



# CONTRACTORS STATE LICENSE BOARD

## BOARD MEETING MINUTES

### Board Meeting Minutes

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

Board Chair Michael Mark called the meeting of the Contractors State License Board (CSLB) to order on March 14, 2025, at 9:00 a.m. at the Electrical Training Institute, 6023 Garfield Avenue, Commerce, CA 90040.

Vice Chair Miguel Galarza led the Pledge of Allegiance, and a quorum was established.

#### Board Members Present

Michael Mark, Chair  
Miguel Galarza, Vice Chair  
Alan Guy, Secretary  
Rodney Cobos  
Amanda Gallo  
Jacob Lopez  
Diana Love  
Henry Nutt III  
Josef Preciado  
Thomas Ruiz  
Mary Teichert

Joël Barton, Steve Panelli, and James Ruane had excused absences.

#### CSLB Staff Present

David Fogt, Registrar  
Rebecca May, Chief of Legislation  
Steve Grove, Chief of Enforcement  
Carol Gagnon, Chief of Licensing  
Katherine White, Chief of Public Affairs  
David Gower, Public Affairs Manager  
Michael Jamnetski, Special Projects Manager  
Robin Williams, Executive Analyst

#### DCA Staff Present

John Kinn, DCA Legal

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

#### Board Member Comment

Chair Mark invited members to make future agenda item requests, if any.



Board Member Diana Love requested to add "career opportunities" to the agenda, asking whether it should be specifically focused on incarcerated individuals. Member Love also inquired whether this topic should be addressed at a Public Affairs Committee meeting or a full Board meeting.

Board Chair Michael Mark suggested that the upcoming Public Affairs Committee meeting, scheduled in the near future, could be the first opportunity to address this topic. If necessary, the issue could then be brought before the full Board.

#### Public Comment

Andreana, a homeowner, addressed the Board, sharing her experience as a victim of a contractor scam that resulted in nearly \$1 million in damages. She explained this began nearly three years ago and, since then, she has dedicated herself to understanding the construction industry. Despite providing over 800 pages of evidence, she stated her case was dismissed and she was accused of being confused.

Andreana reported there are other victims and ongoing lawsuits, revealing a pattern of contractors with judgments and violations who continue operating without accountability. She pointed out that contractors like "Take Home Creations" were granted new licenses despite past issues and her project's contractor had multiple suspensions and citations. She criticized the CSLB website for being difficult to navigate and expressed frustration that her attempts to alert CSLB about her case were ignored.

She concluded by asking the Board why contractors with such violations are allowed to operate and urged action to stop exploitation of homeowners.

#### Board Member Comment

Chair Mark thanked Andreana for their public comment and acknowledged that the mission is consumer protection. Deputy Enforcement Chief Jessie Flores met with Andreanna immediately after her public comment to address her concerns.

### **C. Presentation of Plaques or Certificates of Recognition**

Board Chair Michael Mark took a moment to recognize Mai Vo, an Office Services Supervisor at the Contractors State License Board (CSLB), for her outstanding service. Mai Vo, who has dedicated over 36 years to public service, started as an Office Assistant in 1989 and rose to her current role of Office Services Supervisor II in the Southern California offices, earning the trust and respect of her colleagues. Her dedication, mentorship, and passion have greatly impacted her office and inspired the next generation of CSLB workers. Chair Mark presented Mai Vo with a Certificate of Recognition and invited her for a photo. The Board expressed gratitude for her dedicated service and best wishes for her retirement.

Chair Mark expressed appreciation for Mai Vo, mentioning that during a tour of the Norwalk Office, it was clear how respected she was by enforcement staff. He

acknowledged her as a team player and commended her hard work at CSLB, offering congratulations on her well-earned retirement.

#### **D. Update and Discussion on Southern California Wildfire Response**

Board Chair Michael Mark addressed the Southern California wildfires that occurred between January 7 and 23, which destroyed over 18,000 structures and claimed 29 lives. Chair Mark requested a moment of silence for the victims. Chair Mark thanked the Governor's Office of Emergency Services and the Department of Consumer Affairs for their coordination in the disaster response, particularly praising CSLB staff for their consumer protection efforts at the disaster recovery centers. He also acknowledged Board Member Alan Guy for his work with debris removal.

Chair Mark discussed CSLB's ongoing efforts in wildfire response since January, noting that staff have been present at recovery centers in Pasadena and Los Angeles since January 14th. CSLB's Statewide Investigative Fraud Team (SWIFT) has also been working with the California Department of Insurance in the burn areas to address unlicensed practices and predatory claim adjusters. Executive Office Staff have been involved in the rebuilding and recovery task force, ensuring that licensing and rebuilding resources are effectively communicated and accessible to the public. Chair Mark expressed appreciation for the SWIFT and their dedicated efforts in helping and protecting affected individuals.

Chair Mark shared his emotional experience from a recent tour of the affected areas, highlighting the devastation, particularly the sight of playgrounds and schools destroyed. He emphasized that rebuilding will take years, but the community is coming together. Chair Mark urged caution regarding unscrupulous contractors preying on vulnerable victims, particularly seniors, and stressed the importance of hiring licensed contractors.

#### **E. Executive**

##### **1. Review and Possible Approval of the December 12, 2024, Board Meeting Minutes**

**Motion:** To approve the December 12, 2024, Board Meeting Minutes. Moved by Rodney Cobos; Jacob Lopez seconded. Motion carried, 10-0-1.

**YEA:** Michael Mark, Rodney Cobos, Amanda Gallo, Miguel Galarza, Jacob Lopez, Diana Love, Henry Nutt III, Josef Preciado, and Thomas Ruiz.

**NAY:** None

**ABSTAIN:** Mary Teichert

**ABSENT:** Joël Barton, Steve Panelli, and James Ruane



## **2. Registrar's Report**

### **a. 2024 Accomplishments and Activities Report**

Registrar David Fogt highlighted several CSLB accomplishments for 2024, starting with a successful year in licensing, where most renewals were processed online, and the Board handled 132,000 phone calls with wait times under six minutes. Exams were also translated into Spanish, and CSLB worked efficiently with PSI to administer examinations to help qualified individuals obtain licenses.

In enforcement, CSLB settled over 70 percent of complaints through mediation. \$64 million in restitution was obtained for financially injured Californians through enforcement action and the board's outstanding liability program. The enforcement division initiated over 3,398 legal actions out of 20,000 complaints closed in 2024. Registrar Fogt thanked everyone for their hard work and leadership, calling it a strong year for CSLB.

#### Board Member Comment

Chair Mark acknowledged that many of the achievements are based on the strategic plan and expressed appreciation for Chair Love's leadership during her term. He also thanked CSLB staff for their teamwork, emphasizing that these successes wouldn't be possible without their efforts.

### **b. Update and Discussion of 2025-2027 Executive Strategic Plan Objectives**

Registrar Fogt provided highlights on the importance of employee focus groups and a town hall meeting held over the past year, which helped shape the creation of the Multiple Offender Unit. A focus group meeting is planned for next Tuesday, where staff will review a new SharePoint system designed to automate report writing and improve remote interactions with supervisors. The meeting will also discuss training needs, how to use the calendar, and the revision of policies and procedures.

Registrar Fogt shared progress in filling staff vacancies, noting CSLB has 25 vacancies out of 425 positions, which is a 5% vacancy rate—considered excellent in state government. Registrar Fogt commended the administration's efforts in recruiting and retaining qualified individuals to maintain a positive work environment.



**c. Review, Discussion, and Possible Action on Supporting Information Included with Solar Energy System Disclosure Document Pursuant to Subdivision (c) of Business and Professions Code Section 7169**

Special Projects Manager Michael Jamnetski discussed a document that was approved by the Board in December but required final review by the Public Utilities Commission (PUC). The PUC has now approved the document, which will be used in residential solar connections with utilities. This document requires contractors to include specific details, such as line diagrams and oversight information, in every interconnection package for utilities like PG&E.

Manager Jamnetski highlighted minor changes made to the document since the Board's last review, mostly in terms of organization and clarity. He also mentioned that the California Solar and Storage Association (CALSSA) provided additional comments, particularly about the inclusion of cost, payment estimates, and energy rates in the document.

Manager Jamnetski stated the Board has been informed the document was approved, and CSLB will continue to work with stakeholders to address any remaining concerns, including those regarding utilities not regulated by PUC. He emphasized the goal is to ensure the document's effectiveness in protecting consumers and improving the solar contracting process.

Registrar Fogt noted that the document was approved by the PUC and is now required for use with solar customers and investor-owned utilities. The main concern for CSLB is whether the Board needs to verify this PUC-required document for CSLB disciplinary purposes when it receives consumer complaints, especially considering that CALSSA has raised some concerns that couldn't be addressed directly with the PUC.

Registrar Fogt advised that the Board has a few options: it can either take no action, support the document while continuing to work with CALSSA on concerns, or oppose it altogether. The decision is left to the Board.

DCA Legal Counsel John Kinn acknowledged the Board is reviewing a four-part disclosure document, which was approved in concept at a previous meeting. Although there are concerns about consumers potentially bypassing important contract details by focusing on the more detailed disclosure document, the changes to the document do not seem substantial. Counsel Kinn suggested the Board can either



stand by its previous approval and continue working with the CALSSA on the concerns or take further action at the next meeting. The Public Utilities Commission (PUC) finalized the document and is requiring contractors to present it once it's fully finalized.

Manager Jamnetski noted there is a deadline of November 1 to implement this document.

Counsel Kinn stated it would give more breathing room for the Board to make a decision.

Registrar Fogt suggested instead of voting immediately, the Board should allow staff to continue working with CALSSA to address concerns.

#### Board Member Comment

Board Member Diana Love expressed interest in hearing the slight changes that CSEA and PUC have added to the document.

Manager Jamnetski mentioned the changes to the solar disclosure document required by law. The document has undergone revisions, including clearer language and a reorganization of the content for better understanding. Key changes involve presenting cost details more transparently, restructuring sections, and providing a clearer breakdown of terms. The Public Utilities Commission is also involved, ensuring the document provides standardized information for customers, including projections about savings and energy usage. The changes aim to protect consumers, especially regarding contract terms and financing options. Manager Jamnetski emphasized the document now requires greater clarity and better consumer understanding while ensuring compliance with legal requirements.

Chair Mark explained the document is primarily for consumer protection – ensuring that consumers are well-informed, avoid unnecessary down payments, and hire licensed contractors. He noted the Board's role is to oversee the document's implementation, but it does not directly affect the Board itself. Instead, it governs the contract between contractors and consumers. If issues arise, such as harm to the consumer, they are encouraged to file a complaint with the appropriate authority, which the Board will then address. Registrar Fogt emphasized that when working with the Public Utilities Commission (PUC), staff were very careful to ensure the document adhered to statutory requirements. He also highlighted that in the solar industry, payments should not be made before work is performed, and the document aligns with this principle, as they



specifically removed any provisions that would allow progress payments before the work is completed.

Member Love expressed concern about the fact that (the draft solar disclosure document up for discussion) includes a notice about the down payment restriction applicable to home improvement contracts being stated in absolute terms. Member Love explained that she recently learned that requirement is not absolute, that there is a “blanket” exception to this rule (a reference to the blanket performance bond option for a contractor to have on file with CSLB to exempt them from the 10% downpayment restriction) and inquired whether the document should reflect this.

Registrar Fogt acknowledged that performance bonds are rare for contractors but suggested [that making that distinction in the document] could be a useful tool for consumer protection. He noted the Public Utilities Commission (PUC) already approved the document, and the current focus is whether the policy is working. If not, the Board could consider asking the PUC to amend the document. The main issue is determining how to enforce compliance.

#### Board Member Comment

Chair Mark confirmed the staff's recommendation to take no action at this point. He noted a further Board meeting is scheduled, and the policy will go into effect on November 1, allowing the Board to address any issues as needed moving forward.

Registrar Fogt agreed this is staff's recommendation and they can discuss further any concerns at the next Board meeting in June.

Chair Mark stated there does not need to be any action until later and everyone was in consensus.

#### Public Comment

There was no comment.

### **3. Budget Update**

Chief of Legislation Rebecca May provided the Budget Overview for the fiscal year 2024-2025, CSLB has an authorized budget of \$80.8 million. Year-end projections forecasted \$94 million in revenue, \$80 million in Board expenditures, and \$6.3 million in mandatory external costs. As of January, CSLB spent approximately 60 percent of its budget authority, reflecting controlled spending so far in the fiscal year. CSLB collected over \$63 million in revenue through January, marking a 5.3 percent increase compared to the previous year, indicating strong financial performance. The final budget for fiscal year 2024-2025 was reduced by \$425,000,





from \$82.4 million to \$82 million. The decrease is primarily due to adjustments in staff salaries, retirement costs, and health benefits.

Chief May stated CSLB received direct reimbursement from the General Fund for costs incurred during the summer wildfire disaster response and anticipates another reimbursement for the recent Southern California wildfires.

Budget Letter 24-10, issued by the Department of Finance (DOF) in July, addressed the General Fund deficit by requiring agencies to identify savings. Further guidance was provided in Budget Letter 24-20 (Vacancy Reduction) and Budget Letter 24-24 (Operating Expense Costs Reduction). As a result, CSLB's budget will be further reduced by approximately \$1.2 million during the Governor's May revision. This reduction includes the permanent elimination of 7.5 vacant positions in fiscal year 2025-2026.

Chief May explained the Fund Condition Projection for the fiscal year 2025-2026 has a beginning fund balance of \$41.7 million. If year-end projections are met, CSLB's reserves will increase to over \$48 million, equating to six months of reserves, demonstrating strong fiscal health.

The Construction Management Education Account is healthy and continues to see a steady increase in annual donations, supporting ongoing education efforts.

Chief May said the Department of Finance (DOF) approved two Budget Change Proposals (BCPs) to add six positions to the Enforcement Division. These BCPs are under review in the Legislative Budget hearings scheduled for April, with potential inclusion in the fiscal year 2025-2026 Budget Act. The Statistical Summary through January showed a 9 percent increase in original applications received. New licenses issued maintain a steady flow and are consistent. License renewals have a slight increase of 1 percent compared to two years ago, indicating stable renewal rates.

#### Board Member Comment

Chair Mark expressed gratitude to Chief May for the report and to Budget Manager Stacey Paul for her hard work, noting CSLB is projected to have nearly six months of reserves, which is the highest amount he has seen as a Board member. Chair Mark also expressed appreciation for the support from the governor's office and DCA in addressing staffing issues, particularly the need for more permanent positions for the Multiple Offender Unit and additional staff for Statewide Investigative Fraud Team (SWIFT).

#### Public Comment

There was no comment.





#### **4. Administration Update**

Special Project Manager Michael Jamnetski delivered a CSLB administrative update for the second quarter of fiscal year 2024-2025, covering October 1 to December 3, 2024. CSLB reported an average of 25 vacancies out of 425 authorized positions, resulting in a 6 percent vacancy rate during this period.

Manager Jamnetski said that in alignment with Strategic Plan Objective 5.2, CSLB Personnel hosted the second session of a two-part Career Consulting class on December 12, 2024. The session focused on interview preparation and tips, aiming to enhance employees' interview skills. CSLB staff are developing a third class titled "Best Hiring Practices", which will target all CSLB managers and supervisors, ensuring effective hiring processes.

Manager Jamnetski stated that regarding Strategic Plan Objective 5.2, the year 2024 was designated as a required year for all CSLB managers and supervisors to complete 20 hours of mandatory leadership training. CSLB Business Services issued regular reminders to managers and supervisors about this requirement. All impacted personnel received the necessary training materials and successfully completed their leadership training as required. For 2025, the CSLB Enforcement Academy, which provides specialized training, is scheduled.

Manager Jamnetski concluded his update on CSLB's ongoing efforts to enhance employee recruitment, training, and overall organizational effectiveness in line with its strategic goals.

##### Board Member Comment

There was no comment.

##### Public Comment

There was no comment.

#### **5. Information Technology Update**

Manager Jamnetski presented the IT Update on behalf of Chief of Information Technology (IT) Jason Perez stating that CSLB is implementing a new Enterprise Content Management (ECM) system, set to replace the older Image Workflow Automation System (IWAS), with a planned launch in April 2025. Manager Jamnetski explained that CSLB has successfully migrated nearly 25 million documents, ensuring accuracy, security, and accessibility.

Manager Jamnetski stated the new system includes robust security measures and remains on schedule and is expected to enhance CSLB's operations and service delivery significantly.



Manager Jamnetski described the recent Department of Military cybersecurity assessment of CSLB's systems. The evaluation confirmed that CSLB's cybersecurity framework is effective, with strong existing security measures protecting systems and data but that there is always room for improvement

Manager Jamnetski explained the Sole Proprietor Online Application is on track and scheduled to go live in April 2025, improving efficiency and convenience for applicants.

Manager Jamnetski emphasized that CSLB aims to reduce processing time in licensing and enforcement, as well as increase transparency in these processes. He finished by acknowledging the recognition of CSLB staff in the Norwalk Office for developing, testing, and implementing a system to track enforcement complaints throughout the entire process.

#### Board Member Comment

Chair Mark briefly discussed the Norwalk pilot program, where the Board took the opportunity to congratulate the enforcement staff on their work using live documents and moving towards a strategic plan, which involves both licensing and enforcement.

Chair Mark acknowledged Chief Grove, his team, and Case Management Program Manager Jerry Hassan for their hard work, and confirmed he invited Registrar David Fogt to say a few words about the efforts at Norwalk.

Board Member Mary Teichert expressed appreciation for the team's work in automating processes, emphasizing the public-facing benefits. Member Teichert highlighted that while many of CSLB's efforts, like those related to fire victims, go unseen, the automation of tasks like mailing paper forms is an important step toward modernizing operations. Member Teichert appreciates how this shift helps CSLB present itself in a more efficient, relevant, and modern way, particularly for contractors, and thanked the team for their efforts.

Chair Mark gave his thanks once again to Chief Grove, his team, Deputy Chief of Enforcement Jessie Flores, and others for their hard work, acknowledging the efforts were a team effort and expressed appreciation for everyone involved.

Manager Jamnetski previously stated the online app for sole owners was scheduled to go live in April; however, he retracted that statement and promised to provide an updated go-live date at a later time.

Manager Hassan thanked the staff for their hard work in developing and implementing a new system, which had been piloted in May 2023. This system improves upon the previous one, especially in terms of security and efficiency. It has been particularly beneficial for public contractors and enforcement staff. The transition to this new system involved significant effort, and it has automated



workflows, reduced costs, and minimized the use of paper. Manager Hassan looks forward to rolling out the system statewide and acknowledges the positive impact it will have on enforcement capabilities.

#### Public Comment

There was no public comment.

## **F. Legislation**

### **1. Update and Discussion of 2025-2027 Legislative Strategic Plan Objectives**

Board Vice Chair Miguel Galarza, provided the update for Legislative Committee Chair Joël Barton and opened the legislative agenda items, beginning with an update from Chief May regarding the Board's legislative activities.

Chief May highlighted progress on Strategic Plan Goal 3.1, aimed to improve communication with legislators to emphasize CSLB's mission and the importance of licensure. On January 29, Chair Michael Mark, Legislative Committee Chair Joël Barton, Registrar Fogt, and Chief May met with legislators to discuss CSLB's legislative priorities and disaster response efforts. Meetings were held with Assembly Member Berman, Senators Smallwood-Cuevas, Valladares, Grayson, Niello, and staff from Senators Arreguin, Menjivar, Ashby, and Senate Business, Professions, and Economic Development Committee. These meetings secured sponsors for CSLB-sponsored bills and strengthened CSLB's relationship with legislators, aiding in the dissemination of CSLB's consumer protection message.

Chief May connected legislative staff with Public Affairs Chief Katherine White to provide information on CSLB's outreach efforts, including senior scam stopper events and safe hiring practices. Plans are in place to schedule another legislative day to expand CSLB's legislative outreach. Chief May concluded the Legislation Update on the Strategic Plan Objectives.

#### Board Member Comment

Chair Mark expressed his gratitude to Chief May for organizing the visits, which were very helpful. He mentioned that both Legislative Chair Barton and he attended the meetings, where it was emphasized that CSLB is deeply committed to consumer protection. Chair Mark appreciates the support and efforts to help the Board continue its mission in California.

#### Public Comment

There was no comment.

### **2. Update and Discussion Regarding Additional Provision to 2025 Proposed Non-substantive Updates to Contractors State License Law**



Chief May stated that in December, the Board approved four non-substantive amendments for inclusion in the Senate Business, Professions, and Economic Development Committee's omnibus bill and that no further Board action is required on those items. Chief May explained that after that Board meeting, staff identified a need for an additional amendment related to the (previously approved proposal for) industry expert reimbursement costs for workmanship complaint investigations.

**a. Clarifying when industry expert reimbursement costs are due**

Chief May clarified that the amendment removes the requirement to add industry expert reimbursement costs to license renewal fees. Licensees will be informed of reimbursement requirements when the citation or letter of admonishment is filed. Reimbursement must be paid before license renewal, avoiding IT changes and staff resource allocation, preventing delays in license renewal.

Board Member Comment

There was no comment.

Public Comment

There was no comment.

**3. Review, Discussion and Possible Action on 2025 Legislation**

Vice Chair Galarza shared that at the December Board meeting, the Board voted to sponsor four bills. No action is required from the Board. He clarified that exempting CSLB from liability for legal fees in civil claims against cash deposits filed with CSLB, inclusion of ADUs in home improvement definition, and increasing penalties for progress payment rule violations were among the sponsored proposals. Other sponsored provisions included narrowing the exemption for workers' compensation insurance requirements and increasing minimum civil penalties on citations. Vice Chair Galarza thanked Senators Grayson and Archuleta and Assemblymembers Berman and Carrillo for authoring these bills.

Board Member Comment

Chair Mark asked about the timing of upcoming legislative hearings, specifically inquiring which of the items are closest to being heard.

Chief May anticipates that committee hearings will likely start in April.

Chair Mark suspects that an update should be expected at the June Board meeting, and anticipates a legislative meeting between now and June, which will provide another update.

Public Comment

There was no comment.

That concluded discussion of items F(3)(a)(1) through (4), AB 521 (Carillo), AB 559 (Berman), SB 291 (Grayson), SB 779 (Archuleta).

**b. Other Legislation:****1. AB 476 (Gonzalez) Would require CSLB to license “junk dealers.”**

Vice Chair Galarza stated the bill establishes a licensure program for "scrap metal copper sellers." The bill proposes that existing contractor licensees would not need the scrap metal license. Staff's position is that while the bill recognizes the financial hardship for licensed contractors, creating a new license type would require significant resources, including updates to IT systems and test development. It is also unclear what the potential pool of licensed sellers would be or the impact on the industry. Staff recommends opposing the bill but will continue discussions with the author for possible amendments.

Board Member Comment

Chair Mark asked if the goal of the bill is to require proper licensing for scrap metal sellers when they engage in construction projects.

Chief May clarified that contractors who remove scrap metal would need a license under the proposed bill, as they would be exempt from the licensing requirement.

Registrar Fogt explained that if someone who is not currently licensed wants to sell copper to a recycler, they need to be licensed to do so under the proposed bill.

Chief May confirmed the proposed bill would create a whole new licensing process through the Board.

Chair Mark clarified that as of January 1, the minimum amount for transactions is set at \$1,000, and asked if any copper being turned in would require a license under the proposed changes.

Chief May agreed; however, there are exceptions.



Registrar Fogt asked if there has been any communication from the author regarding the proposed bill.

Chief May stated they had discussions with the author regarding the proposed bill.

Chair Mark sought clarification on the staff's recommendation and expressed the opinion that requiring a contractor's license for reselling could help address issues like the underground economy, where people might steal copper from buildings and sell it to resellers. Chair Mark suggested that this approach might not be a bad thing.

Manager Jamnetski stated that the proposed program would involve a new license specifically for sellers and would be a separate program than contractor licensing.

Counsel Kinn clarified the proposed license is for sellers, not contractors, and attributes the confusion to the way the bill is written. They noted the bill seems to blend resellers of non-ferrous metals with CSLB licenses, which could create issues like the need for a new test and enforcement. Counsel Kinn suggested that instead of CSLB handling this, purchasers could be licensed and required to report transactions, similar to how banks report large transactions. Counsel Kinn shared his hesitation about CSLB taking on this responsibility.

Member Teichert acknowledged that while theft – particularly copper theft – is a significant problem, they don't see how it falls under CSLB's responsibility.

Member Alan Guy agreed with Member Teichert that this should not be CSLB's responsibility.

Board Member Rodney Cobos and Member Alan Guy discussed whether the copper thief should be taken care of by the CSLB.

Vice Chair Galarza suggested the term "reseller" might not clearly address the issue, particularly regarding theft or selling of stolen goods, and clarified they're not intending to encourage selling at a large scale.

Chair Mark motioned to support the staff's recommendation to oppose the bill and offered the opportunity to revisit the issue later.

**Public Comment**

There was no comment.

**Motion:** To oppose the AB 476 (Gonzalez) Would require CSLB to license “junk dealers.” Moved by Michael Mark; Thomas Ruiz seconded. Motion carried, 11-0.

**YEA:** Michael Mark, Rodney Cobos, Amanda Gallo, Miguel Galarza, Jacob Lopez, Diana Love, Henry Nutt III, Josef Preciado, Thomas Ruiz, and Mary Teichert.

**NAY:** None

**ABSTAIN:** None

**ABSENT:** Joël Barton, Steve Panelli, and James Ruane.

**2. AB 1327 (Aguiar-Curry) Allow consumers to cancel a home improvement contract via email or telephone.**

Vice Chair Galarza stated this proposed bill requires home improvement contracts to include the contractor’s email and allows contract cancellation via email or phone. Staff recommend a neutral due to concerns about lack of cancellation records via phone, which could disadvantage consumers.

**Board Member Comment**

Board Member Diana Love questioned whether the proposed bill can be amended.

Vice Chair Galarza stated that due to the neutral position of the proposed bill, amendments can be made if the Board has suggestions.

Member Love suggested if the bill is amended, a phone call should be made first, followed by a confirmation email to acknowledge that the phone call was received.

Counsel Kinn suggested removing the telephone call from the bill and leave it as only via email.

Member Love reasoned in favor of keeping the phone call option in the bill, as many seniors may not be comfortable with social technology. Seniors would likely prefer making a phone call and receiving a follow-up response, potentially with the help of a family member.





Registrar Fogt emphasized the importance of having something in writing when canceling a contract, as consumers may be at a disadvantage if they later face legal action and cannot prove they canceled by phone. They agreed with the idea of confirming the cancellation through email or a follow-up letter to ensure there is a record of it, to prevent contractors from denying the cancellation.

Board Member Henry Nutt III suggested adding language to specify a certain number of days for following up after a phone call to ensure clarity for both parties involved.

Chair Mark asked if Member Love was referring to a position or a point of sale (POS) system, seeking clarification of the situation.

Member Love confirmed Chair Mark's statement.

Member Love invited Counsel Kinn to provide guidance on this motion.

Counsel Kinn stated the motion is to oppose the bill unless amended to require a phone call paired with a follow-up email or letter, ensuring written confirmation of the cancellation.

Member Cobos stated that a letter is already required to confirm a cancellation with a contractor.

Counsel Kinn clarified the amended motion would allow an email or phone call to cancel with a contractor.

Chair Mark highlighted the difficulty in the current summary, which mentions email or phone call. They suggested the issue is whether a written notice should accompany the email, and if a phone call is involved, it should also be followed by proper written notice.

Member Love agreed with Chair Mark's comment.

Member Teichert suggested a friendly amendment to the motion, proposing to oppose the bill unless the option to cancel a contract by phone is removed, and only email or written notice is allowed for cancellations.



Member Love requested to keep the option for seniors to cancel contracts by phone, if there is a written response confirming the phone call was received.

Counsel Kinn clarified the motion is to oppose the bill unless amended to require contractors to confirm in writing any telephone call cancellations within a certain time period.

Member Teichert expressed uncertainty about how the process would work, noting that if a contractor doesn't confirm the cancellation in writing, it could create issues. They emphasized that the goal is to protect consumers from unscrupulous behavior, and if the contractor fails to confirm the cancellation, it shouldn't be considered valid.

Member Guy emphasized that the key issue is removing ambiguity. They suggested that simply making a phone call to cancel the contract will be sufficient to make the cancellation valid.

Member Teichert clarified people can still call their contractor to cancel, but suggested cancellations should also be confirmed in writing, either through email or written notice, to make the process clearer and easier.

Counsel Kinn asked if the motion is still on the floor or if it is being withdrawn, specifically asking whether the provision for a telephone call to cancel the contract will be removed unless it is followed by written confirmation.

Member Love stated they are not withdrawing their proposal. They requested to keep the phone call separate from the proposal.

Member Teichert proposed an amendment, asking if it should be done after the second form is discussed.

Counsel Kinn suggested that since the amendment hasn't been accepted, a vote will be needed. They clarified the motion is to support changing the position to "support" and to include both email and telephone calls, but with additional modifications.

Counsel Kinn clarified the bill allows for either an email or telephone call in addition to the current written letter requirement for contract cancellations, and that it is an either/or option.



Registrar Fogt stated it is acceptable to make phone calls for cancellations, if the contractor confirms the cancellation in writing. If the contractor doesn't confirm, an email would then be required.

Member Guy wanted clarification regarding if the phone call was missed, what would be the next steps be for the consumer.

Registrar Fogt claimed the consumer would need to send an email or a written letter to get a response from the contractor directly.

Chief May referred to a notice of cancellation made under the three-day right to cancellation, stating that it can be done orally by telephone or in writing, as outlined in section 7159.

Counsel Kinn raised the concern that a dishonest contractor might deny receiving a cancellation call, leaving the consumer with no proof. This could lead to a "he said, she said" situation, complicating any dispute resolution.

Chair Mark agreed with Counsel Kinn's concerns.

Member Teichert reiterated that cancellations should be allowed via email instead of written notice but emphasized the importance of having something in writing for the cancellation to be valid. This ensures consumer protection and avoids ambiguity.

Counsel Kinn agreed, stating the bill as written allows cancellation by email, but suggested adding that written notice can be provided by email or a phone call, with a confirming written response required.

Chair Mark pointed out the issue of relying on the contractor to send written confirmation after a phone call, as the consumer may not receive it. To protect the consumer, there needs to be a written record of the cancellation.

Counsel Kinn suggested the consumer could send the cancellation notice within three days, confirming the phone call, either by email or in writing, instead of relying on the contractor to provide the confirmation.

Member Teichert emphasized the power should remain with the consumer, allowing them to confirm the cancellation, whether by



email or mail, rather than relying on the contractor to acknowledge the phone call. This ensures consumer protection.

Member Nutt agreed with Member Teichert, stating the consumer shouldn't have to rely on the contractor acknowledging the phone call.

Chair Mark and Member Cobos agreed with Member Nutt comment on consumer protection.

Board Member Thomas Ruiz proposed the contractor should be required to respond within a few days, confirming the cancellation, to ensure that the consumer's contract is properly terminated.

Member Love mentioned that even when a consumer sends a cancellation notice, contractors may claim they never received it, despite it being sent. This presents challenges with confirmation and accountability.

Chair Mark expressed the importance of having something in writing for the consumer as proof, rather than relying on phone calls or voicemails. Chair Mark mentioned there was not a second for the previous motion, and a new motion was now on the table for consideration.

Member Teichert proposed a new motion by amending the bill to remove the word "telephone" from the proposed bill.

Counsel Kinn asked for clarification, confirming whether the telephone call should be allowed, but with the rest of the terms remaining unchanged.

Member Teichert clarified to Counsel Kinn that "telephone" should be removed, while keeping the rest of the bill unchanged.

Member Nutt stated the Board is opposing AB 1327 unless it is amended to remove the option of canceling a contract via phone call, leaving only email as a valid method.

Member Teichert stated the only amendment needed is to remove the option of canceling a contract by telephone and keep email as the sole method. If this change is accepted, they would agree with the bill.

Public Comment

There was no comment.

**Motion:** To oppose AB 1327 (Aguiar-Curry) to allow consumers to cancel a home improvement contract via email or telephone unless it is amended to remove the option of cancelling a contract via telephone. Moved by Mary Teichert; Alan Guy seconded. Motion carried, 10-1.

**YEA:** Michael Mark, Rodney Cobos, Amanda Gallo, Miguel Galarza, Jacob Lopez, Henry Nutt III, Josef Preciado, Thomas Ruiz, and Mary Teichert.

**NAY:** Diana Love

**ABSTAIN:** None

**ABSENT:** Joël Barton, Steve Panelli, and James Ruane.

**3. AB 1002 (Gabriel) (*spot bill at time of agenda publication*) Contractors: failure to pay wages: discipline.**

Vice Chair Galarza introduced AB 1002, which addresses labor violations by licensed contractors working for non-substitute employees. The bill is considered a placeholder, meaning it will be amended later. The bill is intended to strengthen remedies against contractors who commit labor violations. No action required; staff will monitor for future amendments.

Board Member Comment

The Board shared concerns regarding how soon the bill will be amended.

Chief May assured the Board there is nothing substantive in the bill, only legislative language. However, Chief May anticipated that amendments will be added soon.

Registrar Fogt mentioned that Chief May is proposing to have a Legislative Committee Meeting on April 11. Hopefully by then there will be more information regarding this bill. Chief May explained that due to the deadline for submitting amendments to the spot bill is towards the end of March.

Chair Mark emphasizes the importance of addressing the underground economy and ensuring fair wages for contractors.



They hope the bill authors would uphold a firm and consistent approach in addressing the actions of underperforming contractors, which has been the Board's stance for a long time.

Chief May acknowledged the importance of the issue and ensured the spot bill was included in the agenda for any amendments.

Public Comment

There was no comment.

**4. SB 641 (Ashby) Urgency bill to clarify license classifications for disaster debris removal.**

This bill would allow CSLB and Department of Consumer Affairs programs to waive specific licensing and renewal requirements during declared federal, state, or local emergencies. Specific to CSLB, only certain contractor classifications (A-General Engineering, B-General Building, C-61 Limited Specialty) may perform debris removal during declared emergencies. The Registrar may authorize additional classifications on a case-by-case basis, including hazardous substance certification requirements.

Staff recommended supporting the bill to enhance CSLB's disaster response capabilities, with a suggested amendment to clarify the classifications. The bill would take effect once signed by the governor.

Board Member Comment

Registrar Fogt announced CSLB has been collaborating with the LA County Wildfire Task Force to clarify the classifications allowed for debris removal in wildfire disaster areas. A bulletin is expected to be released next week outlining which classifications (e.g., engineering, general building, graving, and demolition) are authorized for debris removal in Los Angeles County. The county is not issuing permits for other classifications and is requiring hazardous material certification, which CSLB provides. Registrar Fogt emphasized the importance of ensuring contractors performing debris removal have the necessary 40-hour hazardous materials training. There is concern the bill may conflict with these requirements, and the goal is to ensure alignment with LA County's guidelines.

Chief May added the motion is to clarify the specific classifications needed for this emergency debris removal.



Member Guy asked about the C and B Licensed workers needing hazardous materials training to help the LA County.

Registrar Fogt explained that LA County is requiring hazardous materials certification for contractors involved in debris removal. CSLB compiled a list of 1,700 contractors who meet the required classifications and certifications. The county is reaching out to these contractors to see if they are open to receiving bids, especially for those who opted out of the state-run program. Earlier this week, about 877 homeowners opted out, and the goal is to create a list of qualified contractors that will be available on the county's website for property owners.

Vice Chair Galarza, Chief May, and Member Guy discussed the requirement of needing the HAZ certification to help in LA County.

Member Guy explained A, B and two C licenses need the qualifications to help the LA County.

Chief May explained this motion was made to clarify which licenses would qualify for disaster debris removal.

Board Member Amanda Gallo questioned how CSLB will sign off on these licenses to help the LA County clean up.

Registrar Fogt explained that for debris cleanup in LA County, contractors will need to obtain a permit directly from the county. LA County clarified the classifications and certifications required for debris removal. CSLB won't be responsible for issuing permits but will update license records with the relevant certification. LA County will act as the gatekeeper, ensuring contractors have the proper classifications and hazardous material certifications to address the environmental impact of debris removal.

Counsel Kinn clarified that CSLB is not providing permits for LA County.

Vice Chair Galarza mentioned the HAZWOPER training program has three certifications for 80, 40, and 20 hours. They asked which HAZ Certifications would be accepted.

Registrar Fogt confirmed the 40-hour HAZWOPER training is required and explained that Enforcement Chief Grove has been receiving calls about workers not using proper protective





equipment and lacking hazardous material training. The concern is how this will be enforced. Research shows that CSLB has jurisdiction over some aspects, but the plan is to make inter-agency referrals to the Division of Occupational Safety and Health. CSLB is hoping the Labor Enforcement Task Force will take a more active role.

Chief Grove stated the Enforcement staff are planning an operation for early April.

Member Teichert suggested using language related to "OSHA training for EPA requirements" without having to detail the specific requirements. They proposed a change in wording to address this more broadly.

Public Comment

There was no comment.

**Motion:** To support SB 641 (Ashby), an urgency bill to clarify license classifications for disaster debris removal. Moved by Mary Teichert; Henry Nut III seconded. Motion carried, 11-0.

**YEA:** Michael Mark, Rodney Cobos, Amanda Gallo, Miguel Galarza, Jacob Lopez, Diana Love, Henry Nutt III, Josef Preciado, Thomas Ruiz, and Mary Teichert.

**NAY:** None

**ABSTAIN:** None

**ABSENT:** Joël Barton, Steve Panelli, and James Ruane.

**5. SB 784 (Durazo) Increase consumer protections for consumers securing financing for residential home improvement.**

Vice Chair Galarza described SB 784, which increases the cancellation period for home improvement contracts to 5 and 7 days. This bill is designed to prevent lenders from requiring loan repayment until work is complete and operational. This bill addresses issues with solar projects where contractors may not perform the work, and lenders fail to enforce provisions protecting consumers. CSLB has seen increased complaints, particularly in solar home improvement projects where contractors receive payment without completing work. As a staff recommendation, CSLB supports the bill, emphasizing



consumer protection, and recommends a supportive position while working to strengthen the bill further.

Board Member Comment

Member Love expressed support for the recommendation and asked for clarification about the age that qualifies someone as a senior citizen, wondering if it is 65 or 62.

Chair Mark clarified the bill is changing the existing law that includes senior citizen language, noting that the bill increases the period for everyone from five to seven days, and confirmed the senior citizen-specific provisions are being removed.

Chief May stated the bill will extend the cancellation date to 7 days for everyone regardless of age.

The Board discussed whether the senior citizen-specific provisions are based on age 62 or 65.

Board Member Josef Preciado sought clarification on the bill's language regarding "operational" versus "operating." They referred to a situation where a system was installed but not connected to the grid, asking how "operational" is defined since it might not be "operating" in that case.

Registrar Fogt clarified that "operational" means the system is connected to the grid and the consumer is receiving some benefit from it. This is the definition used for Enforcement staff purposes to protect consumers.

Public Comment

There was no comment.

**Motion:** To support SB 784 (Durazo) Increase consumer protections for consumers securing financing for residential home improvement to 5 and 7 days. Moved by Michael Mark; Rodney Cobos seconded. Motion carried, 11-0.

**YEA:** Michael Mark, Rodney Cobos, Amanda Gallo, Miguel Galarza, Jacob Lopez, Diana Love, Henry Nutt III, Josef Preciado, Thomas Ruiz, and Mary Teichert.

**NAY:** None

**ABSTAIN:** None

**ABSENT:** Joël Barton, Steve Panelli, and James Ruane.

*The Board took a 10-minute break at 10:53 a.m. and reconvened at 11:03 a.m.*

## **G. Enforcement**

### **1. Update and Discussion of 2025-2027 Enforcement Strategic Plan Objectives**

Enforcement Chair Rodney Cobos reported on Objective 2.3: Review and strengthen penalties as necessary to ensure they are adequate to deter violations. They stated current penalties start at \$200 and up to \$15,000 for unlicensed persons. For other violations, penalties went up to \$8,000 or \$30,000, depending on the violation.

Chair Cobos reminded members of the Board's vote in December 2024 to sponsor legislation to raise Enforcement fine minimums. Senator Archuleta introduced SB 779 on CSLB's behalf on February 21, 2025. The bill is expected to be referred to by the Senate Business, Professions, and Economic Development Committee and heard in April 2025. It is scheduled to become effective July 1, 2026, and will increase minimum civil penalties for violations – starting with unlicensed persons at a minimum of \$1,500. Other violations will start at a minimum of \$500 or \$3,000, depending on the violation. CSLB is required to adjust penalties for inflation every five years.

### **2. Enforcement Program Update**

Chair Cobos invited Chief Grove to present the Statistical Enforcement Program Update. Chief Grove shared two highlights.

In April 2019, a homeowner contracted Net Zero Disaster Resistant Structures LLC to rebuild their home destroyed by the 2017 Tubbs Fire for \$1,073,763. By October 2020, the homeowner paid \$1,089,162.53. A dispute arose over a requested change order that exceeded \$100,000. As of April 2021, the consumer filed a complaint with CSLB. A new contractor assessed the work, identifying deficiencies requiring \$300,000 to repair and complete the project.

Chief Grove stated that on January 31, 2023, an accusation was filed for abandonment, substandard workmanship, failure to complete the project at the contracted price, and aiding an unlicensed person. In March 2024, CSLB proposed to issue a 3-year administrative probation, disciplinary bond, and restitution of \$268,671.80. Finally, on December 3, 2024, the stay of revocation was vacated due to the contractor's failure to make restitution and comply with probationary provisions. On January 3, 2025, the license revocation went into effect.



Chief Grove highlighted a felony case filed against a revoked licensee (Superb Builders Inc.). In April 2021, David Avner King, CEO of Superb Builders Inc., entered into a \$350,000 residential remodel (increased to \$1,547,250 after change orders) contract. They received an excessive deposit of \$20,000 before work began. On July 30, 2021, CSLB revoked Superb Builders' license for unrelated violations. Between July 30, 2021 – July 31, 2023, King continued to work on demolition and foundation, receiving additional payments totaling \$1,138,913.

Chief Grove stated that in June 2023 the homeowner was notified of the unpaid suppliers and subcontractors. King advised the homeowner to pay the suppliers directly; the homeowner refused, and King abandoned the project. A new contractor was hired for \$1,755,000. In November 2024, CSLB referred a criminal investigation to the San Mateo District Attorney's Office. By December 2024, the DA filed a felony and misdemeanor charge against King for operating without a license and receiving payment exceeding work value. On December 11, 2024, a \$875,000 warrant was issued for King's arrest. Due to CSLB's collaboration with prosecutors, the consumers were able to address criminal contractor violations.

Chair Cobos reported additional Enforcement updates: 11 vacant positions in the Enforcement Division, representing a 5 percent vacancy rate. Interviews have been conducted, and 5 positions were later filled.

Chair Cobos shared that from July 1, 2024 – January 31, 2025, 11,843 complaints were initiated. By January 31, 2025, there were 5,028 actual pending complaints, slightly above the optimal level.

The CSLB Intake Mediation Centers has helped recover \$18.3 million for injured parties. The Board's goal is to have all but 100 complaints resolved within 270 days. As of February 11, 2025, 332 complaints had exceeded that timeframe. Enforcement supervisors continue case strategy discussions and monthly case reviews to reduce backlog.

Chair Cobos stated the proactive Enforcement Statewide Investigative Fraud Team (SWIFT) has 27 Special Investigators. Staff are supporting disaster recovery centers (DRCs) in Los Angeles, Pasadena, and Altadena. Pasadena DRCs are closed; Los Angeles and Altadena are expected to operate through March 2025.

Chair Cobos explained that to prevent contractor fraud, SWIFT posted warning signs and distributed CSLB resources in Eaton and Palisades fire zones.

From July 1, 2024 – January 31, 2025, there were 25 undercover sting operations, 242 sweep days, 430 leads investigated, and 2,098 cases closed. There were 704 administrative or criminal actions and 732 advisory notices issued. In the Experience Verification Unit there were 829 investigations, 470



approved, 140 withdrawn, 213 denied, and 6 denials appealed. Chair Cobos concluded the Enforcement Update.

Board Member Comment

Chair Mark commended the Enforcement staff for their hard work and highlighted the effectiveness of signs put up by SWIFT, which helped consumers in California, especially those affected by fires. These signs, available in both English and Spanish, encourage people to hire licensed contractors, particularly during the rebuilding process over the next few years.

Public Comment

There was no comment.

## **H. Licensing**

### **1. Update and Discussion of 2025-2027 Licensing Strategic Plan Objectives**

Member Nutt reported an update on the 2025-2027 Licensing and Testing Strategic Plan on behalf of the Licensing and Testing Chair James Ruane. Member Nutt began with Item 1.1, which has staff exploring solutions for language barriers in licensing and testing. This includes translating forms and letters into Spanish and gathering demographic data via the Applicant Survey to determine future language needs. Spanish-translated exams have been successful and are a focal point in this strategic item.

Board Member Comment

There was no comment.

Public Comment

There was no comment.

### **2. Review, Discussion and Possible Action Regarding Proposed Policy of Board Acceptance of Out-of-State Candidates Who Have Passed the NASCLA Commercial General Builders Examination and Meet Other Specified Criteria**

Member Nutt introduced the Chief of Licensing and Testing Carol Gagnon to report the rest of Licensing and Testing's Program Update. Staff proposed accepting out-of-state applicants who pass the NASCLA Commercial General Builders Exam, a national exam similar to CSLB's general building contractor exam. Chief Gagnon stated that CSLB seeks Board approval to waive California's General Building Examination for out-of-state applicants who have passed the NASCLA exam, provided they meet other licensing criteria.



Chief Gagnon suggested staff propose waiving the California B-2 Residential Remodeling Examination for out-of-state applicants whose state's general building or remodeling exam is comparable to CSLB's requirements. This will allow CSLB staff to waive California's General Building and B-2 Residential Remodeling exams for out-of-state applicants who meet the necessary criteria.

#### Board Member Comment

Registrar Fogt proposed that staff be permitted to waive the trade exam for General Building licenses on a case-by-case basis, provided the applicant has been licensed in good standing in another state and has taken the NASCLA exam, which is similar to CSLB's. This request is specific to the General Building exam and does not apply to specialty exams. Registrar Fogt emphasized that this would streamline the process without needing to return for approval each time a state requests reciprocity.

Member Guy asked whether California's exam is considered equivalent to the NASCLA exam, implying a comparison to see if California's exam standards are matched or if the process goes in the opposite direction.

Registrar Fogt mentioned that in 2018, the Department's Office of Professional Examination Services reviewed the NASCLA exam and confirmed it was substantially the same as California's exam. Additionally, CSLB staff also reviewed this.

Member Preciado asked about the mechanism that will allow staff to verify whether someone has successfully passed the NASCLA exam, specifically inquiring if there is an online registry or another method to confirm it.

Manager Jamnetski explained NASCLA has developed an online system with certificates, making it easier for people to verify and prove successful completion of the exam.

Member Guy clarified that if someone holds a B license in California and wants to obtain a B license in another state, passing the NASCLA exam would allow them to do so.

Registrar Fogt explained that many states accept the NASCLA exam for General Building licensing and often waive their trade exam for contractors licensed in good standing in California. They mentioned over 2,000 contractors from California had their trade exam waived by other states last year, while California only waived a trade exam 44 times. Registrar Fogt stated this presents an opportunity to support California contractors and potentially attract more skilled workers to the state.

Vice Chair Galarza emphasized that California is acting as a "gatekeeper" to ensure that standards are upheld and respected. They want to make sure no



other state lowers the standards for contractors, ensuring California's standards remain high.

Registrar Fogt explained the trade exam waiver would only be considered if the contractor has been licensed and in good standing for at least five years in their state. Verification would involve reaching out to the relevant state to confirm the contractor's status.

Chair Mark explained the importance of clearly communicating to potential contractors that California has specific subcontracting classes and regulations in place. This ensures contractors from other states understand the requirements before working in California, since other states may have different subcontracting laws.

Registrar Fogt clarified that if the agenda item is approved, they will add information to the website under the applicant tab. This will explain the need for contractors to understand California's specialty trade licenses and restrictions on the building classification, and what work they are allowed to perform.

Chair Mark questioned if there is a specific form that contractors can use to confirm they understand California's licensing requirements for general and specialty contractors, especially when it comes to the regulations for a B license and specialty licenses.

Registrar Fogt stated that a form could be developed for contractors to request an exam waiver, where they would be required to acknowledge understanding of California's laws, since most states do not have formal reciprocity agreements with California.

Chair Mark expressed contractors need to be aware that while their experience may be accepted, they must understand the specific requirements needed to do business in California.

Board Member Jacob Lopez praised the idea of working with other states, noting California contractors are expanding into other states like Montana. They mentioned contractors often request expedited licensing processes for this expansion and inquired if similar flexibility could be applied to specialty contractors as well.

Registrar Fogt proposed waiving trade exams for specialty contractors be looked into, possibly through the appointment of an advisory committee. They mentioned there have been pushbacks from specialty trades regarding trade exam waivers, but for now, only the B and B-2 was included in the current proposal.

Chair Mark expressed that it's always been challenging for certain specialty classifications due to varying regulations and mechanical codes that are not uniform between states.





Counsel Kinn asked for confirmation on the initial part of the staff recommendation related to Section 7654, which they believe does not change the motion but is part of the overall staff recommendation.

Chief Gagnon reminded the Board that all the other requirements on page 120 must be met before moving forward with the staff recommendation.

Registrar Fogt asked about how many of the B-2 Residential Remodeling licenses were active.

Chief Gagnon stated there are currently 1,007 B-2 licenses, which is a positive development. This is partly due to advertising efforts in their "Get Licensed" campaign to encourage more people.

Registrar Fogt clarified that if another state has its own trade exam for a classification similar to California's B-2 License, and it is found to be very similar, the Board would support waiving the exam on a case-by-case basis for contractors in good standing from that state.

Chair Mark expressed the need for clarity regarding the B-2 license, specifically that it does not allow work within mechanical trades. They stressed residential homebuilders from other states might misunderstand this and must be made aware of the restrictions. Chair Mark suggested ensuring these contractors understand the law by requiring them to sign an affidavit confirming they meet the necessary requirements for a residential license in California.

Registrar Fogt suggested including a clear statement in the request form that contractors understand the restrictions, particularly that behind-the-wall work does not apply to the B-2 license.

#### Public Comment

There was no comment.

**Motion:** To Waive the California General Building Examination for out-of-state general building applicants who have passed the NASCLA Commercial General Builders Examination. Moved by Miguel Galarza; Diana Love seconded. Motion carried, 11-0.

**YEA:** Michael Mark, Rodney Cobos, Amanda Gallo, Miguel Galarza, Jacob Lopez, Diana Love, Henry Nutt III, Josef Preciado, Thomas Ruiz, and Mary Teichert.

**NAY:** None

**ABSTAIN:** None

**ABSENT:** Joël Barton, Steve Panelli, and James Ruane.



**Motion:** To Waive the California B-2 Residential Remodeling Examination for out-of-state residential remodeling applicants if staff determines their general building or remodeling examination meets the requirements of 765.4. Moved by Miguel Galarza; Diana Love seconded. Motion carried, 11-0.

**YEA:** Michael Mark, Rodney Cobos, Amanda Gallo, Miguel Galarza, Jacob Lopez, Diana Love, Henry Nutt III, Josef Preciado, Thomas Ruiz, and Mary Teichert.

**NAY:** None

**ABSTAIN:** None

**ABSENT:** Joël Barton, Steve Panelli, and James Ruane.

**3. Review, Discussion, and Possible Action to Approve Construction Management Education Account Advisory Board Membership for July 2025-June 2028 Term**

Member Nutt discussed the Construction Management Education Account Update, which allows contractors to contribute funds for construction management education at California state colleges. Last year, \$225,000 in grants were distributed. The committee overseeing this fund is composed of 11 members, each serving a three-year term. As 2025 is the time for reappointment, CSLB staff reached out to each organization to identify volunteers for the 2025-2028 term. The proposed representatives are listed in the packet, with one change due to a merger between the Engineering Contractors Association (ECA) and the United Contractors (UCON), so a single representative will now serve both organizations. Staff recommend appointing the proposed representatives to serve on the Construction Education Committee from July 2025 to June 2028.

**Board Member Comment**

There was no comment.

**Public Comment**

There was no comment.

**Motion:** To Appoint the Representative Proposed to Serve on the Construction Management Education Account Advisory Board Membership for July 2025-June 2028 Term. Moved by Alan Guy; Mary Teichert seconded. Motion carried, 11-0.

**YEA:** Michael Mark, Rodney Cobos, Amanda Gallo, Miguel Galarza, Jacob Lopez, Diana Love, Henry Nutt III, Josef Preciado, Thomas Ruiz, and Mary Teichert.

**NAY:** None



**ABSTAIN:** None

**ABSENT:** Joël Barton, Steve Panelli, and James Ruane.

#### **4. Term Licensing and Testing Program Update**

Member Nutt stated CSLB received over 11,000 applications for new licenses, renewals, and additional classifications in the past quarter. The number slightly decreased due to the winter season. CSLB received over 49,000 applications in 2024, surpassing previous years. The B-2 Residential Remodeling trade (started in August 2021) now has 1,007 active licensees. The C-49 Tree and Palm classification (started January 2024) now has 124 licensees. CSLB maintained an average processing time of under 3 weeks for over a year, with some units completing processing in under 2 weeks. The number of applications voided decreased, and fewer applications were pending at the end of the fiscal year of 2023-2024.

Member Nutt reported CSLB received over 26,000 renewal applications last quarter, with renewals increasing overall in 2024. There were 40,129 criminal background records processed, including fingerprinting for applicants and home improvement salesperson registrants. Seven applicants were denied licenses due to criminal records, and 206 were issued probationary licenses. CSLB processed 2,283 license history requests in 2024 to help applicants add licenses in other states.

Member Nutt introduced Chief Gagnon who explained in 2024, CSLB administered over 55,000 exams, with 74 Law and Business exams taken outside California. CSLB plans to expand testing for other trades outside California by late 2025. The C-28 Lock and Security and C-50 Reinforcing Steel exams were updated between November and January, with seven more exams under revision and new releases scheduled in the coming months.

Chief Gagnon summarized that between February 2024 and January 2025, over 10,000 Spanish exams were taken, especially for Law and Business and General Building exams. Initially, the translations were in European Spanish, but they have since been updated to Latin American Spanish to better align with the majority of CSLB's Spanish-speaking candidates. Some Spanish exams allow candidates to toggle between Spanish and English versions of the questions to improve comprehension. The updates resulted in higher passing rates for Spanish-speaking candidates, with significant improvements observed in five of the ten trades. That concluded the Program Update for Licensing and Testing.

#### **Board Member Comment**

There was no comment.

Public Comment

There was no comment.

**I. Public Affairs****1. Update and Discussion of 2025-2027 Public Affairs Strategic Plan Objectives**

Public Affairs Committee Chair Diana Love opened the session, introducing Chief of Public Affairs Katherine White, who provided an update on CSLB's Strategic Plan.

Chief of Public Affairs Katherine White discussed the progress on Goal 4.3 of the Strategic Plan, which focuses on outreach and partnerships with building departments, state agencies, and industry groups. The goal is to educate consumers about hiring licensed contractors and encourage students, particularly from underserved groups, to consider construction careers.

Chief White stated an Information Officer has been designated to lead outreach efforts, particularly for women and underserved groups in construction. The officer reached out to builders' exchanges and women in construction groups across the state to enhance CSLB's visibility and support for new entrants into the industry. Chief White explained that a presentation outline has been developed to highlight opportunities for underserved groups, including apprenticeship programs as a pathway toward obtaining a contractor's license. Although in early stages, the initiative has laid a foundation for encouraging diversity in the construction industry.

Board Member Comment

There was no comment.

Public Comment

There was no comment.

**2. Public Affairs Program Update**

Chair Love provided the Public Affairs Program Update and noted that the Public Affairs Office (PAO) manages media relations, industry and consumer communications, outreach efforts, and content creation for CSLB's social media and websites, including webcasts and videos. In response to devastating wildfires in Southern California, CSLB has helped homeowners rebuild safely by providing resources at Disaster Recovery Centers in Los Angeles, Pasadena, and Altadena, and by staffing a Local Assistance Center in Camarillo for Ventura County residents after the Mountain Fire. Chair Love noted an update on the Disaster Help Center on CSLB's website, including guidance for homeowners to hire licensed contractors. PAO has maintained a toll-free disaster hotline and distributed flyers with safety precautions for contractors in disaster-affected areas.



Chair Love explained PAO is updating CSLB's "Rebuilding After a Disaster" video and continues to produce informative videos on hiring licensed contractors and industry topics, including a video celebrating Women in Construction Week. There are current efforts to include Spanish-language content for broader reach. CSLB actively engages on Facebook, Instagram, X (formerly Twitter), and LinkedIn, with popular posts including information on workers' compensation requirements and CSLB sting operations. CSLB's subscriber list has grown to nearly 193,000, with subscribers receiving industry bulletins and press releases. Between November 1 and January 31, CSLB issued press releases on new laws and sting operations and responded to 22 media inquiries.

Chair Love stated that CSLB participated in various outreach events from November to January, with an expectation of increased activity in the coming months, particularly with new legislators. There is the newly updated *California Contractors License Law and Reference Book* (2025 edition) and the revised "Consumer Guide to Filing Construction Complaints," which clarifies a licensed contractor is required for any permitted work, regardless of cost. Chair Love added the PAO published intranet articles covering upcoming meetings, celebrations, and an All-Staff Town Hall held on January 16. CSLB maintained wait times below the 6-minute goal for 2024. In January, wait times increased due to wildfire-related calls, reaching over 18,000, compared to the usual 11,000–13,000. That concluded the Public Affairs Program Update.

#### Board Member Comment

There was no comment.

#### Public Comment

There was no comment.

### **J. Adjournment**

Chair Mark concluded the meeting by thanking Member Barton for suggesting the meeting location at the Electrical Training Institute, which is significant for apprentices. They also thanked Member Lopez for the tour of the Western States Carpenters facility, noting its spaciousness and usefulness for various trades. Chair Mark called for a motion to adjourn, and the meeting was adjourned.

*Meeting adjourned at 11:55 a.m.*