



CONTRACTORS STATE LICENSE BOARD

BOARD MEETING MINUTES

Board Meeting Minutes

A. Call To Order, Roll Call, Establishment of Quorum, and Chair's Introduction and Appointment of Nomination Committee Members

Board Chair Susan Granzella called the meeting of the Contractors State License Board (CSLB) to order on March 30, 2022, at 9 a.m. via WebEx teleconferencing.

Board Members Present

Susan Granzella, Chair
Frank Altamura
Rodney Cobos
David De La Torre
Miguel Galarza
Don Giarratano
Diana Love
Michael Mark
Steven Panelli
Jim Ruane
Johnny Simpson
Mary Teichert

CSLB Staff Present

David Fogt, Registrar
Cindy Kanemoto, Chief Deputy Registrar
Jason Perez, Chief of Information Technology
Michael Jamnetski, Chief of Legislation
Mike Melliza, Chief of Administration
Steve Grove, Chief of Enforcement
Stacey Paul, Budgets Manager
Joyia Emard, Public Affairs Manager

DCA Staff Present

Jason Hurtado, DCA Legal
Ryan Marcroft, DCA Legal

DOJ Staff Present

Joshua Room, Deputy Attorney General

A quorum was established. Board Vice Chair Mary Teichert led the Board in the Pledge of Allegiance.

Chair Granzella welcomed new board member Alan Guy.



Member Alan Guy said they were very excited to be part of the board. Guy stated they have been working in the industry for over 15 years and look forward to giving back.

Chair Granzella welcomed Cindy Kanemoto as the interim Chief Deputy Registrar. Granzella said Kanemoto is a retired annuitant, working part-time to assist CSLB in the absence of Tonya Corcoran. Kanemoto served as Chief Deputy Registrar prior to Tonya Corcoran.

Chair Granzella announced that board members David De La Torre and Johnny Simpson have been appointed to the board officer nomination committee. Granzella stated De Le Torre and Simpson will recommend a slate of officers for Board member consideration and the Board will elect new officers at the June Board meeting.

B. Public Comment

There were no public comments.

C. Recognition

Chair Granzella said CSLB was recognizing Tonya Corcoran for her exceptional contributions and leadership as the Chief Deputy Registrar at CSLB. Granzella stated Corcoran served as the Chief Deputy for more than four years and always demonstrated superior commitment, dedication, and service to CSLB and the public. Granzella said Tonya Corcoran was an integral part of the CSLB Executive Team. Granzella thanked Corcoran for their service and said they knew Corcoran will do well in their new position at the Department of Consumer Affairs.

Board Member Comment:

Board Secretary Diana Love thanked Corcoran and said Corcoran had been an inspiration to them. Love stated that Corcoran always made themselves available for calls and Love wishes them the best.

Board Vice Chair Mary Teichert thanked Corcoran for the exceptional support and help they provided as Teichert transitioned onto the Board. Teichert stated Corcoran went above and beyond and they wish Corcoran great luck in the future.

Board member Jim Ruane said thank you to Corcoran and emphasized work they have done to help the Board through COVID.

Board member David De La Torre thanked Corcoran for their service to the Board and to consumers throughout the state. De La Torre said that Corcoran was instrumental in their success as the previous Board Chair.



Board member Miguel Galarza thanked Corcoran for their help with onboarding during COVID. Galarza said they look forward to seeing Corcoran continue to serve in a different role.

Board member Michael Mark said they appreciated Corcoran's service. Mark mentioned that Corcoran's strength is their ability to communicate effectively with Board members. Mark wished Corcoran luck.

Board member Johnny Simpson thanked Corcoran for their ability to get things done and said they were very much appreciated.

Chair Granzella introduced David Fogt to comment on Corcoran's recognition.

Registrar Fogt said when the pandemic hit, Corcoran's administrative skills were instrumental in moving to a telework environment and managing office closures, while performing high-level public service. Fogt thanked Corcoran on behalf of senior staff for their hard work, positive attitude, and solution-based approach to management.

Chair Granzella said CSLB was also recognizing San Mateo County Deputy District Attorney, Kimberly Perrotti. Granzella said Deputy Perrotti has been an outstanding partner with the CSLB in protecting consumers and maintaining the integrity of the construction industry in San Mateo County.

On behalf of the Board, Granzella thanked Deputy Perrotti for their partnership in consumer protection.

Public Comment:

Eddie Bernacchi thanked Corcoran for their service to the industry.

Secretary Love thanked Perrotti for their time and service to the Contractors State License Board and congratulated Perrotti on their recognition.

Registrar Fogt said Perrotti's partnership with CSLB began over five years ago when they volunteered to identify and prosecute several CSLB cases that had not been filed. Fogt said Perrotti took a special interest prosecuting businesses that have an RMO being paid for use of their license but is not involved in the supervision or control of operations. Fogt emphasized how this activity undermines CSLB's licensing structure and consumer protection goals. Fogt said that while these cases can be challenging to prosecute, Perrotti has aggressively and successfully pursued them. Fogt mentioned that Perrotti was instrumental in the prosecution of one of CSLB's "Most Wanted," Matthew Sean Breen, and went the extra mile to extradite Breen from Massachusetts so they could be prosecuted for the felonies they committed. Fogt thanked Perrotti for all their assistance and commitment to consumer protection.



Member Miguel Galarza said that Perrotti’s help, and protection of seniors was worthy of recognition and said their help is an important part of what CSLB does to protect members of the public.

D. Executive

D. 1-3 Board Meeting Minutes and Committee Meeting Summary Reports

Chair Granzella introduced agenda item D-1, the review and possible approval of Board meeting minutes and Committee meeting summary reports.

Chair Granzella said they would begin with the November 29, 2021 Board meeting minutes that began on page 9 of the board packet.

Chair Granzella asked Board members if they had edits to the November 29, 2021, meeting minutes.

No comments were made.

Public Comment:

There was no public comment.

Motion: Approve the November 29, 2021, Board meeting minutes. Jim Ruane moved; Johnny Simpson seconded. The motion passed.

BOARD MEMBER	YEA	NAY	ABSENT	ABSTAIN	RECUSAL
Susan Granzella	✓				
Frank Altamura				✓	
Rodney Cobos	✓				
David De La Torre	✓				
Miguel Galarza	✓				
Don Giarratano	✓				
Alan Guy				✓	
Diana Love	✓				
Michael Mark	✓				
Steve Panelli	✓				
Jim Ruane	✓				
Johnny Simpson	✓				
Mary Teichert	✓				

Chair Granzella introduced agenda item D-2, the review and possible approval of the January 26, 2022, Enforcement, Public Affairs, Executive, Licensing and Legislative Committee meeting summary reports on page 29 of the board packet.



Chair Granzella asked Board members if they had edits to the January 26, 2022, committee meeting summary reports.

Board Member Comment:
No comments were made.

Public Comment:
There was no public comment.

Motion: Approve the January 26, 2022, Committee meeting summary reports. Mary Teichert moved; Rodney Cobos seconded. The motion passed.

BOARD MEMBER	YEA	NAY	ABSENT	ABSTAIN	RECUSAL
Susan Granzella	✓				
Frank Altamura	✓				
Rodney Cobos	✓				
David De La Torre	✓				
Miguel Galarza	✓				
Don Giarratano	✓				
Alan Guy				✓	
Diana Love	✓				
Michael Mark	✓				
Steve Panelli	✓				
Jim Ruane	✓				
Johnny Simpson	✓				
Mary Teichert	✓				

Chair Granzella introduced agenda item D-3, the review and possible approval of the February 23, 2022, Board meeting minutes, on page 59 of the board packet.

Chair Granzella asked Board members if they had edits to the February 23, 2022, Board meeting minutes.

Board Member Comment:
No comments were made.

Public Comment:
There was no public comment.



Motion: Approve the February 23, 2022, Board meeting minutes. Diana Love moved; David De La Torre seconded. The motion passed.

BOARD MEMBER	YEA	NAY	ABSENT	ABSTAIN	RECUSAL
Susan Granzella	✓				
Frank Altamura	✓				
Rodney Cobos	✓				
David De La Torre	✓				
Miguel Galarza	✓				
Don Giarratano	✓				
Alan Guy				✓	
Diana Love	✓				
Michael Mark	✓				
Steve Panelli	✓				
Jim Ruane	✓				
Johnny Simpson	✓				
Mary Teichert	✓				

Board Member Comment:

There was no comment.

Public Comment:

There was no public comment.

D.4 Registrar’s Report

Chair Granzella introduced agenda item D-4, the Registrars Report and turned the meeting over to David Fogt.

Registrar Fogt said regarding CSLB’s next two board meetings, the tentative schedule is to have a meeting in person in Sacramento on June 16th and the next meeting would be August 30th and 31st in San Diego. Fogt stated the August meeting would coincide with the National Association of State Contractors Licensing Agencies (NASCLA) annual conference and that would be the meeting where CSLB would have a three-to-four-hour session with the Nevada board members. Fogt said that meeting may also be an opportunity to invite some board members from other states to attend CSLB’s meeting and to interact with them and find out their challenges and opportunities. Fogt added that Vice Chair Teichert was asked to facilitate or moderate a panel on women in construction at the NASCLA meeting.

Registrar Fogt said that CSLB is piloting a national database consisting of licensing and enforcement data. They said that it is an opportunity for participating states to provide information that could be used by other states to determine if somebody has already



met minimum license requirements and if someone has any disciplinary action that may preclude licensure. Fogt stated that he and Chief of Information Technology Jason Perez had met with NASCLA, and NASCLA had hired a consultant to help facilitate this effort and take the workload off states that are participating. Fogt also stated that Perez explained to NASCLA that CSLB has a public information portal for most of the information they would need and informed them CSLB would not share exam scores since CSLB does not share the scores with applicants now.

Registrar Fogt went on to tell board members that Senior Scam Stoppers are continuing to be held and they are successful in educating and protecting consumers from construction-related scams. Fogt said it has also been effective in furthering and securing CSLB's relationship with legislators who participate, and it is also an opportunity for board members to participate. Fogt stated that if any members have interest in attending and participating in a Senior Scam Stopper, they can let Mariah Rovera or Fogt know. Fogt mentioned that the events are currently being held virtually but they may be conducted in person in the future. Fogt stated CSLB had conducted 28 Senior Scam Stoppers last year and looked forward to conducting even more this year.

Registrar Fogt introduced the 2021 Accomplishment and Activities report, stating board members and staff had a lot to be proud of in the 58-page report. Fogt stated the committee chairs would highlight the accomplishments throughout the meeting.

Chair Granzella thanked Fogt for their report and encouraged board members to participate in the Senior Scam Stopper events. Granzella stated it is a benefit to work with legislative staff and speak on behalf of CSLB. Granzella also said that the events are good press for CSLB, and it is gratifying to work with the public.

Public Comment:

There was no public comment.

D.5 Board Member Administrative Procedure Manual

Chair Granzella introduced agenda item D.5, the review of the Board Member Administrative Procedure Manual. Granzella said the manual was last revised by the Board in November 2020 and the edits had been reviewed and approved by the Executive Committee on January 26, 2022. Granzella stated the proposed edits were intended to provide clarity on current board policy and to make other grammatical corrections. Granzella noted that edits are noted using underline and strike-out and all new text in underlined and deleted text is shown as strike-out.

Chair Granzella went on to discuss a few of the changes. Granzella said that throughout the document any reference to "he or she" has been replaced with gender neutral language. They also mentioned that referenced policies, memorandums, website addresses, and statutory references have been reviewed and updated.



Chair Granzella continued by stating the final proposed change they wanted to bring to the Board’s attention on page 48 and was specific to salary per diem. They stated that section was updated to clarify what will be paid for attendance at official board and committee meetings and DCA training. Granzella also stated the section clarifies what may be paid for, which is substantial services performed by a board member, more than 1 hour, to attend official gatherings, events, hearings, conferences, or meetings. They also stated it further clarifies that the Board Chair will perform a final approval of all salary per diem or travel-related expenses.

Board Member Comment:

There was no comment.

Public Comment:

There was no public comment.

Chair Granzella explained the Executive Committee recommendation is the Board vote to approve the revised Board Member Administrative Procedure Manual. They said that since the recommendation comes from a Committee of the Board, it comes as a fully formed motion and didn’t need a first or second prior to a vote.

The motion passed unanimously.

BOARD MEMBER	YEA	NAY	ABSENT	ABSTAIN	RECUSAL
Susan Granzella	✓				
Frank Altamura	✓				
Rodney Cobos	✓				
David De La Torre	✓				
Miguel Galarza	✓				
Don Giarratano	✓				
Alan Guy	✓				
Diana Love	✓				
Michael Mark	✓				
Steve Panelli	✓				
Jim Ruane	✓				
Johnny Simpson	✓				
Mary Teichert	✓				

D.6 2022-2024 Strategic Plan

Chair Granzella introduced agenda item D-6, the review and approval of the 2022-2024 Board Strategic Plan. Granzella stated each of the Board’s five committees reviewed



their respective objectives and proposed target dates and that the full strategic plan began on page 99 of the board packet.

Chair Granzella said the Board acknowledges the hard work of the staff and committees in preparing the plan and said they looked forward to hearing updates in future meetings.

Chair Granzella stated the Licensing Division’s proposed goal, 1.1, is to take steps to increase licensee diversity as it relates to women and minorities in construction. Granzella said the Assembly and the Senate recently introduced concurrent resolutions declaring the first full week of March as Women in Construction Week to highlight women as a visible component of the construction industry. Granzella said that on March 11th, they approved two letters, one to the Assembly and one to the Senate, on behalf of the Board to express CSLB’s support for the resolution and commitment to increasing participation of women in the industry.

Board Member Comment:

Secretary Love thanked Mary Teichert for their leadership in Women in Construction and said that it is a wonderful opportunity for women to get into the field.

Vice Chair Teichert thanked Love for their comment. Teichert said it is a critical topic and mentioned the need for interested and capable people to support this effort.

Public Comment:

There was no public comment.

Motion: Approve the 2022-2024 Strategic Plan. Moved by David De La Torre; seconded by Jim Ruane. The motion passed.

BOARD MEMBER	YEA	NAY	ABSENT	ABSTAIN	RECUSAL
Susan Granzella	✓				
Frank Altamura	✓				
Rodney Cobos	✓				
David De La Torre	✓				
Miguel Galarza	✓				
Don Giarratano	✓				
Alan Guy	✓				
Diana Love	✓				
Michael Mark	✓				
Steve Panelli	✓				
Jim Ruane	✓				
Johnny Simpson	✓				



Mary Teichert	✓				
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D.7 Budget Update

Chair Granzella introduced agenda item D-7, the CSLB budget update on page 119 of the board packet and introduced Board Secretary Diana Love and Budget Manager Stacey Paul.

Secretary Love explained that they serve as the Board’s budget liaison with staff monitoring and reporting of the budget to the Board.

Secretary Love said that because there are newer Board members, they wanted to provide background on the budget and actions taken by the board over the last few years.

Secretary Love stated CSLB is a Special Fund entity, meaning it is funded entirely by licensing fees and enforcement disciplinary actions. Love explained, as a Special Fund entity, CSLB receives no General Fund support and renewal fees constitute the main source of revenue. Love said licensees renew their licenses every two years.

Secretary Love said throughout 2019 and 2020, the Board discussed CSLB budget and the need for long-term solutions to balance governor-approved expenditures with revenue.

Secretary Love explained that in September 2019, the Board approved seeking emergency regulations to raise renewal fees and directed staff to hire a consultant to complete a comprehensive fee study with recommendations for long-term financial stability.

Secretary Love explained in December 2019, the Board received approval by the Office of Administrative Law to raise renewal fees under existing statutory authority by \$50. Love said CSLB began collecting the fees effective February 2020.

Secretary Love said in September 2020, the Board took measures to reduce expenditures and approved a \$7.1 million expenditure reduction plan so CSLB could remain solvent through the remainder of the fiscal year.

Secretary Love said in December 2020, the Board considered increasing fees or making significant permanent cuts to CSLB expenditures. Love explained the Board approved the recommendations of the fee study and was successful in finding an author to support the fee bill SB 607.

Secretary Love went on to explain that in June 2021, the Board took similar measures as in the prior year to reduce expenditures and approved a \$5 million expenditure reduction plan.



Secretary Love said in September 2021, the CSLB fee bill SB 607 was approved by the Governor and became effective January 1, 2022; and based on all these efforts and many challenges along the way, the fund has remained solvent.

Secretary Love moved onto budget oversight, saying that on January 27, 2022, Chair Granzella, Stacey Paul, Mike Jamnetski, Dave Fogt, and Love met with representatives from the Department of Consumer Affairs Budget Office to review the final current year budget with adjustments and the proposed Governor's Budget for next fiscal year. Love said that at that meeting, it was highlighted that the Board's cost-saving measures over the last 2 years helped the fund remain solvent while maintaining critical ongoing operations. Love then turned the meeting over to Stacey Paul.

Paul directed the Board to page 121 of the board packet and explained the first chart showed CSLB's Fiscal Year 21/22 final budget and expenditures through January. Paul pointed out that the Board was spending slightly lower than expected at only 54% of the budget authority keeping CSLB on track to spend about \$70M of the authorized \$75M dollar budget. Paul explained the chart below that showed CSLB's revenue through February. Overall, it shows we are exceeding the prior year revenue by 6%. This increase reflects the new fees that took effect January 1st, which in comparing to the same time last year, for the months of January and February, CSLB collected an additional \$4M in revenue.

Paul directed the Board to the chart on page 122. Paul explained the chart highlighted CSLB's final budget with adjustments for the current fiscal year, which increased by \$1.6 million mainly due to employee compensation and staff benefits to cover increases in health rates. Paul said the following page showed the Board's approval of \$5 million in expenditure reductions and the column on the right in blue reflects the \$3 million in savings achieved through December. Paul said the Board adopted this plan back in June to ensure the Board had enough cash flow for essential operations until a fee increase was secured. Paul explained that now that the fee increase had been implemented, CSLB will continue with normal operations and not focus on reducing costs in these specific areas. Paul stated that this will be the last reporting of achieved savings in the outlined areas.

Paul continued to the next page of the board packet and explained the chart indicated was the CMEA fund condition. Paul said the Board was successful in increasing the annual appropriation of the CMEA fund this year to \$175,000. Paul explained the success of this increase will be discussed later in the Licensing update. The increase allowed the Board to disburse more grants to qualified institutions based on the fund balance. Paul said the fund is healthy to support grant disbursements for many years to come.

Paul concluded with the statistical summary details on the next 3 pages of the board packet. Paul said CSLB was seeing increases in new applications and the issuance of



new licenses. Paul explained CSLB renewals have stayed steady as CSLB was still seeing a 7 percent increase over 2 years ago. Paul concluded with asking if board members had questions regarding the budget.

Chair Granzella stated they commend management staff on bringing CSLB reserve up from where it was back in 2020. Granzella asked what Department of Consumer Affairs (DCA) reserve range was for bureaus and boards.

Paul replied that the DCA reserve range cannot exceed six months in reserve and the recommended range is three to four months. Paul said CSLB will gradually get there within the next two years and then maintain a six-month revenue.

Board Member Comment:

There was no comment.

Public Comment:

Farrell Neeley introduced themselves as a licensed contractor in the state of California. Neeley states they had recently been at the offices of Senator Hurtado and Senator Grove because they thought the Enforcement Unit must be underfunded. Neeley wants to find a way to fund CSLB with more than contractor's license fees. They asked who they can speak with regarding their concerns.

Chair Granzella advised Neeley to leave their contact information and said staff would respond.

Neeley stated they have contacted the Fresno office a couple of times and was disappointed that they had not heard back from them.

D.8 Administrative Update

Chair Granzella introduced agenda item D-8, the Administrative Update, on page 129 of the board packet and welcomed Chief of Administration, Mike Melliza.

Melliza directed the Board to page 131 on the board packet. Melliza explained during the second quarter of Fiscal Year 2021-22 (October 1 to December 31, 2021), CSLB Personnel staff completed 25 personnel transactions. Melliza said this included the addition of seven employees from other state agencies and five employees new to state service and within CSLB, six employees were promoted and five transferred to different positions. Melliza added two Examination Proctors and one student assistant were hired, and four employees accepted Training and Development assignments.

Melliza said CSLB averaged 47 vacancies since the beginning of Fiscal Year 2021-22 and the Personnel Unit continuously works with CSLB hiring managers and Department of Consumer Affairs' (DCA) Office of Human Resources to identify and minimize any delays in recruitment for key positions.



Melliza said CSLB staff are very busy with recruitment activities to reduce these vacancies. Melliza explained the number is trending downwards, but it may take some time to reduce the number of vacancies. Melliza also explained upward mobility of CSLB staff and staff retention is a priority for the board and CSLB says staff are promoting to fill these vacant positions. Melliza said when staff promotes to fill vacant positions, they also create a vacant position, which leads to more recruitment activity to fill that position.

Melliza said historical figures regarding our average monthly vacancy by fiscal year is reflected in the table at the top of page 132.

Melliza said Personnel staff remain busy managing recruitment efforts and assisting with onboarding new employees. In addition, Melliza highlighted that staff is preparing for the State's Biennial Bilingual Survey, which will occur later in the year. Melliza said the survey is conducted every two years in accordance with the Dymally-Alatorre Bilingual Services Act, which requires every state agency to conduct a survey identifying the public it serves, the language(s) spoken, and the bilingual resources available to ensure equal access to information.

Melliza explained that board packet pages 132 and 133, list civil service classification examinations and exam schedules to assist in filling CSLB vacancies.

Melliza further explained that staff was working with DCA and the Department of General Services to negotiate lease renewals for two of CSLB field office locations:

- West Covina: The current lease expires November 30, 2022.
- Bakersfield: The current lease expires December 31, 2022. Melliza said a list of contracts and procurements are listed on the bottom of page 134 of the board packet.

Melliza noted that on page 135 of the board packet, staff tracked and reported the completion of two (2) DCA mandatory trainings that needed to be completed by all CSLB staff by December 31, 2021. Melliza explained the mandatory trainings included: Sexual Harassment Prevention Training and Information Security Assessment Training.

D.9 Information Technology Update

Chair Granzella introduced agenda item D-9, the Information Technology Update, on page 137 of the packet and welcomed Chief of Information Technology Jason Perez.

Perez stated that CSLB was now processing over 50 percent of renewals online since the latest implementation of Single Qualifier renewals, having met the goal at the end of 2021.



Perez said CSLB was very excited about the latest project to implement Software-Defined Wide Area Network. Perez said CSLB headquarters is scheduled to have the first portion completed the first week of April. Perez added this increased bandwidth along with greater visibility to CSLB's network traffic will allow network engineers to better protect CSLB's data.

Perez stated the chart at the bottom of page 137 shows continued monthly increases with CSLB's Online Citation Payment application reaching 50 percent at the end of 2021.

Perez said CSLB IT resources have been dedicated to the exam administration to PSI project with the first phase release scheduled for April 1 with 14 trades and the Law & Business exam.

Board Member Comment:

Granzella asked Perez to describe the type of citations that are being paid for and how the fee was collected.

Perez said the enforcement fees are for unlicensed and licensed contractors that have received administrative citation and stated the fees can be paid by credit card online.

Public Comment:

There was no public comment.

E. Licensing

Committee Chair Granzella announced that Foad Gharahgozlou has been selected as the Chief of the Licensing Division. Granzella stated Gharahgozlou has been instrumental in leading the division to reduce processing timeframes and improve processes. Granzella added Gharahgozlou is highly respected in the division, and they are excited to welcome Gharahgozlou in their role. Granzella said Licensing Committee Chair Miguel Galarza will lead the Licensing and Testing portion of the meeting.

Committee Chair Galarza mentioned that they had the pleasure of meeting Gharahgozlou and stated they were an outstanding selection.

E.1 Accomplishment and Activities Report

Committee Chair Galarza introduced Licensing agenda item E-1, the Accomplishment and Activities Report. Galarza started with highlighting some of the Licensing Division's achievements for the 2021 calendar year. Galarza said the Licensing Division successfully transitioned its in-person "Get Licensed to Build" workshops to a fully online interactive virtual workshop in 2021. Galarza stated the workshops are held each month with an average attendance of more than 100 people, the first entirely Spanish workshop was held in December, and the workshops have continued into 2022.



Committee Chair Galarza said the Testing Unit within the Licensing Division developed the new Residential Remodeling contractor license examination with record speed considering the bill authorizing the license classification became effective January of 2021 and CSLB began to accept applications by August. Galarza stated CSLB has already issued 63 of these licenses and expects the number to steadily climb.

Committee Chair Galarza said the Licensing Division's Judgment Enforcement Unit helped secure \$44 million in liability suspension as a result of its outstanding liability suspension program in 2021.

Board Member Comment:

There was no comment.

Public Comment:

There was no public comment.

E.2 Licensing and Testing Program Statistical Update

Committee Chair Galarza went on to agenda item E-2, Licensing and Testing Program Statistical Update, on page 145 of the meeting packet.

Committee Chair Galarza said regarding applications, the processing time for original applications and original waiver applications was five to six weeks as of February 2022. Galarza added that as of March 18th, the processing times are down to three and half weeks.

Committee Chair Galarza stated the processing of license renewals was also under two weeks and had been since August. Galarza noted that this was an improvement from the regular three weeks to process renewals that the division was averaging earlier in 2021. Galarza reminded licensees that anyone who had one qualifier on their license could go to CSLB's website and complete the renewal online. Galarza added that those who chose the online option would have the entire process completed and the license history updated within 24 hours.

Committee Chair Galarza said the high number of pending applications at the close of the 2020-2021 Fiscal Year is notated on page 149 of the board packet. Galarza said this was due to the backlog in examinations being scheduled for applicants after the intermittent closing and reopening of CSLB test centers during the pandemic. Galarza stated with the transition to PSI testing services, CSLB anticipates pending applications lowering to a more manageable 17,000 or so by the end of this calendar year.

Committee Chair Galarza noted the 2021 calendar year total renewals shows 122,386 received, which reflects a decline from the last two calendar years. Galarza said the number of renewals received for last Fiscal Year 2020-21 is actually 125,699, which



was an increase over the past two years, and the difference is due to the way the data time frame is reported. Galarza explained that staff is not concerned by what appears to be a renewal decline on page 150 of the board meeting packet because the fiscal year renewals have increased.

Committee Chair Galarza went on to say the call wait times for the CSLB Licensing Information Center (or call center) are on page 156. Galarza said they were pleased to report that all the reported caller wait times had decreased significantly from the prior year, along with a very large increase in the number of calls answered compared to last year.

Galarza directed everyone to page 160 of the board packet. Galarza stated CSLB's testing centers closed twice during the pandemic and have been working to eliminate a backlog since those closures. Galarza continued that seating is now currently at full capacity, and exams are being scheduled between three and five weeks out. Galarza mentioned that pre-COVID, CSLB saw a pending exam count of 4,500 at any given time and now there is currently a pending examination count of around 6,700 but staff believed the pending examinations will to 4,500 by the time staff transition exam administration to PSI Exams in the spring.

Committee Chair Galarza stated the Exam Development Unit held numerous remote workshops to continue occupational analysis work for updating existing exams. Galarza said information about the examinations being administered and the examinations under development were on pages 160-162.

Board Member Comment:

There was no comment.

Public Comment:

There was no public comment.

E.3 Construction Management Education Account Update

Committee Chair Galarza directed everyone to page 167 of the meeting packet, which explains staff's efforts to increase the appropriation in the Governor's Budget for CSLB's Construction Management Education Account, due to the increased number of donations over the years. Galarza said this would allow more money to be disbursed to schools for their construction management programs.

Committee Chair Galarza said the fund had previously been appropriated at \$100,000 available for schools each year, and staff worked over the last year to increase that amount by \$75,000. They explained that this effort was successful, and staff was able to invite approved schools to apply for funds in the higher amount.



Committee Chair Galarza said CSLB was pleased to update that the schools have returned their applications for the higher amounts and as of Monday, March 21, staff approved \$175,000 worth of awards to the four approved schools.

Board Member Comment:

There was no comment.

Public Comment:

There was no public comment.

E.4 Test Administration Centers Outsourcing Update

Committee Chair Galarza introduced the final update item, CSLB transitioning of its license examination administration services to a third-party vendor. Galarza explained the change occurred through a CSLB-sponsored bill that authorized CSLB to contract with a third party for examination services to greatly expand testing options for licensees.

Committee Chair Galarza said staff have worked hard to complete the transition and is in the final stages of the pre-development work necessary to move its examination administration services to vendor PSI. Galarza stated CSLB Licensing and Information Technology staff involved in the transition were able to attend a vendor demonstration on March 22 to work out final details such as examination security and functionality.

Committee Chair Galarza announced the first CSLB examinations will be administered by PSI in April and will slowly transition over until July 1, when CSLB expects all its CSLB examinations will be administered by the vendor.

Committee Chair Galarza said CSLB staff will continue to update the Board on this transition at the next Board meeting.

Board Member Comment:

There was no comment.

Public Comment:

There was no public comment.

F. Enforcement

Chair Granzella invited Enforcement Committee Chair Rodney Cobos to lead the Board in the Enforcement section of the agenda.

Committee Chair Cobos introduced the new Chief of Enforcement, Steve Grove. Cobos said Grove brought a wealth of skills and experience to the position and that Grove had been with CSLB for 24 years. Cobos explained that Grove was an investigator that rose



to program manager of CSLB's Statewide Investigative Fraud Team Force (SWIFT) prior to their assignment as chief.

Committee Chair Cobos went on to mention Deputy Chief of Enforcement, Jessie Flores, for stepping up as Enforcement Division's acting chief while the position was vacant. Cobos explained that Flores took on a long list of responsibilities and kept the Enforcement Division moving forward during trying times. Cobos thanked Flores.

F.1 Accomplishments and Activities Report

Committee Chair Cobos stated that agenda item F-1 shows the Enforcement Division's contributions to the newly published Accomplishments and Activities report. Cobos directed the Board to page 29 of the A & A report for a summary of the impressive work done by Enforcement Division staff during the previous year. Cobos recited from the highlights:

- 17,660 complaint investigations were closed.
- \$27.8 million in restitution and corrected work was recovered for consumers – which was a 7 percent increase over the previous year.
- 2,818 administrative legal actions were brought against violators.
- 1,067 cases were referred to local prosecutors for criminal prosecution due to egregious misconduct.

Committee Chair Cobos said a few of the criminal cases were highlighted on the following pages of the report, and they were pleased to see that the Enforcement Division continued to prioritize actions against predatory contractors.

Committee Chair Cobos stated on page 28 of the A & A report, the Board could read about the exploits of unlicensed contractor Peter Koke, who preyed on multiple victims of the Tubbs Fire in Sonoma County. Cobos stated Koke made it on CSLB's "Most Wanted" list and fled the state. Cobos stated Koke was found in custody on other charges in North Carolina and was extradited to California. Cobos said last August, Koke pled guilty to felony grand theft, misdemeanor theft, and two counts of contracting without a license. Cobos explained that for the misdemeanor counts, Koke was sentenced to 86 days in county jail, 12 months' probation, and restitution in the amount of \$13,380. Cobos said sentencing on the felony charge has been deferred until this June.

Committee Chair Cobos went on to say that on page 29 of the A & A report, the Board could also read about unlicensed contractor Tommy Min Jue, who installed defective fire alarms in several San Francisco apartment buildings. Cobos explained the alarm system Jue installed in one building failed to sound when the building erupted in flames, and one resident died. Cobos said based on a joint investigation, the District Attorney had charged Jue with grand theft, fraudulent use of a license, forgery, and insurance fraud. Jue is now awaiting criminal trial.



Committee Chair Cobos said, beginning on page 36, that the A & A report discussed the continued expansion of the Enforcement Division's solar enforcement efforts. Cobos said CSLB continued to receive about 100 solar-related complaints per month. Cobos went on to say that in 2021, the division implemented a new Solar Complaint form to expedite these investigations, as described on page 37.

Board Member Comment:

There was no comment.

Public Comment:

There was no public comment.

F.2 Enforcement Program Statistical Update

Committee Chair Cobos introduced agenda item F-2, the Enforcement Program Statistical Update, located on page 179 of the board meeting packet.

Committee Chair Cobos explained that over a 10-year period, contractor William Schwartz found an unending series of projects that "needed" to be done at the home of a female senior citizen. Cobos said by the time CSLB was notified, the victim had paid Schwartz almost \$500,000. Cobos stated all the work was shoddy and done without permits, and CSLB's Industry Expert estimated the total value of work at only \$86,000. Cobos said CSLB's investigation resulted in an accusation and revocation of Schwartz's two licenses and because this was such egregious misconduct, the investigator also referred the case to the District Attorney. Cobos said the DA charged Schwartz with two felonies: grand theft and financial elder abuse. Cobos stated that on February 8 of this year, Schwartz appeared in court and pled guilty to grand theft. Cobos explained that because of a plea agreement, Schwartz avoided one year in jail by paying \$333,000 in restitution. Cobos said Schwartz also paid lesser fines and penalties and was placed on two years' probation. Cobos concluded that the case received a lot of local media attention due to the extent of the crimes and the size of the restitution check.

Committee Chair Cobos referred to the current statistical overview of Enforcement Division at the bottom of page 179 of the packet. Cobos said the division initiated 19,225 complaints during the 13-month period that ended on January 31, 2022. Cobos said this represents an 8 percent increase in complaints over the same timeframe the previous year.

Committee Chair Cobos said the next few entries in the Program Update reveal that the number of incoming complaints is overtaking production output:

- The number of pending investigations is currently 4,390, which is 15 percent above the desired maximum.
- The average number of cases closed per investigator per month is eight, which is lower than the closure goal of 10.



- And the number of aged cases – which is those over 270 days old – is currently 188 – well above the goal of 100.

Committee Chair Cobos stated that Steve Grove was working with the Enforcement team to address these numbers, and progress is already being made.

Committee Chair Cobos said the next sections of the Program Update starting on page 180 highlighted some of the division's positive accomplishments. Cobos explained that for the 13-month period ending on January 31, 2022: mediation efforts of the Intake and Mediation Centers and the Investigative Centers resulted in over \$20 million in restitution to financially injured parties; 447 investigations were referred for criminal prosecution; 1,444 citations were issued, 46 percent of which were issued to licensees; 185 new accusations were filed; 209 licenses were revoked by accusation; and 102 licenses were placed on probation.

Board Member Comment:

There was no comment.

Public Comment:

There was no public comment.

F.3 Proactive Enforcement

Committee Chair Cobos introduced agenda Item F-3, an update on CSLB's proactive enforcement efforts, on page 185 of the Board Packet. Cobos explained proactive enforcement of contracting laws and regulations is conducted by Special Investigators in CSLB's Statewide Investigative Fraud Team (or SWIFT). Cobos said the COVID pandemic impacted SWIFT more than any other unit in the division but even so, the unit was busy. Cobos stated SWIFT conducted 19 undercover sting operations, participated in 178 days of enforcement sweeps, and responded to 981 leads.

Committee Chair Cobos said as a result, SWIFT closed 2,972 cases resulting in 856 administrative or criminal legal actions, 228 work Stop Orders issued, and 1,007 Advisory Notices for minor violations.

Cobos directed the Board to page 186 regarding SWIFT's continuing outreach to victims of the devastating Camp Fire in Paradise. Cobos explained that since March 14, 2022, a SWIFT special investigator had been present at the Paradise Building Resiliency Center twice a month to assist fire victims, contractors, and members of the public with questions or concerns surrounding the rebuilding of local homes and businesses. Cobos said the assigned investigator will also conduct jobsite compliance inspections in the area. Cobos asked Grove if they had proactive highlights to share.

Grove said that one of the negative impacts of COVID on Enforcement was the decrease in the number of sting operations the SWIFT unit had been able to conduct.



Grove stated they were proud to say the SWIFT unit never stopped responding to leads from public, contractors, and industry and continued to conduct limited joint sweep operations with agency partners on the Labor Enforcement Task Force and Joint Enforcement Strike Force. Grove stated they would be working with the public and industry to secure sting properties and return to pre-COVID level of regular sting operations across the state.

Grove said they are preparing to participate in this year's annual NASCLA (National Association of State Contractor Licensing Agencies) enforcement effort. Grove explained this consists of partnering with several different state agencies across the country and conducting sweeps and stings in coordination with the other state agencies. Grove concluded that if any Board members are interested in seeing a sting firsthand to let them know.

Board Member Comment:

There was no comment.

Public Comment:

There was no public comment.

F.4 Update on the Solar Energy System Restitution Program

Committee Chair Cobos introduced agenda item F-4, an update on CSLB's Solar Energy System Restitution Program [SESRP], on page 191 of the board packet. Cobos explained the SESRP was created by Assembly Bill 137, which was enacted on July 16, 2021. Cobos said the program provides \$5 million to CSLB to provide restitution for qualifying homeowners who were financially harmed by a solar contractor through fraud, misrepresentation, or another unlawful act.

Committee Chair Cobos went on to explain this is CSLB's first-ever restitution program, and staff had worked hard and methodically to get it up and running. Cobos said staff developed new policies and procedures, created a series of new forms, trained Industry Experts, had meetings with the CSLB arbitration vendor, and coordinated with the Department of Consumer Affairs regarding payment procedures. Cobos stated CSLB had worked with the media to publicize the program and reached out directly to identified consumers who were likely victims of solar fraud.

Committee Chair Cobos stated the program is now fully operational and as of March 2022, CSLB had received 99 claims. Cobos explained that of those, 28 claims have been approved with a request that DCA issue checks for more than \$318,000 in consumer restitution. Cobos said an additional 11 claims were closed for various reasons such as duplicate claim filing or lack of jurisdiction. Cobos added that two claims were referred to arbitration, and 58 claims were pending.



Committee Chair Cobos commented that as word spreads, CSLB expected the number of SESRP claims to increase significantly in the coming months.

Board Member Comment:

There was no comment.

Public Comment:

Lourdes Medina, a former activist with the Dolores Huerta Foundation, stated that they received information on this meeting via Facebook. Medina said they have received texts from some Parlier residents saying they are excited and looking forward to some peace of mind in regard to abandoned equipment and restitution help. Medina offered their email address for continued communication.

Committee Chair Cobos requested Medina leave their contact information in the meeting chat.

Registrar Fogt thanked Medina for their help in establishing the fund and mentioned that Medina served as a liaison to Central Valley financially injured solar consumers. Fogt mentioned that CSLB could use Medina's help again to partner with CSLB Investigator, Dania Vaquera. Fogt explained that CSLB sought to prioritize central California consumers, but CSLB has not had the response they were hoping for.

Registrar Fogt said the task force was motivated to process solar claims in a responsible manner and that a task force member very recently submitted five more claims for \$98,000 to add to the total Cobos just reported. Fogt said they would reach out to Medina for ideas to help central California consumers complete claim forms.

F.5 PACE Recovery Fund Legislative Proposal

Committee Chair Cobos introduced the agenda item F-5, an informational item about the possible creation of another CSLB restitution fund. Cobos explained that CSLB staff had been recently contacted by the Clean Energy Justice organization, which is a group of legal firms that assist homeowners struggling with loans issued through the Property Assessed Clean Energy program (or PACE). Cobos said Clean Energy Justice is suggesting that a restitution program – like CSLB's existing SESRP – could be created within CSLB to assist victims who were financially harmed through PACE funding agreements. Cobos said Registrar Fogt and Legislative Chief Jamnetski had met with representatives of both Clean Energy Justice and the California Department of Financial Protection and Innovation (DFPI) and had raised jurisdictional and technical concerns regarding this proposal. Cobos stated the Board would be kept apprised of any significant developments. Cobos asked Fogt if they had any updates to share.

Registrar Fogt explained that many solar claims being processed have PACE funding. Fogt said that PACE funding can cause harm in some cases because the contractor was paid directly by the PACE administrator for work not performed. Fogt said in some



cases the contractor had not performed the work they were paid, and some consumers have multiple PACE loans on their home. Fogt stated the consumers believed the loan would be paid through their existing property tax payments and there would not be an increase in the property tax; however, there is an increase in property tax bill with a PACE loan.

Registrar Fogt said there are situations where consumers have PACE loans of \$100,000 for a \$30,000 system and have incurred financial harm of which there is no recovery available and that is where the PACE Recovery Fund is being considered. Fogt explained licensees and registered salespeople are negotiating the PACE property tax assessment. Fogt stated it had been made clear CSLB would require authorization to hire staff for the PACE Recovery Fund. Fogt said they would need new staff dedicated solely to the fund, there would need to be an implementation period, and there also would need to be an agreement with DFPI (Department of Financial Protection and Innovation) because they have jurisdiction over the PACE administrators. Fogt said they would keep the Board aware of the ongoing discussion and said they welcome any board member feedback.

Registrar Fogt explained the benefit of the PACE recovery program is that it would provide restitution to consumers that have suffered a significant financial harm because of predatory PACE loans, but that was not to say anything negative about the PACE program as it is beneficial overall. Fogt said there are outlying cases where the restitution fund could help.

Member Cobos stated the agenda item was an information only item and there was no action required.

Board Member Comment:

Member Mark commented that PACE loans have been rampant, and contractors were taking advantage of consumers. Mark said they trust CSLB staff to recognize the issues and would like Fogt to look into it.

Public Comment:

Lourdes Medina thanked the Board again. Medina said CSLB has been the best resource that small businesses have to support their business. Medina said California has been held hostage since 2013 by solar and renewable energy loans or assessments. Medina said PACE needs to be regulated more and the restitution fund is a dire need.

Josh Buswell-Charkow, a member of CalSSA, said Medina could reach out to them. Charkow mentioned that CalSSA has a customer intake form for when customers have been taken advantage of, they can complete the form, and they will reach out to the company on the consumers behalf to try to resolve disputes.

G. Public Affairs



Chair Granzella announced that Public Affairs Chair Michael Mark would lead the Board in the Public Affairs update on page 197. Granzella also said there would be a break after the Public Affairs update.

Committee Chair Mark introduced themselves as one of the Board's public members and Chair of the Public Affairs Committee.

Committee Chair Mark explained the Public Affairs Office is the communications arm of CSLB – the team works with the media, conducts consumer and stakeholder outreach, maintains a social media presence, creates publications and videos to educate both consumers and licensees, and broadcasts CSLB public meetings.

G.1 Accomplishments and Activities Report

Committee Chair Mark introduced agenda item G-1 to highlight some of the important work Public Affairs undertook in 2021, which was included in the 2021 Accomplishments and Activities Report on page 45.

Committee Chair Mark said last year, Public Affairs coordinated CSLB communications on the unprecedented wildfires in California. Mark stated CSLB licensing staff provided in-person staffing at nine local assistance centers in counties throughout California, and Public Affairs staff ensured emergency-related materials were available to share with disaster survivors and confirm the Disaster Help Center on the website was updated. Mark explained Public Affairs then conducted outreach to congressional and state legislator offices, as well as building departments and chambers of commerce in the affected areas. They said Public Affairs issued a press release that warned wildfire survivors about the dangers of using unlicensed contractors, and staff posted that messaging on social media. Mark said these communications were critical for those devastated by wildfires to help protect them from unlicensed contractors.

Committee Chair Mark highlighted that in 2021, Public Affairs staff also distributed 21 industry bulletins, circulated seven news releases, fielded 72 media inquiries (including requests for interviews) broadcasted 20 live webcasts, organized and conducted 28 public outreach events, including Senior Scam Stopper seminars, and published 12 publications, including meeting packets, reports, fliers, and the 2021 California Contractors License Law & Reference Book. Mark said CSLB and the Board appreciated their efforts.

Board Member Comment:

There was no comment.

Public Comment:



Lourdes Medina commended the outreach efforts. Medina also commented that they would like the Public Affairs Office to do more to combat misinformation on social media as it relates to construction advertisements.

G.2 Public Affairs Update

Committee Chair Mark introduced the Public Affairs update on page 203 of the packet.

Committee Chair Mark said on page 205, there was information about the Public Affairs staff prioritizing the creation of Spanish versions of CSLB videos and collaborating with Licensing staff to produce a live, interactive online workshop each month for those interested in getting a California contractor license. Mark said the workshop is called “Get Licensed to Build.”

Mark said in December 2021, CSLB began holding monthly online “Get Licensed to Build” workshops in Spanish with staff answering questions in Spanish in real time. Mark explained videos of the workshops were then posted on the CSLB website for further viewing.

Committee Chair Mark said on page 208, the meeting packet outlines Public Affairs social media highlights. Mark stated they included social media posts promoting women in construction and ongoing posts promoting the work of CSLB’s Statewide Investigative Fraud Team, and when needed, disaster-related posts. Mark said sting-related posts were typically the most popular on social media and got the most interaction from the public.

Committee Chair Mark invited everyone to follow CSLB on Facebook, Twitter, Instagram, YouTube, LinkedIn, and Flickr. Mark said the links could be found on the CSLB website.

Committee Chair Mark stated that for stakeholder communications, Public Affairs staff had issued several industry bulletins, most recently in January when the topics were on new contracting laws and the 2022 Law Book.

Committee Chair Mark said media relations was another important responsibility of public affairs as seen on page 213 of the board packet. Mark said that besides responding to numerous media inquiries, staff also distributed press releases on enforcement stings and sweeps along with press releases encouraging wildfire survivors to hire only licensed contractors.

Committee Chair Mark stated that on page 214, everyone could see Public Affairs was working with California legislators on consumer and Senior Scam Stoppers workshops held virtually, Mark said hundreds of consumers had been reached in person at these events and then the videos were posted to the legislators’ websites where they get more views.



Committee Chair Mark explained that on page 216, Public Affairs included a list of graphics and publication projects completed by the Public Affairs staff including the 2022 Law Book.

Committee Chair Mark said staff regularly updated the employee Intranet site with stories, photos, and informational updates. Mark concluded that the Public Affairs staff continues to further CSLB’s communication objectives and thanked them for their hard work and dedication.

Board Member Comment:

There was no comment.

Public Comment:

Medina commended the CSLB for having a dynamic, interactive, updated website. Medina stated the information the agency gives consumers is very helpful. Medina mentioned internet websites are being abused by the industry with unlicensed contractor ads.

Chair Granzella announced a 10-minute break at 11:01 a.m.

CSLB board members returned to session at 11:10 a.m.

Chair Granzella asked Mariah Rovera to take roll. A quorum was established.

BOARD MEMBER	YEA	NAY	ABSENT	ABSTAIN	RECUSAL
Susan Granzella	✓				
Frank Altamura	✓				
Rodney Cobos			✓		
David De La Torre	✓				
Miguel Galarza	✓				
Don Giarratano	✓				
Alan Guy	✓				
Diana Love	✓				
Michael Mark	✓				
Steve Panelli	✓				
Jim Ruane	✓				
Johnny Simpson	✓				
Mary Teichert	✓				

Member Rodney Cobos had an excused absence from the remainder of the board meeting.



H. Legislation

Chair Granzella announced Legislative Chair Jim Ruane would lead the Board in the Legislative update on page 223 of the board meeting packet.

H.1 Accomplishment and Activities Report

Committee Chair Ruane introduced agenda item H-1, to highlight some Legislative achievements for the calendar year 2021. Ruane said the 2021 Accomplishments and Activities report was provided to the Board as a separate publication with the meeting's Board packet.

Ruane stated Legislative staff were able to ensure the passage and enactment of two CSLB-sponsored bills in 2021: AB 246, which made the illegal dumping of construction debris a cause for license discipline; and AB 569, which increases the maximum civil penalties CSLB can assess for law violations to modern day costs. Ruane said staff were also directly involved in other measures by providing technical assistance on the bills that resulted in a restitution fund at CSLB and the bill that increased CSLB's application and license fees to address the Board's structural budget imbalance.

Board Member Comment:

There was no comment.

Public Comment:

There was no public comment.

H.2 (a) Update on Previously Considered 2021-2022 Pending Legislation

H.2 (a.) (i.) AB 646 (Low) Department of Consumer Affairs: Boards: Expunged Convictions

Committee Chair Ruane said page 229 of the packet was an update for the Board on two bills that CSLB had already acted on.

Committee Chair Ruane introduced AB 646, a bill that would allow contractors whose licenses were revoked for a criminal conviction that is later expunged to provide that expungement to CSLB so that it may be reflected in the license record as appropriate. The Board has a support position on this bill from 2021.

Committee Chair Ruane said they would refer to Chief of Legislation Mike Jamnetski to provide any information or updates for the Board on this bill.

Jamnetski said the Board supported this bill over a year ago and it moved to the Senate in January. Jamnetski stated that they wanted to update the Board on the movement



and remind everyone of the Board position from last March. Jamnetski advised the Board that the initial \$50 licensee fee in the bill was also dropped to \$25.

Committee Chair Ruane explained this was a status update only; no further action was required from the Board at that time.

Board Member Comment:

There was no comment.

Public Comment:

There was no public comment.

H.2 (a) (ii) SB 216 (Dodd) Contractors: Workers' Compensation Insurance: Mandatory Coverage

Committee Chair Ruane said the update on SB 216 was on page 231 of the packet. This CSLB-sponsored bill would require C-8 Concrete, C-20 HVAC, and D-49 Tree Service contractors have a certificate of workers' compensation insurance on file with CSLB in the first year, and for all contractors after three years. The Board has a support position on this bill.

Committee Chair Ruane asked Jamnetski if they had additional information or update for the Board on this bill.

Jamnetski stated that the Board's fiscal impact had gone up 30 or 40 percent because of the licensing fee increase for renewals that had occurred since the last renewal. Jamnetski stated that the new fiscal is based on the speculation that some licensed contractors may not renew their license as opposed to having to get workers' comp. Jamnetski explained that it is hard to predict how the population will react.

Jamnetski stated there are possible amendments to the bill requested by industry that would make clear that a joint venture licensed by CSLB can still obtain the workers' compensation exemption, but that if the joint venture intends to be the employer, they will still have to obtain workers' compensation. Jamnetski added that the bill may not be heard in the Assembly until the summer.

Committee Chair Ruane explained this was a status update only; no further action was required from the Board at that time.

Board Member Comment:

There was no comment.

Public Comment:

There was no public comment.



H.2 (b) Review, Discussion, and Possible Action on 2021-22 Pending Legislation

Committee Chair Ruane directed the board to page 234. Ruane explained that CSLB Legislative staff routinely go through all bills that were introduced or amended and flag the measures that affect the Board, or that the Board may wish to take a position on. Ruane said sometimes, the Legislature acts on those measures before the Board has an opportunity to weigh in, which the Board procedure manual has a process for addressing. Ruane stated they would discuss two of those measures.

H.2 (b) (i) AB 1733 (Quirk) State Bodies: Open Meetings

Committee Chair Ruane said AB 1733 would authorize state agencies like CSLB to hold public meetings remotely, as long as one physical location is provided that the public can access to observe the meeting remotely. Ruane said Jamnetski would provide the Board a review of the bill.

Jamnetski stated most of the Board’s meetings have been over teleconference the last couple of years rather than in person. Jamnetski explained that the bill would change the statutory definition of the word “meeting” for the purposes of Bagley-Keene to include teleconference and it would provide procedures for allowing teleconference meetings to be held with specific requirements as described in the bill.

Committee Chair Ruane said the staff recommendation was that the Board support the bill. Ruane explained that this would include the authority for staff to communicate the position in written letters and public testimony.

Board Member Comment:

There was no comment.

Public Comment:

There was no public comment.

Motion: To support AB 1733. Moved by Michael Mark; seconded by David De La Torre. The motion passed.

BOARD MEMBER	YEA	NAY	ABSENT	ABSTAIN	RECUSAL
Susan Granzella	✓				
Frank Altamura	✓				
Rodney Cobos			✓		
David De La Torre	✓				
Miguel Galarza	✓				
Don Giarratano	✓				
Alan Guy	✓				



Diana Love	✓				
Michael Mark	✓				
Steve Panelli	✓				
Jim Ruane	✓				
Johnny Simpson	✓				
Mary Teichert	✓				

H.2 (b) (ii) AB 1747 (Quirk) Contractors: Disciplinary Action

Committee Chair Ruane said AB 1747, a CSLB-sponsored bill, increases the administrative fines for a licensed contractor’s failure to comply with building permit requirements as well as other health and safety requirements. Ruane said they worked with staff and the Board Chair to submit a support letter to the Legislature. Ruane asked Jamnetski to provide any updates on the bill.

Jamnetski said the bill passed out of the policy committee and on to appropriations. Jamnetski thanked member Mark for helping staff get the word out on the bill.

Committee Chair Ruane explained this was an update only; no further action was required from the Board at that time.

Board Member Comment:

There was no comment.

Public Comment:

There was no public comment.

H.2 (b)(iii) AB 1874 (Smith) Contractors: Unlicensed Work

Committee Chair Ruane said AB 1874 would allow an unlicensed contractor to advertise to perform construction work if the value of the labor for the project is less than \$500, without considering the cost of materials and other items. Ruane said the staff recommendation on page 239 is to oppose the bill. There is also some additional history on page 239 about two similar bills the Board has voted on in the past. Ruane asked Jamnetski to explain the recommendation.

Jamnetski explained the bill was heard in policy committee and failed passage. Jamnetski added that there was not a request for reconsideration, which usually means the bill is dead. Jamnetski said it wouldn’t hurt if the Board took a position on this matter, so it would be on record just in case something happens with the bill.

Committee Chair Ruane thanked Jamnetski. Ruane said the staff recommendation was the Board oppose the bill. Ruane explained the recommendation included the authority for staff to communicate the position in written letters and public testimony.



Board Member Comment:

There was no comment.

Public Comment:

There was no public comment.

Motion: To oppose AB 1874. Moved by Michael Mark; seconded by Mary Teichert. The motion passed.

BOARD MEMBER	YEA	NAY	ABSENT	ABSTAIN	RECUSAL
Susan Granzella	✓				
Frank Altamura		✓			
Rodney Cobos			✓		
David De La Torre	✓				
Miguel Galarza	✓				
Don Giarratano	✓				
Alan Guy	✓				
Diana Love	✓				
Michael Mark	✓				
Steve Panelli	✓				
Jim Ruane	✓				
Johnny Simpson	✓				
Mary Teichert	✓				

H.2 (b) (iv) AB 2105 (Smith) Contractors: Initial License Fee Reduction: Veterans

Committee Chair Ruane said AB 2105 would require CSLB to grant a 50% fee reduction for an initial license to an applicant who has served as an active-duty member of the Armed Forces or California National Guard and was honorably discharged.

Committee Chair Ruane explained the bill is consistent with CSLB’s continued practice of assisting past and present military personnel and their spouses/domestic partners with application and licensure documentation. Ruane said the bill had its first hearing before the Board could review the bill, so staff worked with the Board Chair and Ruane to submit a support letter to the Legislature. Ruane asked Jamnetski to provide updates on the bill.

Jamnetski stated the fiscal impact is less than \$100,000 in revenue per year based on the number of requests CSLB receives. Jamnetski said the bill passed a policy committee on consent and it was on its way to appropriations.



Committee Chair Ruane explained this was an update only; no further action was required from the Board at that time.

Board Member Comment:

There was no comment.

Public Comment:

There was no public comment.

H.2 (b) (v) AB 2374 (Bauer-Kahan) Crimes Against Public Health and Safety: Illegal Dumping

Committee Chair Ruane said AB 2374 would increase various criminal penalties for illegal dumping, including authorizing a criminal court to require a person convicted of illegal dumping to surrender a license issued by CSLB for the duration of the term of probation. Ruane said Jamnetski would provide a review of this bill and explain the staff recommendation.

Jamnetski explained CSLB sponsored a bill last year that make illegal dumping on construction debris a cause for disciplinary action. Jamnetski said this bill would change the penal code section for illegal dumping and give the criminal court some discretion in the fines and punishment of persons with a professional or business license who are caught dumping

Committee Chair Ruane said the staff recommendation was that the Board support the bill. Ruane explained support would include the authority for staff to communicate the position in written letters and public testimony.

Board Member Comment:

There was no comment.

Public Comment:

There was no public comment.

Motion: To support AB 2374. Moved by Susan Granzella; seconded by Diana Love. The motion passed.

BOARD MEMBER	YEA	NAY	ABSENT	ABSTAIN	RECUSAL
Susan Granzella	✓				
Frank Altamura	✓				
Rodney Cobos			✓		
David De La Torre	✓				
Miguel Galarza	✓				



Don Giarratano	✓				
Alan Guy	✓				
Diana Love	✓				
Michael Mark	✓				
Steve Panelli	✓				
Jim Ruane	✓				
Johnny Simpson	✓				
Mary Teichert	✓				

H.2 (b) (vi) AB 2894 (Cooper) Contractors: Workers' Compensation Insurance

Committee Chair Ruane said AB 2894 would require a licensed contractor, if they have workers' compensation insurance, to inform CSLB of their workers' compensation classification code and requires CSLB to post that information on its website. Ruane asked Jamnetski to please provide information on the bill.

Jamnetski explained that the workers' compensation code is not something that CSLB regulates and explains that the code is used to by contractors to obtain workers' compensation coverage and there is a rate attached to the code based on the type of work, which is used to calculate premium. They explained that the bill as written would not require CSLB to do anything other than report the code as reported by the licensee.

Committee Chair Ruane said the staff had not made a recommendation on the bill, which amounted to a watch, or neutral, or no position. Ruane explained this was an update only and no action was required of the Board unless a board member made a motion.

Board Member Comment:

Member Mark asked Jamnetski if CSLB already kept this information.

Jamnetski replied no. Jamnetski stated that currently licensees are required to file a workers' compensation certificate or if they claim to have no employees, a workers' compensation exemption. Jamnetski explained that on a workers' compensation certificate are the dates of coverage, the insurer, and the broker. They said it is a standard form used in the industry and there is not a box for this classification code, so CSLB would either rework that form or the way it intakes information to include this code.

Member Mark asked if there would be a benefit to the public.

Jamnetski said the fact sheet indicates that reporting the classification code to the public would be beneficial.



Member Mark asked for clarification on the neutral position if it would benefit the public.

Jamnetski stated staff wanted the opportunity for the Board to weigh in on the issue and CSLB does not regulate misclassification of workers and premium fraud or regulate details of payroll. Jamnetski said the fact sheet indicates the CSLB license lookup tool shows whether a company carrying workers' compensation insurance policy but does not indicate the four-digit workers' compensation code associated with obtaining the policy.

Registrar Fogt stated that it is always helpful to have information available to the public, but they were not aware of any consumer harm that's occurred because of a contractor that's not accurately reporting to their insurer the type of workers they are employing.

Jamnetski added that bill does not require anything further from CSLB than to report the information. Jamnetski explained when licensees report their workers' comp and policy details the licensing staff processes the document for the benefit of the public but there is no investigation into the licensee's workforce unless there is a consumer complaint. Jamnetski said CSLB would accept the classification code and display it but there wouldn't be a process to investigate the accuracy of it.

Committee Chair Ruane said the enforcement part would stem from the audits that occur between the insurance companies and workers' compensation appeals board. Ruane is neutral on the bill.

Chair Granzella said there's always consideration on the impact of the staff and that consideration affects the neutral support or nonsupport. Granzella stated CSLB needs more information about the bill.

Member Guy said it is their understanding that employers report multiple codes as a business; there wouldn't be just one code for a contractor. Guy added contractors could still misreport and doesn't seem like a CSLB issue.

Public Comment:

Eddie Bernacchi, from Politico, stated they were working with the sponsors of the bill to determine what reporting would look like. Bernacchi said they would come back to the Board with some more information as they get further clarification from the sponsors.

Ruane asked Jamnetski to keep the Board posted on any future developments.

H.2 (b) (vii) SB 1237 (Newman) Licenses: Military Service

Committee Chair Ruane said SB 1237 provides that Department of Consumer Affairs boards and bureaus, which would include CSLB, waive the renewal fees of a licensee or registrant who is stationed outside of California and is called to active duty as a member of the Armed Forces or California National Guard.



Committee Chair Ruane explained the bill is consistent with CSLB’s continued practice of assisting past and present military personnel and their spouses/domestic partners with application and licensure documentation. Ruane stated the staff recommendation was support, and Jamnetski would provide additional information.

Jamnetski said the packet laid out the different options that were available for licensing boards to assist the military and family population with their licensing documents. Jamnetski explained the there is an existing requirement to waive renewal fees for licensees called to active duty and said CSLB had received very few requests in recent years.

Committee Chair Ruane said the staff recommendation was that the Board support the bill. Ruane said this would include the authority for staff to communicate the position in written letters and public testimony.

Board Member Comment:

There was no comment.

Public Comment:

There was no public comment.

Motion: To support SB 1237. Moved by Johnny Simpson; seconded by Diana Love. The motion passed.

BOARD MEMBER	YEA	NAY	ABSENT	ABSTAIN	RECUSAL
Susan Granzella	✓				
Frank Altamura	✓				
Rodney Cobos			✓		
David De La Torre	✓				
Miguel Galarza			✓		
Don Giarratano	✓				
Alan Guy	✓				
Diana Love	✓				
Michael Mark	✓				
Steve Panelli	✓				
Jim Ruane	✓				
Johnny Simpson	✓				
Mary Teichert	✓				

H.2 (b) (viii) SB 1443 (Roth): The Department of Consumer Affairs



Committee Chair Ruane said bill changes the statutory sunset date of the CSLB from January 1, 2024, to January 1, 2025. Ruane asked Jamnetski to provide information on the bill.

Jamnetski said CSLB's Sunset Review by the Legislature is every four years, but COVID-19 threw off the cycle for the boards and bureaus. They said CSLB, along with the Dental Board, Board of Accountancy, and Architects Board had their statutes adjusted by the bill, extended one-year.

Committee Chair Ruane said staff had not made a recommendation on the bill, which amounted to a watch, or staying neutral. Ruane explained this was an update only and no action was required of the Board unless a board member made a motion.

Board Member Comment:

There was no comment.

Public Comment:

There was no public comment.

H.3 Regulations

Committee Chair Ruane said they were moving to page 247 of the online version of the board packet and going forward all page numbers referred to the online version. Ruane explained that there are three items they would be discussing, CSLB's Code of Regulations Section 823 and 858.2 and Battery Energy Storage.

H.3 (a) Review, Discussion, and Possible Action by the Board to Initiate the Rulemaking Process Pursuant to the Administrative Procedure Act to Amend and/or Make Non-substantive Rule 100 Changes to Title 16, California Code of Regulations Section 823 (Definitions: Bona Fide Employee; Direct Supervision and Control)

Committee Chair Ruane said staff requests Board authority to engage the rulemaking process to make a non-substantive change to one of its regulations, California Code of Regulations Section 823.

Committee Chair Ruane stated this section provides definitions of the words "bona fide employee" and "direct supervision and control" for the purposes of responsible managing employees and qualifiers of contractor licenses.

Committee Chair Ruane mentioned the change was necessary because a recent legislative bill, AB 830 (passed in 2021), provided new and/or different definitions for



these words. Ruane explained the new statutory definitions preempt the regulation, making Section 823 no longer valid.

Committee Chair Ruane said as a result, staff was requesting to repeal the regulation that provides these definitions to clean up CSLB regulations. Ruane said the language showing the entire strikethrough of this section can be found on page 251 of the online packet. Ruane asked Jamnetski if they had anything to add.

Jamnetski stated that there are three ways to do regulations: the regular rulemaking process, the emergency rulemaking process, and then a technical non-substantive rulemaking, and this agenda item was a request for the latter. Jamnetski summarized the staff recommendation on page 250.

Board Member Comment:

There was no comment.

Public Comment:

There was no public comment.

Motion: To approve the proposed regulatory text for CCR Section 823. Moved by Susan Granzella; seconded by Mary Teichert. The motion passed.

BOARD MEMBER	YEA	NAY	ABSENT	ABSTAIN	RECUSAL
Susan Granzella	✓				
Frank Altamura	✓				
Rodney Cobos			✓		
David De La Torre	✓				
Miguel Galarza			✓		
Don Giarratano	✓				
Alan Guy	✓				
Diana Love	✓				
Michael Mark	✓				
Steve Panelli	✓				
Jim Ruane	✓				
Johnny Simpson	✓				
Mary Teichert	✓				

H.3 (b) Review, Discussion, and Possible Action by the Board to Initiate the Rulemaking Process Pursuant to the Administrative Procedure Act to Amend and/or Make Non-substantive Rule 100 Changes to Title 16, California Code of Regulations Section 858.2 (Application for Approval of Blanket Performance and Payment Bond)



Committee Chair Ruane said staff requests Board authority to engage the rulemaking process to make a non-substantive change to one of its regulations, California Code of Regulations Section 858.2.

Committee Chair Ruane said the section is CSLB’s application for licensees who wish to have a blanket bond on file with CSLB. Ruane explained the section sets forth requirements the licensee must meet for CSLB to approve the blanket bond. *Editors Note: “A blanket bond is a bond obtained to lower a set amount of contracted work during a specified time.”*

Committee Chair Ruane explained for background, that a contractor who files with CSLB what is sometimes called a blanket bond is not required to follow the down payment restrictions on home improvement contracts and may request the full amount of the contract up front. Ruane said the blanket bond guarantees that they will cover full performance of every contract.

Committee Chair Ruane said the language changes staff was recommending to this form is to a revision date on the form (changing 2011 to 2021) and some grammatical changes, which could be found on page 254. Ruane asked if Jamnetski had anything to add.

Jamnetski said the first paragraph of the recommendation was authority to do the non-substantive changes and the second paragraph was in case it became substantive.

Board Member Comment:
There was no comment.

Public Comment:
Lourdes Medina asked if the language would include the solar industry in the revisions.

Jamnetski stated that regulations that they are discussing do not mention the solar industry; they apply generally to all licensees.

Motion: To approve the proposed regulatory text for CCR 858.2. Moved by Johnny Simpson; seconded by Michael Mark. The motion passed.

BOARD MEMBER	YEA	NAY	ABSENT	ABSTAIN	RECUSAL
Susan Granzella	✓				
Frank Altamura	✓				
Rodney Cobos			✓		
David De La Torre	✓				
Miguel Galarza			✓		
Don Giarratano	✓				



Alan Guy	✓				
Diana Love	✓				
Michael Mark	✓				
Steve Panelli	✓				
Jim Ruane	✓				
Johnny Simpson	✓				
Mary Teichert	✓				

H.3 (c) Battery Energy Storage Systems

Committee Chair Ruane introduced Battery Energy Storage Systems (BESS), located on page 257 of the hard copy board packet.

H.3 (c) (i) Background, Board Update, and Preliminary Considerations

Committee Chair Ruane explained in 2018, the Board began looking at the proper classifications to install BESS. Since 2018, several public meetings have been held and the Board directed staff to prepare a report. Ruane said in March 2019, the Board reviewed the CSLB staff report on Energy Storage Systems and directed staff to begin to develop regulations to present to the Board that would prohibit or restrict certain classifications from performing the installation of BESS. Ruane said the Board further directed that this matter be assigned to the Legislative Committee.

Committee Chair Ruane said on August 6, 2019, the Legislative Committee held a meeting and invited three industry experts to present on the appropriate classification to install BESS. Several hours of testimony was heard.

Committee Chair Ruane said on November 7, 2019, the Legislative Committee met again and recommended that the Board consider retaining an outside consultant to further study the issue before pursuing regulatory rulemaking.

Committee Chair Ruane explained at the December 12, 2019, Board meeting, the Board agreed with the Legislative Committee recommendation to hire an outside consultant. Ruane states staff worked with DCA and the Department of General Services to select a qualified consultant to review and make a recommendation regarding the appropriate classifications to install BESS. In December 2020, CSLB entered into contract with UC Berkeley to serve as the consultant.

Committee Chair Ruane said at the July 27, 2021, Board meeting, the UC Berkeley consultants presented their completed study to the Board. Ruane stated the consultants stated their conclusion that precluding C-46 Solar contractors from installing BESS would have significant safety benefits, minimal adverse economic impacts, and benefit the workforce. Ruane said at that meeting, the Board moved and voted to rescind all prior staff determinations that a C-46 Solar contractor may install Battery Energy



Storage Systems as incidental and supplemental work and adopted UC Berkeley's recommendation to preclude the C-46 Solar contractor from installing BESS in any setting.

Committee Chair Ruane said on September 23, 2021, the California Solar and Storage Association (CalSSA) filed a petition for writ of mandate and complaint in the San Francisco Superior Court on the ground that CSLB did not comply with the Administrative Procedure Act (APA) when it moved to preclude the C-46 from BESS installation without going through the formal rulemaking process.

Committee Chair Ruane explained at the November 29, 2021, Board Meeting, staff presented draft regulatory rulemaking language to codify the Board's July 27, 2021, motion into CSLB's administrative regulations (Title 16, Division 8 of the California Code of Regulations). Ruane said a description of the development of this issue between the November 29, 2021, Board meeting and present day began on page 258 of the online packet.

Committee Chair Ruane said the Board did not vote to approve the November 29, 2021, draft language, which would have precluded the C-46 Solar contractor from installing BESS in all applications consistent with the UC Berkeley recommendation. Ruane said instead, staff was directed to develop alternative language that may be acceptable to the electrical and solar stakeholders and was further directed to bring the November 29 language back to the Board for consideration at its March meeting if acceptable alternative language could not be developed.

Committee Chair Ruane stated the solar classification regulation does not include Battery Energy Storage Systems; therefore, CSLB must add Battery Energy Storage Systems to the C-46 classification if the C-46 Solar classification is to be authorized to install Battery Energy Storage Systems.

Committee Chair Ruane said the board packet explained the Government Code statutes that require state agency-made regulations to be consistent with existing law and informed by facts, studies, and evidence that demonstrate the need for the regulations. Consistent with these requirements, the board Packet described the existing laws and evidence available to the Board on this topic as well as two options for the Board to consider before authorizing staff to commence the rulemaking process to add BESS to its regulations.

Committee Chair Ruane advised the Board that the existing laws and evidence governing this topic were between pages 263 and 265 of the packet. Ruane said the pages described the Board's authority to regulate specialty contractors and lay out different building standards codes established by the California Building Commission through their rulemaking process. Ruane said examples of such codes described in the packet provided that certain requirements apply when a BESS system or systems have ratings of 20kWh, or 50kWh in groups, or 600kWh.



Committee Chair Ruane said they would briefly introduce each option before the Board.

Committee Chair Ruane said option one was that staff present for Board consideration the language initially provided on November 29, 2021, which would preclude C-46 Solar contractors from installing BESS in any setting. Ruane stated, to be clear, this option is included in order to comply with the Board's November 29, 2021, motion. Ruane said this option is not staff's current recommendation, which was option two.

Committee Chair Ruane explained option two was, staff present for Board consideration an alternative option that would have the Board direct staff to obtain an industry expert within 30 days and for the industry expert to prepare a report, which will assist staff in developing draft regulatory text that reflects an appropriate kilowatt-hour threshold. Ruane said the draft regulatory text will be referred to the Legislative Committee for their review in May. Ruane explained the Legislative Committee will consider the draft regulatory text and may make a recommendation to the full board for consideration and possible approval to commence the regulatory rulemaking process.

Committee Chair Ruane explained the staff recommendation was on page 270.

Board Member Comment:

Member Love said they were in favor of option two: to continue with conversations between all the contractors involved.

Member Simpson asked if they could make a motion.

Committee Chair Ruane asked for further comment and reiterated the two options that had been presented to the Board.

Member Simpson made motion to accept staff recommendation. Teichert seconded the motion.

DCA Legal Counsel, Jason Hurtado, asked to read the staff recommendation for the record.

Committee Chair Ruane agreed to the reading of the recommendation by Hurtado.

STAFF RECOMMENDATION

That the Board direct staff to take all necessary steps to identify and retain an outside consultant(s) or expert to consider BESS information received, to perform additional fact-finding as necessary, and to provide CSLB an assessment of whether authorizing a C-46 Solar contractor to install Battery Energy Storage Systems to a kWh threshold within 50 kWh or another appropriate range, supported by existing Title 24 codes, is



prevalent among C-46 contractors in the construction business, and is consistent with ensuring public safety.

Direct staff to identify the expert within 30 days and direct the expert to return the report within 30 days after CSLB retains the expert. Upon receipt of the expert report, (1) direct staff to provide a copy of the report to stakeholders; and (2) if staff deems it appropriate, direct staff to refer this matter to the Legislative Committee for a public meeting to invite comment from relevant stakeholders and members of the public on the expert report. Following the Legislative Committee and any additional stakeholder meetings staff deems appropriate, draft regulatory language consistent with the expert report and any additional relevant input provided and present it to the Board at the quarterly June 2022 meeting.

Committee Chair Ruane thanked Hurtado for reading the staff recommendation and stated CSLB received correspondence that morning from one of the stakeholders and wanted to remind people the purpose of the board meeting; the board is not being asked to establish a threshold limit. Ruane said option two would direct staff to identify and retain subject matter experts and see what they come up with.

Board Member Comment:

Member Mark asked for clarification that an expert would be hired within 30 days and then a report would be returned to staff; the Board and stakeholders and then rulemaking and language would be presented at the June Board meeting.

Committee Chair Ruane said yes, that was their understanding.

Hurtado agreed that was their understanding as well.

Public Comment:

Suzanne Lita, senior director and head of policy and strategy at SunPower, thanked the Board for voting to further study this issue. Lita stated SunPower has been in business for more than 36 years leading solar battery storage and energy services across all 50 states. Lita said she wanted to emphasize the importance of recognizing that system sizes for battery storage are growing over time. Lita stated there is a challenge with available workforce that includes electricians.

Bernadette Del Chairo thanked the Board for rejecting the prohibition on the C-46 Solar contractors from installing all energy storage systems. Del Chairo stated that with regards to agenda number two, CalSSA had offered to compromise proposals with a one-megawatt hour and 600-kilowatt hour thresholds, and they stand firm behind their track record of safe battery installations performed by C-46 contractors. Del Chairo noted that the 50-kilowatt hour threshold is not consistent with established usage in the industry, and it would harm contractors and their workers. Del Chairo stated they look forward to working with the board to arrive at a reasonable level of flexibility for the contractor community.



Jeanine Cotter, co-founder, president, and C-46 licensed qualifier for Luminalt, thanked the Board for the time spent on this issue. Cotter explained the Luminalt installed 2.6-megawatt hour battery storage paired with their solar systems. Cotter explained the storage systems are getting bigger as a result of decarbonization. They appreciate the Board getting an expert involved to come up with a recommendation size assessment.

Tom Enslow, from the NECA Labor Management Cooperation Committee, stated that they support option one but respect the desire to proceed with the second option and commit to participate in good faith in the proceeding to find a reasonable threshold standard. Enslow stated that CalSSA's claim that the decision was going to disrupt industry or interfere with state energy goals is not supported. Enslow said this would affect 341 C-46 contractors who do not currently also have a C-10 license, compared to the 26,000 C-10 and C-46 contractors that are currently authorized to install PV and Battery Energy Storage Systems. Enslow explained the 94% of solar installations are performed by contractors that already hold an additional license that allow them to install an energy storage system either separately or together. Enslow stated they support solar energy storage projects and the reduction of greenhouse gases.

Steven Campbell, senior policy manager at Grid Alternatives, a nonprofit clean energy and storage provider that serves disadvantaged communities, stated that if the licensing regulations CSLB adopts are too restrictive, there will not be enough people to do the work required to meet the state mandates to electrify the economy. Campbell said they have tried to hire certified electricians for the last three years and not been successful. Campbell added barriers to establishing a build rate create an equity issue.

Emily Langenbahn, from Renova Energy in Palm Desert, stated that imposing any sort of limit for C-46 licenses based on system size will unfairly discriminate against communities living in desert areas. Langenbahn said they have higher loads in their area because temperatures hit over 120 degrees in the summertime and many of the homes are older and require heavier electrical loads to maintain livable conditions. Langenbahn concluded that any changes would impose difficulty on them.

Eddie Bernacchi thanked Chair Granzella and Vice Chair Teichert for their work to bring both industries together to work on a compromise. Bernacchi said they were happy to work with the Board and pursue a reasonable standard or scope that would allow for continued installation by those that only have a C-46 contractor's license. Bernacchi said they support the motion that was on the floor and thanked the Board for their time.

Board Member Comment:

Member De La Torre asked if this would affect A and B licenses negatively or if would affect them at all.

Member Simpson answered that this would not affect them at all.



Member Mark said that it was unfortunate that a compromise could not be made. Mark appreciated that there was a pathway to get experts and have them weigh in.

Motion: Approve staff to identify an expert within 30 days and return report within 30 days after CSLB retains the expert. Moved by Johnny Simpson; seconded by Mary Teichert. The motion passed.

BOARD MEMBER	YEA	NAY	ABSENT	ABSTAIN	RECUSAL
Susan Granzella	✓				
Frank Altamura	✓				
Rodney Cobos			✓		
David De La Torre	✓				
Miguel Galarza			✓		
Don Giarratano	✓				
Alan Guy	✓				
Diana Love	✓				
Michael Mark	✓				
Steve Panelli	✓				
Jim Ruane	✓				
Johnny Simpson	✓				
Mary Teichert	✓				

I. Closed Session

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

Board returned to open session at 12:52 p.m.

J. Adjournment

Motion: Adjourn March 30, 2022, Board meeting. Moved by Mary Teichert; seconded by David De La Torre.

Chair Granzella adjourned the Board meeting at 12:53 p.m.