. This does not necessarily indicate a conviction, as sometimes the results reveal a clear record. Most delays are resolved within 30 days; however, some continue for up to 90 days or longer because DOJ and FBI may need to obtain court records. Since DOJ and FBI are independent agencies, CSLB has no control over these delays and must wait for the fingerprint results before issuing a license. Staff follows up with DOJ regarding delayed responses to confirm the review has commenced and to make sure DOJ requires no further information.

Below is a breakdown of Criminal Background Unit statistics for the past five calendar years.

	CY 2018	CY 2019	CY 2020	CY 2021	CY 2022	TOTALS
<b>DOJ Records Received</b>	34,664	33,553	27,172	35,114	37,895	<b>168,398</b>
<b>CORI Information Received</b>	6,729	6,657	5,375	6,818	7,303	<b>32,882</b>
<b>Denials</b>	65	63	16	8	13	<b>165</b>
<b>Appeals</b>	42	31	11	5	7	<b>96</b>
<b>Probationary Licenses Issued (conditional license, requires periodic review)</b>	61	86	101	177	222	<b>647</b>



### **Experience Verification Unit Statistics**

All license applications received at CSLB are carefully reviewed to ensure experience requirements are met.

There is a special provision in California Code of Regulations section 824 that recommends a comprehensive field investigation of a minimum of 3 percent of applications. More like an enforcement investigation than the thorough review performed by Licensing staff to application questions and qualifications, the enforcement division “field investigation” includes a review of prior contracting activity (license or unlicensed) that may have caused consumer harm. Many of the applicants reviewed under the 3 percent field investigation provision have previously applied for a license or been flagged during an enforcement investigation.

Since implementation in September 2014, Experience Verification Unit (EVU) staff have been assigned and have reviewed 3,945 applications. In 2022, due to staffing considerations, the Licensing Division referred many of the experience investigations to the Enforcement Division. A special investigator endeavors to review 20 to 30 EVU applications a month.

The chart on the following page provides the breakdown for appeals, denials, withdrawals, experience verification, and pending applications by classification for the past 24 months by the Enforcement special investigator. The statistics do not include application investigations by Licensing staff.

**Experience Verification by Classification  
October 1, 2021 to October 31, 2023**

<b>Classification</b>	<b>Appealed</b>	<b>Withdrawn</b>	<b>Verified</b>	<b>Denied</b>	<b>Total</b>
<b>A</b> General Engineering	2	0	5	2	9
<b>B</b> General Building	4	26	44	21	95
<b>B-2</b> Residential Remodeling	0	1	4	3	8
<b>C2</b> Insulation and Acoustical	0	0	0	0	0
<b>C4</b> Boiler Hot Water	0	0	1	0	1
<b>C5</b> Framing / Rough Carp	0	0	0	0	0
<b>C6</b> Cabinet-Millwork	0	0	4	0	4
<b>C7</b> Low Voltage Systems	0	0	0	0	0
<b>C8</b> Concrete	1	1	2	0	4
<b>C9</b> Drywall	0	0	0	0	0
<b>C10</b> Electrical	0	3	12	2	17
<b>C11</b> Elevator	0	0	0	0	0
<b>C12</b> Earthwork & Paving	0	1	0	1	2
<b>C13</b> Fencing	0	0	0	0	0
<b>C15</b> Flooring	0	2	3	1	6
<b>C16</b> Fire Protection	0	0	2	0	2
<b>C17</b> Glazing	0	0	0	0	0
<b>C20</b> HVAC	0	2	4	3	9
<b>C21</b> Building Moving Demo	0	0	0	0	0
<b>C22</b> Asbestos Abatement	0	0	2	0	2
<b>C23</b> Ornamental Metal	0	0	0	0	0
<b>C27</b> Landscaping	0	0	5	3	8
<b>C28</b> Lock & Security Equipment	0	0	0	0	0
<b>C29</b> Masonry	0	0	0	0	0
<b>C31</b> Construction Zone	0	0	0	0	0
<b>C32</b> Parking Highway	0	0	0	0	0
<b>C33</b> Painting	0	3	6	0	9
<b>C34</b> Pipeline	0	0	0	0	0
<b>C35</b> Lath & Plaster	0	1	2	1	4
<b>C36</b> Plumbing	0	4	7	1	12
<b>C38</b> Refrigeration	0	0	0	0	0
<b>C39</b> Roofing	0	2	5	5	12
<b>C42</b> Sanitation	0	0	0	1	1
<b>C43</b> Sheet Metal	0	0	0	0	0
<b>C45</b> Sign	0	0	0	0	0
<b>C46</b> Solar	0	0	0	1	1
<b>C47</b> Gen Manufactured House	0	0	0	0	0
<b>C50</b> Reinforcing Steel	0	0	0	0	0
<b>C51</b> Structural Steel	0	0	3	0	3
<b>C53</b> Swimming Pool	0	1	3	1	5
<b>C54</b> Tile	0	0	2	0	2
<b>C55</b> Water Conditioning	0	0	0	0	0
<b>C57</b> Well Drilling	0	0	0	0	0
<b>C60</b> Welding	0	0	0	0	0
<b>C61</b> Limited Specialty	0	2	1	3	6
<b>ASB</b> Asbestos Cert	0	0	0	0	0
<b>HAZ</b> Hazardous Cert	0	0	0	0	0
<b>Total</b>	<b>7</b>	<b>49</b>	<b>117</b>	<b>49</b>	<b>222</b>



**Judgment Unit Statistics**

Judgment Unit staff process all outstanding government liabilities, civil judgments, and payment of bond claims reported to CSLB by licensees, consumers, attorneys, credit recovery firms, bonding companies, CSLB’s Enforcement Division, and other governmental agencies. The Judgment Unit also processes all documentation and correspondence related to resolving issues such as satisfactions, payment plans, bankruptcies, accords, motions to vacate, etc.

Outstanding liabilities are reported to CSLB by:

- Employment Development Department
- Department of Industrial Relations
  - Division of Occupational Safety and Health
  - Division of Labor Standards Enforcement
- Franchise Tax Board
- State Board of Equalization
- CSLB Cashiering Unit

Unsatisfied judgments are reported to CSLB by:

- Contractors
- Consumers
- Attorneys

Payment of claims are reported to CSLB by bonding (surety) companies.

The charts on the following page provide the number of notifications mailed to licensees related to outstanding liabilities, judgments, and payment of claims affecting their license status, including the savings to the public as a result of compliance.



Judgment Unit: Number of Reimbursements to State Agencies and Public

Outstanding Liabilities (from California State Agencies)

	11/22	12/22	1/23	2/23	3/23	4/23	5/23	6/23	7/23	8/23	9/23	10/23
<b>Initial</b>	47	63	44	32	70	51	62	77	68	82	57	84
<b>Suspend</b>	48	46	43	44	38	28	58	39	54	22	58	54
<b>Reinstate</b>	31	40	36	33	34	32	46	41	41	52	25	60
<b>Total</b>	126	149	123	109	142	111	166	157	163	156	140	198

Final Judgments (from court actions)

	11/22	12/22	1/23	2/23	3/23	4/23	5/23	6/23	7/23	8/23	9/23	10/23
<b>Initial</b>	40	78	28	22	53	33	55	68	28	82	53	67
<b>Suspend</b>	19	18	8	13	24	4	7	20	6	22	22	7
<b>Reinstate</b>	38	56	37	35	56	24	49	43	41	52	37	55
<b>Total</b>	97	152	73	70	133	61	111	131	75	156	112	129

Payment of Claims (from bond surety companies)

	11/22	12/22	1/23	2/23	3/23	4/23	5/23	6/23	7/23	8/23	9/23	10/23
<b>Initial</b>	106	125	85	83	145	106	146	107	81	80	53	47
<b>Suspend</b>	62	54	74	53	72	53	67	66	66	94	64	46
<b>Reinstate</b>	72	66	40	66	124	71	122	73	65	84	45	94
<b>Total</b>	240	245	199	202	341	230	335	246	212	258	162	187

Reimbursement Amounts to State Agencies and Public Prior Calendar Years

	CY 2018	CY 2019	CY 2020	CY 2021	CY 2022
<b>Outstanding Liabilities</b>	\$23,899,670	\$26,277,077	\$18,342,630	\$18,765,840	\$22,921,075
<b>Final Judgments</b>	\$12,167,435	\$16,514,073	\$20,586,833	\$18,003,223	\$20,211,482
<b>Payment of Claims</b>	\$9,580,600	\$11,080,053	\$9,921,280	\$7,934,026	\$7,781,618
<b>Total Monetary Recovery</b>	<b>\$45,647,705</b>	<b>\$53,871,203</b>	<b>\$48,850,913</b>	<b>\$44,703,089</b>	<b>\$50,914,175</b>



# CONTRACTORS STATE LICENSE BOARD

## LICENSING PROGRAM UPDATE

### State Agency Outstanding Liabilities Collected

	Employment Dev. Department (EDD)	Franchise Tax Board (FTB)	Department of Industrial Relations (DIR) Division of Labor Standards Enforcement (DLSE) Division of Occupational Safety & Health (DOSH) Office of the Director – Legal Unit (ODL)	Total Liabilities Collected
November 2022	\$409,418	\$415,499	\$94,521	<b>\$919,438</b>
December	\$1,308,171	\$650,514	\$2,930,458	<b>\$4,889,143</b>
January 2023	\$593,297	\$232,795	\$274,564	<b>\$1,100,656</b>
February	\$1,205,444	\$13,473	\$541,131	<b>\$1,760,048</b>
March	\$918,723	\$178,767	\$197,377	<b>\$1,294,867</b>
April	\$439,030	\$191,889	\$673,425	<b>\$1,304,344</b>
May	\$1,038,646	\$599,088	\$23,653	<b>\$1,661,387</b>
June	\$718,049	\$412,997	\$217,435	<b>\$1,348,481</b>
July	\$2,077,203	\$575,846	\$133,472	<b>\$2,786,521</b>
August	\$1,084,031	\$386,109	\$545,753	<b>\$2,015,893</b>
September	\$231,052	\$470,402	\$6,875	<b>\$708,329</b>
October	\$1,261,979	\$1,458,954	\$1,817,049	<b>\$4,537,982</b>
<b>TOTALS</b>	<b>\$11,285,043</b>	<b>\$5,586,333</b>	<b>\$7,455,713</b>	<b>\$24,327,089</b>





# CONTRACTORS STATE LICENSE BOARD

## TESTING PROGRAM UPDATE

### Examination Administration Unit

The Testing Division’s Examination Administration Unit (EAU) utilizes PSI Exams to administer CSLB’s 47 examinations at 22 computer-based test centers. CSLB and PSI mail applicants instructions on how to schedule exams.

EAU provides reasonable accommodations to applicants when needed and approves translator requests for candidates.

### Number of Examinations Scheduled Per Month November 2022 – October 2023

Nov 2022	Dec	Jan 2023	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Total
3212	3346	3420	3742	4204	3641	3824	4009	3863	4195	4040	4479	45,975

CSLB currently utilizes PSI test centers in the following locations:

- Agoura Hills
- Atascadero
- Bakersfield
- Carson
- Diamond Bar
- El Monte/Santa Fe Springs
- Fresno
- Irvine
- Las Vegas
- Lawndale
- Redding
- Riverside
- Sacramento
- San Diego
- San Francisco
- Santa Clara
- Santa Rosa
- Union City
- Ventura
- Visalia
- Walnut Creek
- Wilsonville

In May 2023, Testing was authorized to request two additional test centers for CSLB candidates. Testing’s research concluded that focusing expansion efforts in Oregon and Nevada would serve the highest number of out-of-state licensees. Examination administration was expanded to two additional test centers outside of California in August 2023. The additional PSI test centers are located in Las Vegas, Nevada, and Wilsonville, Oregon.

**Number of Examinations Administered by Test Center**

From November 2022 to October 2023, PSI test centers administered a total of 45,848 exams. The details about each test center are described below.

<b>Test Center</b>	<b>Number of Examinations Administered</b>
<b>Agoura Hills – PSI</b>	3,653
<b>Atascadero – PSI</b>	586
<b>Bakersfield – PSI</b>	856
<b>Carson – PSI</b>	1,605
<b>Diamond Bar – PSI</b>	2,169
<b>El Monte/Santa Fe – PSI</b>	3,413
<b>Fresno – PSI</b>	1,512
<b>Irvine – PSI</b>	3,168
<b>Las Vegas – PSI</b>	1
<b>Lawndale – PSI</b>	1,739
<b>Redding – PSI</b>	610
<b>Riverside/Mission Grove – PSI</b>	4,206
<b>Sacramento – PSI</b>	4,719
<b>San Diego – PSI</b>	4,387
<b>San Francisco – PSI</b>	2,366
<b>Santa Clara – PSI</b>	3,198
<b>Santa Rosa – PSI</b>	1,713
<b>Union City – PSI</b>	1,542
<b>Ventura – PSI</b>	1,686
<b>Visalia - PSI</b>	560
<b>Walnut Creek – PSI</b>	2,159
<b>Wilsonville - PSI</b>	0
<b>Total</b>	<b>45,848</b>

**Examination Development Unit**

The Testing Division's Examination Development Unit (EDU) ensures that CSLB's 47 examinations are written, maintained, and updated in accordance with testing standards and guidelines, Department of Consumer Affairs policies, and CSLB regulations, as well as federal and California state law.

**Examination Development**

State law requires that all license examinations be updated at least every five to seven years. All CSLB examinations meet this standard. The revision process takes approximately one year and is conducted in two phases: 1) occupational analysis and 2) item bank development.

The occupational analysis determines what topics are relevant to each contractor classification and in what proportion they should be tested. This process starts with interviews of a statewide sample of active California licensees in each specific classification. The interviews result in a draft list of the job tasks performed by contractors in that trade and the knowledge needed to work safely and competently. EDU staff then conduct a workshop with licensees who act as subject matter experts to finalize the task and knowledge statements. A large-scale online survey is conducted with a greater number of subject matter experts. A second workshop is then conducted to develop a validation report, which includes an examination outline that serves as a blueprint for constructing examination versions/forms.

The item bank development phase involves numerous workshops with subject matter experts to review and revise existing test questions, write, and review new test questions, and determine the passing score for examinations from that point forward.

The following examinations were released between July 1, 2023, and November 1, 2023:

- C-2 Insulation and Acoustical
- C-7 Low Voltage
- C-12 Earthwork and Paving
- C-13 Fencing
- C-34 Pipeline
- C-46 Solar
- C-54 Ceramic and Mosaic Tile
- C-57 Well Drilling
- Hazardous Substance Removal certification



**Examination Programs in Progress as of October 2023**

<b>Occupational Analysis</b>	<b>Item Bank Development</b>
<b>C-11 Elevator</b>	<b>C-4 Boiler, Hot Water Heating, &amp; Steam-fitting</b>
<b>C-21 Building Moving and Demolition</b>	<b>C-10 Electrical</b>
<b>C-28 Lock and Security</b>	<b>C-31 Construction Zone Traffic Control</b>
<b>C-50 Reinforcing Steel</b>	<b>C-38 Refrigeration</b>
	<b>C-45 Sign</b>
	<b>C-47 General Manufactured Housing</b>
	<b>C-49 Tree and Palm</b>
	<b>C-55 Water Conditioning</b>
	<b>C-60 Welding</b>

**Spanish Translated Examinations**

As of November 1, 2023, PSI had administered 477 Spanish-translated law exams, 21 Spanish-translated B exams, and 7 Spanish-translated C-8 exams for a total of 505 Spanish exams. On November 1, 2023, the following trade exams were also released in a Spanish-translated version: C-9 Drywall, C-27 Landscaping, and C-33 Painting and Decorating. The last three translated trade exams will be available at the test centers on December 1, 2023. In addition, Licensing and Testing are assessing all letters and other public documents to determine what else should be translated for applicants' and candidates' use.

# AGENDA ITEM H

## Public Affairs





## AGENDA ITEM H-1

# Update Regarding November 29, 2023, Public Affairs Committee Meeting and Possible Approval of Summary Report









### Public Affairs Committee Meeting Summary Report

#### A. Call to Order, Roll, Establishment of Quorum and Chair's Introduction

Public Affairs Committee Chair Miguel Galarza called the meeting of the Contractors State License Board (CSLB) Public Affairs Committee to order on November 29, 2023, at 9:33 a.m. via WebEx teleconference. A quorum was established.

##### Committee Members Present

Miguel Galarza, Chair  
David De La Torre  
Susan Granzella  
Jacob Lopez  
Steven Panelli  
Alan Guy

Mary Teichert had an approved absence.

##### CSLB Staff Present

David Fogt, Registrar  
Michael Jamnetski, Chief Deputy Registrar  
Katherine White, Chief of Public Affairs  
Carol Gagnon, Chief of Licensing and Examinations  
Steve Grove, Chief of Enforcement  
Yeaphana La Marr, Chief of Legislation  
Stacey Paul, Budgets Manager  
Jason Perez, Chief of Information Technology  
Amy Lawrence, Television Specialist  
Natalie Rosenberger, Information Officer  
Natalie Watmore, Information Officer  
Robin Williams, Executive Staff

##### DCA Staff Present

John Kinn, DCA Legal Counsel

#### B. Public Comment

Rich Knudsen asked about the CSLB complaint process and timeline.

Registrar David Fogt asked Knudsen to provide contact information to address their concerns.

**C. Review, Discussion and Possible Action on Website Consumer Information Improvements**

Public Affairs Committee Chair Miguel Galarza introduced agenda item C, located on page 13 of the Committee packet. Chair Galarza stated the Public Affairs team at CSLB is enhancing their website for better consumer service. Key updates include revising the Alerts box on the homepage to highlight laws on down payments for home improvement, which includes solar contracts. The revised content clearly outlines legal limits on down payments and prohibits payment collection for unfinished work or undelivered materials.

Chair Galarza added that Public Affairs is drafting a letter for solar contractors with numerous complaints, emphasizing CSLB's role in investigating violations of the Contractors State License Law, rather than acting as quality control.

The Solar Smart page on the CSLB website is also being updated for clearer consumer guidance. Essential tips, such as license verification, doing research, and review of contracts, are being prioritized on the page and promoted through CSLB's social media.

Chair Galarza explained, alongside website improvements, Public Affairs is updating all CSLB publications, ensuring they are current and available in multiple languages, including Spanish. The updates extend to materials like the "Get Licensed to Build" publication, which supports monthly licensing workshops offered in English and Spanish.

**Committee Member Comment:**

Committee Member Susan Granzella asked how people can see the payment reminder alerts on the website. Chief of Public Affairs Katherine White described where the Alerts box is on the CSLB homepage.

**Public Comment:**

There was no public comment.

**D. Review, Discussion, and Possible Action on Video Outlines to Assist Consumers and Licensees**

Chair Galarza introduced Agenda Item D, located on page 17 of the Committee packet, which centered on the creation of new video to better assist consumers and licensees, which includes translating videos to Spanish.

Chair Galarza introduced Television Specialist Amy Lawrence, who briefly described proposed videos, including videos about tips for solar, Spanish versions of existing videos, and videos for key tips that will also be posted on social media.

**Committee Member Comment:**

Member Granzella asked when the proposed videos would be completed. Lawrence



informed the committee the videos would be available by the end of 2024.

Public Comment:

There was no public comment.

**E. Review, Discussion and Possible Action on CSLB-specific New Board Member Orientation Video**

Chair Galarza introduced Agenda Item E, located on page 18 of the Committee packet, which focused on Strategic Plan Item 4.2. This item involves the development of a specific orientation program for new CSLB board members. The orientation aims to educate these members about CSLB's legislative processes, licensing and testing functions, and enforcement procedures.

Chair Galarza informed the committee that the CSLB's Public Affairs Office produced a comprehensive PDF document and an informative video for new board members.

CSLB's Public Affairs staff shared the board orientation video with the committee.

Committee Member Comment:

Member Granzella asked if CSLB would be producing a video offering insights into Board member roles and what is expected of them.

Chief White informed the committee the video was focused on the legislative processes, licensing and testing functions, and enforcement procedures but noted this information could be included in the PDF document.

Committee Member Alan Guy expressed their appreciation for the new orientation information.

Public Comment:

There was no public comment.

**F. Adjournment**

**Motion:** To adjourn the November 29, 2023, Public Affairs Committee meeting. David De La Torre moved; Steven Panelli seconded.

The Public Affairs Committee adjourned at approximately 9:58 a.m.



## AGENDA ITEM H-2

# Public Affairs Update







# CONTRACTORS STATE LICENSE BOARD

## PUBLIC AFFAIRS PROGRAM UPDATE

### Public Affairs Program Update

CSLB's Public Affairs Office (PAO) is responsible for media, industry, licensee, and consumer communications, as well as outreach. PAO provides proactive public relations, response to media inquiries, publication and newsletter development and distribution, and contractor education and outreach.

PAO creates and posts content on CSLB's social media channels to educate and inform consumers, licensees, the construction industry, the news media, and government officials. PAO staff produces content for the CSLB website that includes webcasts and videos. The staff also conducts Senior Scam Stopper<sup>SM</sup> and Consumer Scam Stopper<sup>SM</sup> seminars, offers seminars for both disaster survivors and contractors in disaster zones, and presents speeches to service groups and organizations. Staff also produces content for the employee intranet.

### Disaster Response

CSLB works to educate property and business owners, so they are not harmed by unlicensed and other unscrupulous contractors after a disaster. Many individuals try to take advantage of disaster survivors during the rebuilding process.

As a result of damage from Tropical Storm Hilary in August, CSLB staffed and participated in one disaster recovery center (DRCs) throughout California from August 1, 2023, through October 31, 2023.

Disaster	DRC Location	Resources
1. Tropical Storm Hilary	Cathedral City (Riverside County)	In-Person Staffing

CSLB also maintains a toll-free disaster hotline, serviced by Intake and Mediation Center staff Monday through Friday from 8 a.m. to 5 p.m. The hotline is promoted in various publications and through CSLB's social media channels, as well as on disaster signs posted in disaster zones and provided at the DRCs. CSLB's disaster response includes immediate and longer-term outreach, enforcement efforts, participation in multi-agency task forces, and assistance for affected licensees.

### Short- and Long-Term Outreach

PAO performs additional outreach to congressional offices and state legislator offices in the affected disaster areas, as well as building departments, construction industry associations, and chambers of commerce.

PAO offers local counties and jurisdictions disaster rebuilding workshops for longer-term outreach. CSLB offers two disaster rebuilding workshops:

1. For disaster survivors looking to rebuild.
2. For contractors who plan to work on the rebuilding effort.



The disaster survivor workshop includes essential consumer protection tips, information about contractor licensing and other requirements, insurance issues, how to work with an architect, and an update on the rebuilding effort provided by the local building department.

The contractor workshop includes a building department update on the local rebuild and any special rules established for plan approvals and inspections. Licensing requirements are covered, as are bonds and insurance, how to obtain a workers' compensation insurance policy, contract requirements, how to prevent complaints, and how the selection of building materials and the choice of building methods can help prevent future disasters.

CSLB also makes regular disaster-related posts through its social media channels, including Facebook, Twitter, Instagram, and LinkedIn.

### **Task Force Participation**

CSLB staff participate on a multi-agency task force established by the California Governor's Office of Emergency Services that focuses on rebuilding and housing. The task force includes representatives from local, state, and federal agencies, with a goal of coordinating and streamlining the debris cleanup efforts and addressing both short-term housing needs for survivors and the rebuild.

### **Assistance for Licensees/Applicants**

PAO communicates that CSLB continues its practice of waiving fees for licensees to replace their wall certificate and/or plastic pocket license in disaster zones. PAO also shares that CSLB waives delinquent fees for failure to renew a license before it expires for disaster survivors and works to expedite license applications for those planning to work in disaster areas.

### **Video/Digital Services**

#### **Consumer, Licensee and Applicant Tips Videos**

Public Affairs staff developed consumer and licensee tips videos for promotion on social media and the CSLB website. Topics have included tips on swimming pool construction, hiring a roofing contractor and information for contractors on contracting in disaster areas. In addition, Public Affairs developed a short video promoting Construction Inclusion Week on social media.

Staff continued translating and producing Spanish consumer and licensee tips videos, including a series on how to navigate the CSLB website and guidance on hiring a licensed contractor for various summer home improvement projects.





Staff also produced English and Spanish versions of the monthly *Get Licensed to Build* workshop for those interested in a contractor's license. These livestreams have been well attended via WebEx, Facebook, and YouTube, and are also archived on CSLB's website.

## Livestreams/Videos Produced

### Live/Recorded Videos August 1, 2023 – October 31, 2023

Date Published	Video Title
8/3/2023	Battery Energy Storage Systems Regulatory Hearing
8/4/2023	Get Licensed to Build Workshop
8/18/23	Workshop para que obtenga licencia para construir
8/18/23	CSLB Tips on Swimming Pool Construction
9/1/23	Get Licensed to Build Workshop
9/14/23	CSLB Board Meeting
9/15/23	Workshop para que obtenga licencia de construir
9/19/23	Consejos rápidos de la CSLB: Contratación en zonas de desastres
10/6/23	Get Licensed to Build Workshop
10/12/23	Solar Power for the Home
10/12/23	Protect Your Construction Investment
10/18/23	Construction Inclusion Week 2023
10/20/23	Workshop para que obtenga licencia para construir
10/24/23	CSLB Quick Tips: Hiring a Roofing Contractor
10/30/23	CSLB Board Meeting

## Social Media

PAO continues to use social media as an outreach tool to better interact with applicants, licensees, the news media, and other stakeholders. CSLB currently utilizes Facebook, Instagram, Twitter, YouTube, and LinkedIn.



### Social Media Highlights

- **Facebook:** 6,393 followers, a 1.4% increase since the previous quarter
- **Instagram:** 2,187 followers, an 5.9% increase since the previous quarter
- **Twitter:** 3,015 followers, a .8% increase since the previous quarter
- **YouTube:** 15 videos produced; 27,500 video views; 1,600 hours watched since the previous quarter.
- **LinkedIn:** 925 followers, a 2.2% increase since the previous quarter

### Facebook Growth

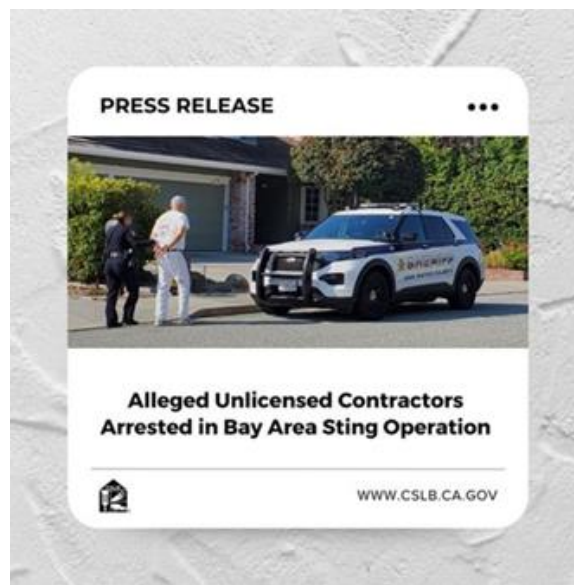
Between August 1, 2023, and October 31, 2023, CSLB reached 15,059 followers.

### Follower Statistics

Of CSLB's Facebook followers, 67 percent of CSLB Facebook followers are male; 32 percent are female. Of these followers, 1 percent of CSLB's Facebook followers are ages 18 to 24, 13.1 percent are ages 25-34, 31.1 percent are ages 35-44, 26.4 percent are ages 45-54, 17.8 percent are ages 55-64, and 10.6 percent are ages 65 and up.

### Top Facebook Post

The top post (see below) was published on Tuesday, October 10, at 4:30 p.m. with a reach of 5,586 accounts, 500 link clicks, 38 comments, 21 shares, and 99 reactions. The reach on this post is 1,038% higher than our median post reach (538).



### Published post:

Two individuals were arrested last month during an undercover sting operation in San Carlos. Both suspects had warrants for contracting without a license.



Read the full press release here: [https://www.cslb.ca.gov/Resources/PressReleases/2023/San\\_Carlos\\_Sting.pdf](https://www.cslb.ca.gov/Resources/PressReleases/2023/San_Carlos_Sting.pdf)

[#CSLB](#) [#SanCarlos](#) [#sting](#) [#undercover](#)

### Instagram Growth

Between August 1, 2023, and October 31, 2023, CSLB reached 3,887 accounts on its Instagram page.

### Follower statistics

Of CSLB's Instagram followers, 74 percent of CSLB's Instagram followers are male; 26 percent are female. Of these followers, 4 percent of CSLB's Instagram followers are ages 18 to 24, 30.9 percent are ages 25-34, 38.4 percent are ages 35-44, 18.1 percent are ages 45-54, 6 percent are ages 55-64, and 2.6 percent are ages 65 and over.

### Top Instagram Post

The top post (see below) was published on Wednesday, August 9, at 2:30 p.m. with a reach of 1,520 people, 50 likes, 5 comments, and 20 shares.

### Published post:

CSLB's [#SWIFT](#) Agents are working hard to fight unlicensed contractors. To help combat "Bad Blood" in the industry, send us a lead --> Link in stories 😊

[#Swifties](#) [#CSLB](#) [#BadBlood](#) [#TaySwift](#) [#California](#) [#Construction](#)  
[#LookWhatYouMadeMeDo](#)





### Twitter Growth

Between August 1, 2023, and October 31, 2023, CSLB had 7,200 impressions.

### Top Tweet

The top tweet was published on August 30, 2023. It had 247 impressions, including 2 replies, 6 engagements, and 4 detail expands.

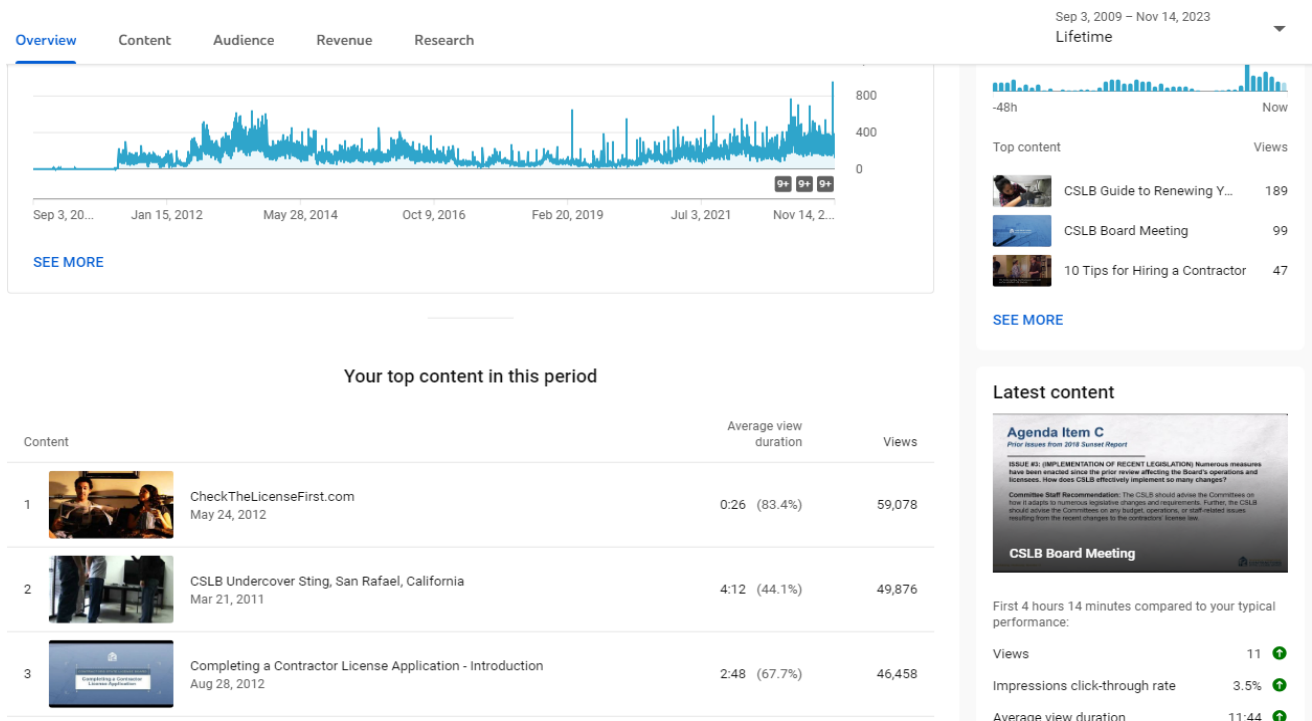
### Published post:

When disaster strikes, it's in our nature to help. Visit <http://cslb.ca.gov/disaster> to access our free tools to help with the rebuilding and repair process.

[#CSLB](#) [#CaliforniaDisaster](#) [#DisasterResponse](#) [#CaliforniaConstruction](#) [#CaliforniaWeather](#) [#Wildfires](#) [#FireSeason](#)

### YouTube Channel Growth

CSLB's YouTube channel continues to grow, with an increase of approximately 484 subscribers, 1,709 hours of watch time, and 27,966 more views since August 2023. The channel has a total of 764,505 views (51,019 hours watched) and 6,380 subscribers since the page was created in 2009.



**LinkedIn Growth**

PAO actively posts current job vacancies to LinkedIn, a business-oriented social networking site primarily used for professional networking. LinkedIn can increase exposure and act as an effective recruiting tool to attract quality employees for CSLB positions. As of October 31, 2023, CSLB has 925 followers. It received 774 page views from August 1, 2023, through October 31, 2023.

**Email Alert Feature**

CSLB has a website feature that allows people to subscribe to various email alerts. The total subscriber database currently is 192,784, which includes the Licensee Information database.

These include:

- Industry Bulletins
- CSLB Job Openings
- Public Meeting Notices/Agendas
- *California Licensed Contractor* Newsletters
- News Releases/Consumer Alerts
- Surveys
- Podcasts/webcasts
- Licensee Information
- Home Improvement Salespersons

**Industry Bulletins**

Important CSLB updates are issued in Industry Bulletins, which are emailed to those who signed up via CSLB's email alerts. Between August 1, 2023, and October 31, 2023, CSLB issued one Industry Bulletin related to the Spanish Law and Business exam being available, along with publicizing two out-of-state PSI test centers.

**Media Relations****Media Calls**

Between August 1, 2023, and October 31, 2023, PAO responded to 19 media inquiries, providing information and/or interviews to a variety of media outlets.

**News Releases**

PAO issued five news releases between August 1, 2023, and October 31, 2023. The releases covered sting operations throughout the state.



## Consumer/Community Outreach

### Senior Scam Stopper<sup>SM</sup> Seminars

CSLB's Senior Scam Stopper<sup>SM</sup> seminars have been offered throughout the state since 1999, in cooperation with legislators, state and local agencies, law enforcement, district attorneys, and community-based organizations. Seminars provide information about construction related scams and how seniors, who are often preyed upon by unlicensed or unscrupulous contractors, can protect themselves when hiring a contractor. Sessions feature expert speakers from local, state, and federal agencies, who present broader topics on consumer and financial scams. CSLB continues to remain committed to consumer protection by offering Senior Scam Stopper<sup>SM</sup> seminars virtually and in-person.

The following seminars have been conducted from August through October:

Date	Location	Legislative/Community Partner(s)
August 10, 2023	Yucaipa	Assemblymember Greg Wallis
August 25, 2023	Stanton	Assemblymember Tri Ta
August 30, 2023	Virtual	AARP
September 5, 2023	Carmichael	Mission Oaks Community Center
September 11, 2023	Vallejo	Senator Bill Dodd
September 20, 2023	Moreno Valley	Assemblymember Corey Jackson
September 30, 2023	Hayward	Assemblymember Liz Ortega
October 3, 2023	Palmdale	Palm Vista Senior Living
October 5, 2023	Santa Clarita	Assemblymember Pilar Schiavo and Senator Scott Wilk
October 12, 2023	Lakewood	Assemblymember Anthony Rendon
October 17, 2023	Costa Mesa	Assemblymember Cottie Petrie-Norris
October 19, 2023	Tustin	Assemblymember Cottie Petrie-Norris
October 23, 2023	Irvine	Assemblymember Cottie Petrie-Norris
October 24, 2023	N. Hollywood	Jewish Family Service LA
October 25, 2023	Salinas	Assembly Speaker Robert Rivas
October 26, 2023	Watsonville	Assembly Speaker Robert Rivas



From August through October, CSLB staff spoke/staffed booths for the following organizations/events and conducted Consumer Scam Stopper<sup>SM</sup> seminars:

<b>Date</b>	<b>Location</b>	<b>Legislative/Community Partner(s)</b>
August 10, 2023	Roseville	Placer County PROTECT
August 12, 2023	San Francisco	San Francisco Assessor Office
August 18, 2023	Roseville	Tri-County Home and Garden Show
August 19, 2023	Roseville	Tri-County Home and Garden Show
August 26, 2023	San Andreas	Calaveras County
August 31, 2023	Monterey	Monterey County Fair Senior Resource Fair
September 9, 2023	S. El Monte	City of South El Monte
September 16, 2023	Vacaville	Solano County Home Show
September 17, 2023	Vacaville	Solano County Home Show
September 20, 2023	Los Angeles	LA Build Expo
September 21, 2023	Los Angeles	LA Build Expo
September 23, 2023	Sacramento	Sacramento Health and Senior Fair
September 23, 2023	Carlsbad	Lake Shore Gardens Residents Association
September 25, 2023	Clovis	Central Valley Veterans Stand Down
September 26, 2023	Clovis	Central Valley Veterans Stand Down
October 4, 2023	Auburn	Auburn Senior Resource Fair
October 4, 2023	Santa Barbara	Santa Barbara Senior Expo and Active Aging Fair
October 6, 2023	Cerritos	Cerritos Senior Center Health and Wellness Fair
October 7, 2023	Dublin	City of Dublin
October 27, 2023	Aliso Viejo	Orange County Supervisor Katrina Foley



**Publication/Graphic Design Services**

Between August 1, 2023, and October 31, 2023, PAO’s Graphic Design Unit completed the following publications and reports.

**Publications & Reports  
August 1, 2023 – October 31, 2023**

Publications & Reports
September 14, 2023, Quarterly Board Meeting Packet
Get Licensed to Build Guide (English)
What Seniors Should Know Brochure (English & Spanish)

**Intranet/Employee Relations**

*CSLBin* is the employee-only intranet site. Stories and photos highlight employee and organizational accomplishments. The site also contains the latest forms, policies, reports, and other information used by CSLB staff around the state. Between August 1, 2023, and October 31, 2023, PAO published seven employee intranet articles.

**Employee Intranet Stories  
August 1, 2023 – October 31, 2023**

Date Published	Title
8/7/2023	California Licensed Contractor Newsletter: Summer 2023
8/11/2023	CSLB Law Book Survey: Your Feedback Matters
9/11/2023	Tune In! CSLB's Board Meeting - September 14
9/18/2023	Licensing Division Brings Processing Times Down to Historic Low
10/4/2023	Unleash Your Potential with SOLID Training!
10/10/2023	World Mental Health Day - Grounding Techniques
10/26/2023	Acknowledging Achievement: Southern California CSLB Enforcement Academy Graduation

**Public Information Center Statistics**

The Public Information Center, under Public Affairs, includes both the Call Center and Public Counter. Below are statistical updates for the Call Center through October 31, 2023.





	Jan. 2023	Feb. 2023	March 2023	April 2023	May 2023	June 2023	July 2023	Aug. 2023	Sept. 2023	Oct. 2023
<b>Calls Received</b>	13,282	12,464	14,041	12,117	12,771	12,390	11,548	13,104	10,034	10,478
<b>Calls Answered</b>	9,742	7,660	8,268	7,277	9,054	9,719	8,334	11,121	8,900	9,973
<b>Caller Abandoned</b>	3,523	4,715	5,682	4,700	3,678	2,557	2,531	735	735	445
<b>Longest Wait Time</b>	0:54:0 1	0:59:35	1:00:17	1:10:03	0:54:29	0:43:52	0:47:48	0:19:07	0:17:40	0:10:19
<b>Shortest Wait Time</b>	0:11:0 3	0:17:46	0:18:14	0:21:13	0:06:14	0:01:33	0:02:39	0:01:07	0:01:11	0:00:24
<b>Avg. Wait Time</b>	0:22:4 7	0:37:06	0:40:20	0:40:07	0:25:28	0:17:41	0:17:44	0:07:53	0:05:20	0:03:17

**Public Information Center Call Data – Prior Calendar Years**

Inbound Activity	CY 2017	CY 2018	CY 2019	CY 2020	CY 2021	CY 2022
<b>Calls Received</b>	166,918	152,845	149,462	149,462	140,589	140,409
<b>Calls Answered</b>	147,074	137,270	136,776	98,044	116,304	119,693
<b>Caller Abandoned</b>	16,527	9,426	7,859	35,865	23,983	20,496
<b>Avg. Longest Wait Time</b>	0:01:36	0:10:48	0:08:33	0:46:23	0:33:56	0:34:45
<b>Avg. Shortest Wait Time</b>	0:00:12	0:01:04	0:00:48	0:04:23	0:03:11	0:01:24
<b>Avg. Wait Time</b>	0:06:46	0:04:21	0:03:34	0:25:27	0:14:38	0:11:06



# AGENDA ITEM I

## Closed Session

Pursuant to Government Code section 11126(e)(1), the Board will move into closed session to confer with, and receive advice from, its legal counsel regarding the following pending litigation: Los Angeles County Superior Court, Case No. 20STCV45568.





## AGENDA ITEM J

### Closed Session

Pursuant to Government Code section 11126(c)(17), the Board will move into closed session to review, discuss, and take possible action on the salary or other compensation of the Registrar.





## AGENDA ITEM K

# Report on Action Taken in Closed Session on the Salary or Other Compensation of the Registrar







# AGENDA ITEM L

Adjournment

