# CSLB

#### **CONTRACTORS STATE LICENSE BOARD**

#### EXECUTIVE COMMITTEE MEETING SUMMARY REPORT

#### **Executive Committee Meeting Summary Report**

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

Executive Committee Chair Michael Mark called the meeting of the Contractors State License Board (CSLB) to order on April 11, 2025, at 8:30 a.m. at the Contractors State License Board Headquarters, 9821 Business Park Drive, Sacramento, CA 95827, via Webex teleconference.

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

#### Committee Members Present

Michael Mark, Chair Miguel Galarza, Vice Chair Alan Guy, Secretary Diana Love

#### **CSLB Staff Present**

David Fogt, Registrar
Cindy Kanemoto, Interim Chief Deputy Registrar
Steve Grove, Chief of Enforcement
Carol Gagnon, Chief of Licensing
Katherine White, Chief of Public Affairs
David Gower, Public Affairs Supervisor
Michael Jamnetski, Special Projects Manager
Michael Collins, Information Technology Manager
Raju Sah, Information Technology Manager
Stacey Paul, Budget Manager
Tracy Brazil, Legislation Manager
Robin Williams, Executive Analyst
Amy Lawrence, Television Specialist
Natalie Watmore, Information Officer

#### **DCA Staff Present**

John Kinn, DCA Legal

B. Public Comment Session for Items Not on the Agenda and Future Agenda Item Requests (Note: Individuals may appear before the board to discuss items not on the agenda; however, CSLB's board can neither discuss nor take official action on these items at the time of the same meeting (Government Code sections 11125, 11125.4(b), 11125.7(a)).



#### Committee Member Comment

There was no comment.

#### **Public Comment**

Andrea Montano spoke as an advocate representing victims who were scammed by a local contractor. They thanked the CSLB for a recent meeting and used the opportunity to highlight the urgent need for a comprehensive construction industry protection framework. Specifically, Montano recommended the creation of an emergency mass fraud response protocol, a catastrophic fraud recovery fund, and a financial hardship triage system to support victims facing severe financial distress. They stated their proposal aims to help prevent foreclosures and business closures by providing immediate relief, potentially through bridge loans. Montano encouraged the executive committee to consider these ideas for future action.

Cameron Dublamelli, a plumber, expressed concern about the overwhelming workload faced by tradespeople and inspectors in the Los Angeles area, particularly in light of disaster recovery efforts. They proposed the creation of a "community service inspector" role to assist with the high volume of inspection requests. These individuals, possibly certified through CSLB and trade unions, could conduct pre-inspections to ensure projects are ready for official inspection, thereby improving efficiency and reducing delays caused by understaffing. Dublamelli suggested that this system could help streamline the inspection process and allow official inspectors to focus their time more effectively.

# C. Review and Discussion Regarding Information Technology Two-Year Projects

Information Technology Manager Michael Collins provided an update on the major IT initiative to automate the original contractor license application process for sole proprietors. In partnership with SimpliGov, CSLB is developing an interactive, online, interview-style application system, similar to tax preparation software like TurboTax. This digital platform will allow applicants to upload documents, complete electronic signatures, and make payments online, all from any location. The goal is to reduce errors, incomplete submissions, and the need for manual corrections by CSLB staff. The initial rollout is expected by summer 2025. Future phases will include back-office dashboards for staff, expanded online applications for other business entities (such as corporations and LLCs), and digital license renewal notifications and payments. Manager Collins emphasized the project's long-term importance and thanked the committee for its support.

Information Technology Manager Raju Sah provided an update on the Enterprise Document Management System (EDMS), CSLB's new cloud-based platform set to replace the existing IWAS imaging and workflow system. The EDMS is scheduled to go live at the end of April and has been thoroughly tested in collaboration with various divisions, including Licensing and Enforcement. Manager Sah noted staff training is underway, and early feedback has been overwhelmingly positive.



Manager Sah emphasized that the EDMS will centralize document storage, enable better search and retrieval capabilities, and contribute to long-term cost savings thanks to a negotiated unlimited storage agreement. As part of CSLB's strategic move toward paperless operations, the system will also store digital files received via email, mail, and online portals, and enhance data sharing with external partners. Manager Sah noted future plans include integrating EDMS with other CSLB systems like SimpliGov to streamline operations and maintain a unified digital platform.

#### Committee Member Comment

Chair Michael Mark asked how much faster the application process would be once the new online system is implemented. They directed the question to Licensing Chief Carol Gagnon or anyone who could provide insight, wondering whether the new system would reduce processing times by a specific margin — such as by two or three minutes.

Chief Gagnon responded that while the new system will significantly speed up the application process for applicants — by completing everything online, the back-end processing on CSLB's side will still be largely manual until Phase 2 is implemented. Although an exact time savings isn't known yet, the system will reduce delays by eliminating common issues like missing signatures or incorrect payment amounts, which currently require follow-up and corrections.

Chair Mark thanked staff for their presentations and asked about the Enforcement Modernization Update.

Manager Sah clarified that the updates on IT systems will cover Enforcement's Modernization update.

Chair Mark stated that the IT systems and document management directly support Strategic Goal 5.3. This goal focuses on improving efficiency in licensing and enforcement processes and increasing transparency, with a target completion in the first quarter of fiscal year 2026. Chair Mark expressed appreciation for the staff's efforts in actively implementing the strategic goals set by the board.

#### **Public Comment**

Andrea Montano thanked the committee for the opportunity to speak and acknowledged some of her points might overlap with previous comments. She emphasized the importance of aligning the CSLB's IT and Enforcement Modernization efforts with a broader priority framework focused on protecting consumers from contractor fraud. Montano recommended incorporating specific technology enhancements into the agency's IT roadmap, including a financial hardship triage database, cross-agency data sharing for a multi-jurisdictional enforcement task force, and digital verification systems to help prevent payment-related fraud. They noted the growing trend of mass contractor fraud and highlighted the importance of early detection systems to prevent severe financial harm to victims. Montano also acknowledged efforts to expand investigative



staffing and encouraged further investment in systems that allow pattern recognition and quicker enforcement response, especially in areas like ADU contracting.

#### **Committee Member Comment**

Chair Mark thanked Andrea Montano for their comment and acknowledged that, while the discussion wasn't part of the enforcement committee, their suggestions aligned with the board's existing strategic goal to assess the need for additional resources and address unlicensed contracting activity. Chair Mark noted that some of Montano's recommendations could be considered during planning for the next strategic plan goal cycle.

#### D. Staff Training Update

Interim Chief Deputy Registrar Cindy Kanemoto noted supporting staff development at CSLB, one of the board's core values. They highlighted ongoing progress in onboarding and training employees, drawing on their own background as a training manager for various state departments, including the Department of Consumer Affairs. Interim Chief Deputy Registrar Kanemoto introduced an onboarding video designed to help new employees understand CSLB's structure, divisions, and overall mission.

The "CSLB Onboarding and Training Employees" video, which can be found at 35:30 of <a href="mailto:this video">this video</a>, was played for the Committee.

Interim Chief Deputy Registrar Kanemoto discussed new initiatives for employee training at CSLB, noting the partnership with the Department of Consumer Affairs' training unit, SOLID, to provide a centralized learning management system. New employees receive a personalized email directing them to their training portal, where they can find the required classes and track their progress.

Interim Chief Deputy Registrar Kanemoto also highlighted the CSLB training calendar, which is available on the employee intranet, listing recommended training opportunities for employees. They noted the Chief of Administration has developed a career development and mentoring program to help identify core training needs.

Interim Chief Deputy Registrar Kanemoto noted CSLB is also working with its enforcement unit to ensure they receive necessary training, aiming to improve training development and opportunities across the board.

#### **Committee Member Comment**

Committee Member Diana Love asked whether the onboarding video was newly created or recently introduced.

Chair Michael Mark clarified that the onboarding video is not new but was created in 2022. They noted that some information in the video, such as the outdated \$500 threshold, needs to be updated. The purpose of showing the video was to familiarize committee members who had not previously seen it.



Member Love asked if the video is only for new CSLB staff.

Interim Chief Deputy Registrar Kanemoto explained that the onboarding video is intended specifically for new employees and will be updated to reflect current information. They added it's an internal resource meant to help new hires understand CSLB's divisions and operations. Interim Chief Deputy Registrar Kanemoto noted efforts to boost internal engagement through resources like the CSLB intranet site.

Member Love suggested that once the onboarding video is updated, it should also be used as an orientation tool for new board members to help them understand CSLB's functions. They said the video was excellent and proposed creating a shorter version that could be shared on the CSLB website to educate the public as well.

Interim Chief Deputy Registrar Kanemoto agreed with the suggestions. They noted that while the 12-minute onboarding video is appropriate for new employees learning about the department, a shorter version might be more suitable for board members or public audiences, and they are open to exploring that option.

Vice Chair Miguel Galarza agreed with Member Love's comment, stating that the onboarding video was well-written, well-moderated, and provided valuable information for the public. They said it is a well-executed resource.

Interim Chief Deputy Registrar Kanemoto agreed with Chair Galarza's comment.

#### **Public Comment**

There was no comment.

# E. Los Angeles County Wildfire Outreach, Education, and Enforcement Update

Registrar David Fogt provided an update on staff achievements in education, outreach, and enforcement in declared disaster areas. Since January 14, CSLB's SWIFT investigators have been staffing disaster recovery centers (DRCs) daily, recently scaling back to one investigator, and providing educational materials in English and Spanish to survivors. Additional materials are being translated into other languages as needed.

Registrar Fogt noted that CSLB is actively conducting enforcement sweeps in burn areas in collaboration with the Department of Insurance and other agencies, focusing on unsafe debris removal practices. They said many contractors lack proper hazardous materials removal certification and fail to provide required safety equipment, sometimes misclassifying workers as independent contractors to avoid responsibilities. In response, CSLB has partnered with Cal/OSHA and other agencies and is planning joint ridealongs and outreach videos.

Registrar Fogt also highlighted several educational webinars, including partnerships with Assemblymembers Jacqui Irwin and John Harabedian, focusing on rebuilding



processes and consumer protection. A CSLB-led webinar on debris removal is scheduled for April 22.

Registrar Fogt noted further enforcement includes coordination with the Los Angeles District Attorney's Office to prosecute unlicensed and fraudulent contractors, with emphasis on preventing improper payment practices like front-loading contracts. Staff also participated in a major wildfire recovery conference with strong attendance and recognition.

Registrar Fogt said several media and outreach initiatives are underway, including updated videos and press releases, and CSLB is also compiling a list of qualified contractors for debris removal to share with the public and local officials. An updated bulletin regarding debris removal was expected by April 16. Registrar Fogt concluded by recognizing the efforts of staff members supporting these initiatives.

Budget Manager Stacey Paul reported that they have been working with the enforcement team and the California Governor's Office of Emergency Services (Cal OES) to track and recover costs related to their presence at the DRCs. So far, they have received \$529,000 in general fund reimbursements to offset expenses. Manager Paul is continuing efforts to secure additional reimbursements as CSLB maintains a presence at the DRCs.

#### **Committee Member Comment**

Chair Mark expressed gratitude for the staff's hard work in response to the devastating fires, particularly their efforts at the DRCs. They emphasized the importance of public outreach and requested that the upcoming "Rebuilding After a Disaster" video be widely distributed to inform the public.

Vice Chair Galarza noted ongoing discussions with legislators about workers' compensation issues related to fire cleanup efforts. They raised concerns about the widespread abuse of independent contractor classifications and asked whether there would be any grandfathering provisions to address this specific issue.

Registrar Fogt agreed to include information about workers' compensation insurance requirements in the updated Fast Facts bulletin. They offered to share the draft with Vice Chair Galarza for review before it is reissued to ensure it includes all necessary details, including that independent contractors working in the construction industry must be licensed.

Vice Chair Galarza recommended that the Chair and Committee address the widespread abuse of independent contractor classifications, particularly in disaster cleanup efforts. He emphasized that this issue is contributing to fraud in multiple areas, including workers' compensation, unemployment insurance, and tax withholding. Vice Chair Galarza stressed the need to protect both the public and vulnerable workers who are unknowingly exposed to serious risks without proper training or protection.



Chair Mark agreed with Vice Chair Galarza's concerns and suggested that the upcoming Enforcement Committee Meeting is the ideal place to address the issue of independent contractor abuse and related enforcement strategies. They emphasized the importance of including clear information about contractor requirements, including workers' compensation, in the upcoming fact sheet on fire recovery to ensure consumer awareness and protection.

Registrar Fogt agreed that the Enforcement Committee should further discuss the issue and asked Enforcement Chief Steve Grove to confirm whether the Employment Development Department (EDD) and the joint task force are involved in performing inspection in the Los Angeles County burn areas.

Chief Grove confirmed that they are working with EDD and the Department of Insurance on the issue of independent contractors. They clarified that these independent contractors are considered unlicensed, and if a licensed contractor hires them, both the licensed contractor and the unlicensed individual are in violation of regulations.

Chair Mark asks whether Vice Chair Galarza's question was answered.

Vice Chair Galarza understood but wanted to emphasize the importance of ensuring proper enforcement and making sure the issue is addressed thoroughly.

Chair Mark suggested that Member Galarza bring up the matter again during the Enforcement Committee Meeting.

#### **Public Comment**

There was no comment.

#### F. Adjournment

Meeting adjourned at 9:55 a.m.