

DECEMBER 11, 2025  
SOUTH SAN FRANCISCO, CALIFORNIA

CONTRACTORS STATE LICENSE BOARD

# Board Meeting







## CONTRACTORS STATE LICENSE BOARD

STATE OF CALIFORNIA

9821 Business Park Drive, Sacramento, California 95827

Mailing Address: P.O. Box 26000, Sacramento, CA 95826

800.321.CSLB (2752) | [www.cslb.ca.gov](http://www.cslb.ca.gov) | [CheckTheLicenseFirst.com](http://CheckTheLicenseFirst.com)

### NOTICE OF PUBLIC BOARD MEETING

Thursday, December 11, 2025, 1:00 p.m. – 5:00 p.m.  
(or until the conclusion of business)

#### MEETING LOCATION

Embassy Suites by Hilton San Francisco Oyster Point  
Pople Pavillion  
250 Gateway Boulevard  
South San Francisco, CA 94080  
(650) 589-3400

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

Members of the public can address the committee during the public comment session. Public comments will also be taken on agenda items at the time the item is heard and prior to the Board taking any action on said items. Total time allocated for public comment may be limited at the discretion of the Board Chair. All times indicated and the order of business are approximate and subject to change.

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

#### MEETING AGENDA

**Thursday, December 11, 2025 – 1:00 p.m.**

- A. Call to Order, Roll Call, Establishment of Quorum, and Chair's Introduction
- 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, 11125.7(a)).*)

C. Presentation of Certificates of Recognition

D. Executive

1. Review and Possible Approval of Board Meeting Minutes and Committee Meeting Summaries

- a. September 5, 2025 CSLB/NSCB Joint Board Meeting Minutes
- b. September 5, 2025 CSLB Quarterly Board Meeting Minutes
- c. November 17, 2025 Executive, Enforcement and Public Affairs Teleconference Committee Meeting Summary
- d. November 18, 2025 Licensing and Legislative Teleconference Committee Meeting Summary

2. Registrar's Report

- a. Los Angeles County Disaster Response Update
- b. Enforcement Audit Review and Recommendations
- c. Update Regarding Analytical Study on Unlicensed Practice and Resource Needs
- d. Review and Discussion Regarding Construction Lending Issues

3. Advisory Committee Reports

- a. Update Regarding Muralists Exemption Resulting from Senate Bill 456 (Ashby)
- b. Review and Discussion of IT Advisory Committee Recommendation Regarding CSLB Mobile Application and Enforcement Modernization Plan

4. Information Technology Update

5. Budget Update

6. Administration Update

E. Legislation

1. Review and Discussion Regarding Section 100 Rulemakings

- a. California Code of Regulations (CCR) Sections 831 and 883 – Updated Gender References
  - b. CCR Sections 827 and 828 – Removed Outdated Licensing Processing Times
2. Review, Discussion, and Possible Action on 2025 Board-Sponsored Legislation
  - a. AB 521 (Chapter 265, Statutes of 2025) Bond deposits: liability for legal fees and costs.
  - b. AB 559 (Berman, 2025): Contractors: home improvement contracts: prohibited business practices.
  - c. SB 291 (Chapter 455, Statutes of 2025): Contractors: workers' compensation insurance.
  - d. SB 779 (Chapter 233, Statutes of 2025): Contractors: civil penalties.
3. Review, Discussion, and Possible Action on 2025 Bill Implementation (non-sponsored)
  - a. AB 1002 (Chapter 567, Statutes of 2025): Contractors: failure to pay wages: discipline.
  - b. AB 1327 (Chapter 348, Statutes of 2025): Home improvement and home solicitation: right to cancel contracts: notice.
  - c. SB 456 (Chapter 758, Statutes of 2025): Contractors: exemptions: muralists.
  - d. SB 517 (Chapter 585, Statutes of 2025): Home improvement contract requirements: subcontractors.
4. Review, Discussion, and Possible Action on 2026 Proposed Legislation
  - a. Proposal to Add Business and Professions Code Section (BPC) 7058.9 – Require Hazardous Substance Certification Prior to Conducting Debris Removal.
  - b. Proposal to Amend BPC 7075.1 – Clarify Conditions for Possible Reissuance or Reassignment of a License Number.
5. Review, Discussion, and Possible Action on 2026 Proposed Non-substantive Updates to Contractors State License Law
  - a. Business and Professions Code (BPC) Section 7026.12 – Remove Cross Reference to Repealed Statute.
  - b. BPC Section 7071.18 (b) – Remove Obsolete Study Requirement.
  - c. BPC Section 7074 (b) – Remove Reference to Exam Fee Collection.

- d. BPC Section 7139.3 (c) – Update Construction Management Education Account Advisory Committee Membership.

#### F. Enforcement

1. Enforcement Program Update

#### G. Licensing

1. Licensing and Testing Program Update
2. Review, Discussion and Possible Action to Award Construction Management Education Account Grants
3. Review and Discussion Regarding Surveying B-2 Residential Remodeling Contractors for Contracting and Licensing Goals

#### H. Public Affairs

1. Public Affairs Program Update
2. Review and Discussion Regarding Information Available for Justice-Involved Individuals

#### I. Closed Session

1. Closed Session: Pursuant to Government Code section 11126(e)(1), the Board will move into closed session to confer with, and receive advice from, its legal counsel regarding the following pending litigation: CA Solar Energy Industries Assn v. CSLB, San Diego County Superior Court, Case No. 37-2024-00029818.

#### J. Adjournment

**Note:** The webcast can be found at [www.cslb.ca.gov](http://www.cslb.ca.gov) or on the board's YouTube Channel: <https://www.youtube.com/user/ContractorsBoard/>. Webcast availability cannot, however, be guaranteed due to limitations on resources or technical difficulties. The meetings will continue even if the webcast is unavailable.

Note that viewers of the webcast can only view the meeting, not participate.

The meetings are accessible to those needing special accommodation. A person who needs a disability-related accommodation or modification in order to participate in the meetings may make a request by calling (916) 255-4000 or emailing [Katie.Carrasco@cslb.ca.gov](mailto:Katie.Carrasco@cslb.ca.gov), or by mail to 9821 Business Park Drive, Sacramento, CA,

95827. Providing your request at least five business days before the meetings will help ensure availability of the requested accommodation.

**Contractors State License Board Meeting**  
**Thursday, December 11, 2025, 1:00 p.m.**

- A. Call to Order, Roll Call, Establishment of Quorum, and Chair’s Introduction ..... 1
- 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, 11125.7(a)).*..... 3
- C. Presentation of Certificates of Recognition .....5
- D. Executive.....7
  - 1. Review and Possible Approval of Board Meeting Minutes and Committee Meeting Summaries .....9
    - a. September 5, 2025 CSLB/NSCB Joint Board Meeting Minutes
    - b. September 5, 2025 CSLB Quarterly Board Meeting Minutes
    - c. November 17, 2025 Executive, Enforcement and Public Affairs Teleconference Committee Meeting Summary
    - d. November 18, 2025 Licensing and Legislative Teleconference Committee Meeting Summary
  - 2. Registrar’s Report .....83
    - a. Los Angeles County Disaster Response Update
    - b. Enforcement Audit Review and Recommendations
    - c. Update Regarding Analytical Study on Unlicensed Practice and Resource Needs
    - d. Review and Discussion Regarding Construction Lending Issues
  - 3. Advisory Committee Reports.....91
    - a. Update Regarding Muralists Exemption Resulting from Senate Bill 456 (Ashby)
    - b. Review and Discussion of IT Advisory Committee Recommendation Regarding CSLB Mobile Application and Enforcement Modernization Plan
  - 4. Information Technology Update .....95
  - 5. Budget Update .....99
  - 6. Administration Update..... 107



E. Legislation .....	113
1. Review and Discussion Regarding Section 100 Rulemakings.....	115
a. California Code of Regulations (CCR) Sections 831 and 883 – Updated Gender References	
b. CCR Sections 827 and 828 – Removed Outdated Licensing Processing Times	
2. Review, Discussion and Possible Action on 2025 Board-Sponsored Legislation .....	123
a. AB 521 (Chapter 265, Statutes of 2025) Bond deposits: liability for legal fees and costs.	
b. AB 559 (Berman, 2025): Contractors: home improvement contracts: prohibited business practices.	
c. SB 291 (Chapter 455, Statutes of 2025): Contractors: workers' compensation insurance.	
d. SB 779 (Chapter 233, Statutes of 2025): Contractors: civil penalties.	
3. Review, Discussion, and Possible Action on 2025 Bill Implementation (non-sponsored).....	127
a. AB 1002 (Chapter 567, Statutes of 2025): Contractors: failure to pay wages: discipline.	
b. AB 1327 (Chapter 348, Statutes of 2025): Home improvement and home solicitation: right to cancel contracts: notice.	
c. SB 456 (Chapter 758, Statutes of 2025): Contractors: exemptions: muralists.	
d. SB 517 (Chapter 585, Statutes of 2025): Home improvement contract requirements: subcontractors.	
4. Review, Discussion, and Possible Action on 2026 Proposed Legislation .....	131
a. Proposal to Add Business and Professions Code Section (BPC) 7058.9 – Require Hazardous Substance Certification Prior to Conducting Debris Removal.	
b. Proposal to Amend BPC 7075.1 – Clarify Conditions for Possible Reissuance or Reassignment of a License Number.	
5. Review, Discussion, and Possible Action on 2026 Proposed Non-substantive Updates to Contractor State License Law .....	139
a. Business and Professions Code (BPC) Section 7026.12 – Remove Cross Reference to Repealed Statute.	

- b. BPC Section 7071.18 (b) – Remove Obsolete Study Requirement.
- c. BPC Section 7074 (b) – Remove Reference to Exam Fee Collection.
- d. BPC Section 7139.3 (c) – Update Construction Management Education Account Advisory Committee Membership.

F. Enforcement.....	147
1. Enforcement Program Update .....	149
G. Licensing .....	161
1. Licensing and Testing Program Update. ....	163
2. Review, Discussion and Possible Action to Award Construction Management Education Account Grants .....	179
3. Review and Discussion Regarding Surveying B-2 Residential Remodeling Contractors for Contracting and Licensing Goals .....	183
H. Public Affairs .....	189
1. Public Affairs Program Update .....	191
2. Review and Discussion Regarding Information Available for Justice-Involved Individuals.....	203
I. Closed Session .....	207
1. Closed Session: Pursuant to Government Code section 11126(e)(1), the Board will move into closed session to confer with, and receive advice from, its legal counsel regarding the following pending litigation: CA Solar Energy Industries Assn v. CSLB, San Diego County Superior Court, Case No. 37-2024-00029818.	
J. Adjournment.....	209

## AGENDA ITEM A

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

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

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

### Board Member Roster

JOËL BARTON	MICHAEL MARK
RODNEY M. COBOS	HENRY NUTT III
MIGUEL GALARZA	STEVEN PANELLI
AMANDA GALLO	JOSEF PRECIADO
ALAN GUY	JAMES RUANE
JACOB LOPEZ	THOMAS J. RUIZ
DIANA LOVE	MARY TEICHERT





## AGENDA ITEM B

# Public Comment Session - Items Not on the Agenda

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

### BOARD AND COMMITTEE MEETING PROCEDURES

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

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





## AGENDA ITEM C

# Presentation of Certificates of Recognition







## AGENDA ITEM D

Executive





## AGENDA ITEM D-1

### Review and Possible Approval of Board Meeting Minutes and Committee Meeting Summaries

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Board Meeting Minutes
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Summary
- d. November 18, 2025 Licensing and  
Legislative Teleconference Committee  
Meeting Summary







# CONTRACTORS STATE LICENSE BOARD

## BOARD MEETING MINUTES

### Joint Board Meeting Minutes – September 5, 2025

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

Board Chair Miguel Galarza called the meeting of the Contractors State License Board (CSLB) to order on September 5, 2025, at 8:30 a.m. at the John C. Hall Hearing Room, 9821 Business Park Drive, Sacramento, CA 95827.

Nevada State Contractors Board Chair Kent Lay led the Pledge of Allegiance, and a quorum was established.

#### Board Members Present

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

James Ruane and Steve Panelli had approved absences.

#### CSLB Staff Present

David Fogt, Registrar  
Estelle Champlain, Chief Deputy 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 Supervisor  
Michael Jamnetski, Special Projects Manager  
Amy Lawrence, Television Specialist  
Natalie Watmore, Information Officer  
Robin Williams, Executive Analyst

#### DCA Staff Present

John Kinn, DCA Legal Counsel

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

There was no comment.

Public Comment

There was no comment.

**C. Presentation by Tom Roadcamp, Civil Engineer, Brightline West, Regarding High-Speed Passenger Rail Project Update**

CSLB Chair Galarza asked NSCB Chair, Kent Lay, to start the presentation for agenda item C.

Chair Lay introduced the first agenda item, an update on the high-speed passenger rail project, presented by Tom Roadcamp, a civil engineer with Brightline West. Roadcamp brings experience from the Florida line expansion and various safety projects. Chair Lay welcomed him and invited him to begin his presentation.

Roadcamp said Brightline West is a new high-speed rail project connecting Southern California to Las Vegas, following the company's higher-speed rail line operating between Miami and Orlando. The 220-mile corridor will run from Las Vegas to Rancho Cucamonga, California, using fully electric trains with zero emissions and no at-grade crossings. Trains will operate at speeds up to 186 mph, completing the trip in about two hours, with hourly departures in each direction and an expected annual ridership of 8.6 million passengers.

Roadcamp said the project originated with Desert Express, which completed the first environmental studies in 2011. Brightline took over in 2018, optimized the design, cost, and schedule, and in 2023 the project secured a federal-state partnership grant with the Nevada Department of Transportation. Groundbreaking occurred in 2024, and construction is now underway. The work is divided into packages, including civil construction for guideways, structures, and drainage; track and systems installation; and vertical construction for stations and maintenance facilities.

Roadcamp explained that most of the line will be a single track with passing sections strategically placed to maintain hourly service. Stations will include a Las Vegas hub near Interstate 15 and Las Vegas Boulevard, a full-service Victor Valley station, a commuter-focused Hesperia station, and a major Southern California terminal at Rancho Cucamonga, which will connect directly to Metrolink and offer large parking facilities.

Roadcamp stated that Siemens Mobility is supplying 10 trainsets, each with seven cars and seating for about 430 passengers, with the ability to double capacity during peak demand. A dedicated maintenance facility in Sloan, Nevada, will handle inspections,



servicing, and heavy maintenance. Roadcamp finished by thanking the NSCB for allowing the opportunity to provide an update on the project.

#### Board Member Comment

Chair Lay asked whether Brightline West is on track to meet its target completion date of 2028 and when visible construction activity along Interstate 15 will begin.

Roadcamp explained that some early work is already underway, including geotechnical boring along the alignment to complete design elements, initial construction at the Las Vegas station site, and preliminary utility work near Sloan Road along Interstate 15 in Nevada.

#### Public Comment

There was no comment.

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

Chair Galarza began a joint discussion with NSCB, introducing its Executive Officer David Behar and CSLB's Registrar David Fogt to lead the conversation.

#### **1. Discussion Regarding CSLB and NSCB Operational and Structural Comparison**

Registrar Fogt provided updates on four items. First, California's contractor license population increased only 1 percent since June 2024, adding about 624 licenses, but the fund balance remains strong with over a six-month reserve of about \$50 million. Second, the state expanded reciprocity agreements, previously with Arizona, Nevada, and Louisiana, to now include North Carolina. Reciprocity allows waiving trade exams for certain classifications, though applicants must still pass the law and business exam. Third, licensing data showed around 100 out-of-state contractors sought California licenses through reciprocity in the past year, while about 2,000 California licensees pursued licenses in other states, mainly to expand business rather than relocate. Finally, the Board recently approved trade exam waivers for out-of-state licensees who have held licenses in good standing for at least five years and passed the NASCLA commercial builders' exam, which closely aligns with California's general building exam. Additionally, California can waive the trade exam for the B-2 Residential Remodeling license when applicants hold equivalent licenses in other states.

Chief of Licensing, Carol Gagnon, expressed interest in expanding reciprocity agreements with more states, noting that contractors can already work in many places, even internationally, and that creating additional opportunities would benefit licensees.

Registrar Fogt provided several California updates. First, the minor work exemption was increased from \$500 to \$1,000, but with restrictions including no permits can be required and no workers may be hired — to prevent unsafe unlicensed work and issues with workers' compensation. Second, on restitution, CSLB's enforcement program



recovered nearly \$35.3 million for consumers in the last fiscal year, including over \$27.8 million through settlements and \$7.4 million from assisting with civil judgment collections. Third, on complaints, unlicensed contractor complaints dropped to 19 percent of total cases (historically 20–25 percent), and solar complaints also declined, from about 220 per month to 180. However, accessory dwelling unit (ADU) complaints are rising sharply. In the past 18 months, five contractors alone generated 462 complaints, with one high-profile company leaving more than 260 consumers with unfinished ADUs despite receiving substantial payments.

Executive Officer Behar gave an update on Nevada’s licensing and enforcement activities. Nevada added nearly 660 new licenses last year, bringing the total to about 19,000, and introduced three new license types, including a restricted license, expected to attract more applicants. Licensing fees remain \$300, or \$600 for expedited processing, and Nevada continues to offer a handyman license for jobs under \$1,000 that do not involve life-safety trades. Nevada has reciprocity agreements with 12 states, including California, and works closely with other boards to protect consumers while allowing cross-border business opportunities. Solar remains a top source of complaints, prompting Nevada to establish a solar investigation unit and adopt a watch list, similar to California’s, which has helped reduce complaints.

Executive Officer Behar said the state’s residential recovery fund provides up to \$40,000 for homeowners harmed by licensed contractors and has been awarded about \$17 million since inception. Nevada has also implemented a language access plan, securing \$300,000 in grants to provide multilingual kiosks in Board offices and improve online communication for consumers and contractors. The Board updated its website and IT systems to modernize services. Finally, the Commission on Construction Education funds workforce development through grants, repurposing fine money back into the community.

#### Board Member Comment

Board Member Mary Teichert praised Nevada for having more reciprocity agreements than California and highlighted the benefits such agreements provide contractors while still protecting consumers. She then asked whether Nevada has seen any differences in complaint outcomes between contractors with reciprocal licenses and those with standard state-issued licenses.

Executive Officer Behar responded that Nevada has not seen problems with contractors coming in through reciprocity agreements. He noted a recent bill on rural housing that raised concerns about out-of-state contractors but explained that Nevada’s approach is to keep opportunities open while maintaining a balanced focus on protecting in-state license holders and consumers.

Member Teichert suggested it would be useful for California to track data on reciprocal license holders and their outcomes.





Registrar Fogt said contractors who obtained licenses through reciprocity exam waivers receive significantly fewer consumer complaints compared to the general licensed population.

Special Projects Manager Michael Jamnetski agreed that it was negligible.

Member Teichert encouraged pursuing more reciprocity agreements with other states, saying it benefits contractors by reducing redundant exams while showing no negative impact on consumer protection.

Board Member Cobos asked whether the list of states with reciprocal agreements, including the newest ones, is available on CSLB's website.

Registrar Fogt confirmed the reciprocity information is on the website and asked Chief Gagnon to explain which information is posted there and how people can request reciprocity, saying the process is designed to be simple and straightforward.

Chief Gagnon explained that while North Carolina is still being added, the CSLB website already has a dedicated reciprocity section outlining requirements by state, including for those who passed the NASCLA B exam. She said the site is clear but also encouraged applicants to email CSLB's licensing division for guidance if they need help determining which forms to complete.

Chair Galarza said he has personally gone through more than ten reciprocity agreements with different states, finding Nevada one of the easiest. He suggested assigning reciprocity as an agenda item for the Licensing Committee.

Chair Galarza also brought up Nevada's mention of a recovery fund and proposed discussing California's recovery fund as a future agenda topic.

Registrar Fogt explained that California previously had a solar recovery fund funded by a general appropriation. The Board has considered creating a broader recovery fund but has not pursued that due to concerns that good contractors would have to cover damages caused by bad actors. He noted that with the solar fund, some contractors who took large sums avoided prosecution because homeowner losses were resolved through the fund. Registrar Fogt said that if a recovery fund is revisited, it should include a mechanism for replenishment and likely be assigned to the Legislative Committee to evaluate, including gathering input from Nevada about their fee structure.

Executive Officer Behar explained that license renewals are conducted annually and cost between \$80 and \$400, depending on the license's monetary limit.

Chair Galarza asked about the balance of the recovery fund.

Registrar Fogt clarified that California's solar recovery fund was a one-time \$5 million appropriation, which has been fully expended, including staff costs. The fund no longer



exists, and any exploration of a new recovery fund would likely need to go through the Legislative Committee and involve stakeholder discussions.

Chair Galarza agreed to add that as a future agenda item.

Registrar Fogt asked if any board members could provide an update on workforce development programs in California, noting that many trades already have such initiatives.

Board Member Henry Nutt III asked for clarification on what specific aspect of workforce development the discussion should focus on.

Registrar Fogt highlighted outreach and apprenticeship programs that support individuals in pursuing construction careers and asked what efforts the trades are making to encourage people to enter the industry.

Member Nutt III explained that labor unions like Local 104 are increasing outreach to schools, introducing students to construction careers earlier than high school. He stressed the importance of reshaping perceptions so construction is seen as a respected, viable career, not a backup option. He said parents also need education to encourage this path. Partnerships with community colleges and training programs are helping, but outreach still lags behind. He said the effort is moving in the right direction, and CSLB can play a role in raising awareness and connecting people to opportunities in the trades.

Board Member Michael Mark said, in addition to local outreach, there are national programs like the MC3 (Multi-Craft Core Curriculum) and apprenticeship readiness programs that prepare individuals for careers in the trades. These programs help people gain the journey-level experience required for licensure and allow them to explore different trades such as ironwork, electrical, plumbing, and sheet metal before choosing a path. Many licensed business owners started through these apprenticeship programs, which are available across California, in every county, and even in Nevada. Member Mark emphasized the importance of these programs in providing career pathways and encouraged people to explore them through the national building trades website.

Member Teichert shared two initiatives she is working on. First, a partnership with the California Department of Corrections and Rehabilitation and the Northern California Construction Training Center to create smoother transitions for formerly incarcerated individuals into the construction workforce. She emphasized construction as a strong second-chance career, noting programs like Ventura's firefighter training center that drastically reduced recidivism rates. Second, she highlighted efforts by the Department of Industrial Relations to support women in construction, including an advisory committee and grants to remove barriers such as childcare.

Board Member Jacob Lopez, with the carpenters union, described four major recruitment efforts. First was "Combine Day," modeled after the NFL combine, where



candidates showcase basic skills for contractors, who can hire them on the spot. Second was “Career Connections,” a high school program in LAUSD that provides curriculum and instructors, culminating in an open house to connect graduates with jobs. Third was the Carson recruiting program, focused on underserved communities and second-chance opportunities for formerly incarcerated individuals. Lastly, the union runs a Cal Poly internship program to train project managers and estimators, bridging communication between office staff and field workers. These initiatives aim to expand recruitment, support workforce development, and ensure contractor success.

Chair Galarza discussed San Francisco’s City Build program, established over 15 years ago with support from the governor and the building trades, which set a 30 percent local hire goal to ensure community members benefited from construction jobs. The program included agreements with unions and pathways for both field and office roles (e.g., estimators, accountants, administrators). He noted the success of project labor agreements (PLAs) and emphasized that workforce development, apprenticeship programs, and community-based hiring are essential to lift all communities during California’s economic growth.

Member Nutt also cited partnerships with groups like Southwest Center, People Working Together, Cypress Mandela, and Rising Sun that provide robust training tied to contractors, stressing that contractor engagement turns classroom training into real careers.

Member Teichert said hiring formerly incarcerated individuals has been effective, but said federal restrictions often block them from working on certain projects (like schools or airports), despite being allowed on highways and other jobs. She said opportunity, not training programs, is the real barrier, contractor partnerships are key to providing that opportunity.

Chair Lay thanked participants for the discussion.

#### Public Comment

There was no comment.

### **E. Discussion Regarding Surety Bonds**

NSCB Chair, Lay, introduced Item E: Surety Bonds and welcomed Joe Hernandez, a former Board member and subject matter expert from Branch Hernandez Consulting. Hernandez’s firm specializes in commercial insurance, employee benefits, and risk management for governmental, educational, and corporate clients, and has received recognition as Diversity Vendor of the Year by the American Gaming Association and MGM Grand International.

**1. Nevada Subject Matter Expert**

Hernandez thanked both the Nevada and California Contractors Boards and introduced the topic of surety bonds. He explained that surety bonds function like a money-back guarantee, ensuring contractors complete work as agreed. He gave a brief history, noting bonds date back thousands of years. Hernandez outlined various types of bonds: contract bonds (performance, payment, submission, license bonds), offsite improvement bonds (for street/sidewalk work around projects), and miscellaneous bonds (environmental, decommissioning, financial guarantees, transportation). He compared surety bonds vs. insurance: surety bonds involve three parties (surety, principal, obligee) and require the contractor (principal) to reimburse the surety if claims are paid. Insurance involves two parties (insurer and policyholder), with the insurer covering specified losses. He stressed the importance of evaluating a bond provider's financial strength, credit rating, and reputation. Premiums depend on the contractor's credit, financial stability, and risk. Finally, Hernandez emphasized that bonds are usually continuous (cannot be canceled) and only end once obligations are fulfilled.

**Board Member Comment**

There was no comment.

**Public Comment**

There was no comment.

**2. California Subject Matter Expert**

CSLB Chair Galarza, speaking as a contractor, acknowledged being familiar with surety bond requirements and the process of becoming bondable. He introduced Manager Jamnetski, who provided further details based on staff research and bond requirements.

Manager Jamnetski discussed the Board's oversight of five types of bonds and explained the context for their requirements. A legislative bond study prompted raising the standard contractor license bond from \$15,000 to \$25,000, effective January 1, 2023, to better protect consumers. The five bonds include the license bond (\$25,000 required for all contractors), the qualifier bond (\$25,000 for non-owner qualifiers), the Limited Liability Company (LLC) worker bond (\$100,000 for LLC licensees to ensure payment of wages and benefits), the disciplinary bond (\$25,000 – \$400,000 for reinstatement after discipline, depending on circumstances), and the blanket performance and payment bond (optional, \$1 million – \$10 million for large home improvement companies, covering all contracts and allowing exceptions to down payment rules). He emphasized that CSLB bonds focus on consumer protection and contractor compliance with licensing law, while typical contract performance bonds are tied to individual projects and payments.

Registrar Fogt stated that a California bill aimed at clarifying that accessory dwelling units (ADUs) on residential properties falls under home improvement regulations was intended to limit payment restrictions. The bill faced opposition and became a two-year



bill. He said obtaining a payment and performance bond for an ADU would cost roughly 2 percent of the contract price and asked whether Nevada residential contractors commonly use such bonds. Registrar Fogt said that while bonding is standard in public works in California, the question was whether project-specific bonding, beyond the general license bond, is also common for residential construction in Nevada.

#### Board Member Comment

Hernandez explained that bonding requirements varied depending on the project. For large-scale construction projects, such as casinos or stadiums, payment and performance bonds, bid bonds, and completion bonds are often required by the general contractor or project owner. An alternative option is a subcontractor default insurance policy, which general contractors can purchase to protect against subcontractor failures. This ensures subcontractors are financially stable and that projects can be completed even if issues arise. Ultimately, the type of bond or coverage depends on project size and specific requirements, and contractors must be financially prepared to meet those obligations when bidding.

Chair Lay, a home builder, said residential construction generally does not require payment or performance bonds. The only bonds typically posted are those required by cities or counties for offsite construction work, such as infrastructure, to ensure completion. He said these requirements are consistently set by municipalities, with limits determined based on the specific project. Subcontractors in residential construction are usually not required to provide such bonds.

CSLB Vice Chair Guy asked for clarification on how license bonds work in Nevada compared to California. He said in California there is only one set bond amount of \$25,000 and wanted to know if Nevada's system differs by having varying bond thresholds based on project size or contractor type, and how those requirements are structured.

License Administrator Susan Broili Kamesch explained that in Nevada, surety bonds are tied to the contractor's licensed monetary limit. For example, if a contractor applies for a \$10,000 limit, the bond would be around \$2,000, but bonds can go as high as \$50,000 under standard financial responsibility reviews. Additionally, the Board has the discretion to require higher bond amounts if deemed necessary.

Vice Chair Guy said that in Nevada the standard maximum bond amount is \$50,000 for large license types, unless the Board decides to require a higher amount.

License Administrator Broili Kamesch agreed with Member Guy's comment.

Chair Galarza suggested that California might consider adjusting its bonding requirements to provide greater industry protection.

#### Public Comment

There was no comment.



*Member Mary Teichert left the meeting at 9:30 a.m.*

## **F. Discussion Regarding Legislation and Classification Changes to Removing Barriers to Licensure**

NSCB Chair Lay began discussion on agenda item F on legislation and classification changes related to licensing barriers. He introduced Board Member Boyd Martin to lead the discussion on Nevada's new B-7 license classification and the recently added restricted license opportunity.

### **1. Presentation Regarding NSCB B-7 Restricted License**

Member Martin explained the background and development of Nevada's new B-7 license classification and restricted license opportunity. Inspired by California's B-2 license, Nevada created the B-7 license to provide an entry point into the industry, but initial participation was low. In response, Senate Bill 130 was introduced to expand opportunities by creating a restricted category under the B-7 license. This allows contractors to perform small residential projects up to \$7,000, a significant increase from the previous \$1,000 handyman limit. Applicants are not required to take a trade exam but must have two years of experience, complete a business class, and post a \$2,000 bond. The new license gives homeowners access to the state's residential recovery fund, while providing a path for licensees to advance to the full B-7 license after gaining more experience. The program aims to address the shortage of licensed contractors for small residential remodels, improve consumer protection, and reduce unlicensed work. The Board is also working to make testing available in Spanish and hopes to implement the program earlier than the legislative deadline.

#### **Board Member Comment**

Chair Galarza praised Nevada's efforts and asked whether workers are required to hold the new restricted license, and if exemptions apply, meaning whether every worker on a job must have that license.

Member Martin explained that in Nevada, holders of the restricted B-7 license must meet the same insurance requirements as any other license. Sole proprietors are not required to carry workers' compensation, but if they have employees, they must provide it.

Chair Galarza said California has a strong interest in monitoring Nevada's new restricted B-7 license to see whether it leads to violations or misuse. He emphasized wanting to understand if it truly serves as a stepping-stone license and how Nevada's higher exemption amount impacts consumer protection, since California remains cautious about expanding exemptions.

Member Martin expressed optimism that Nevada's new restricted B-7 license will protect the public while creating a legal pathway for more individuals to become fully licensed contractors.



#### Public Comment

There was no public comment.

### **2. Presentation Regarding CSLB B-2 Residential Remodeling License and Minor Work Exemption Increase**

Chair Galarza transitioned the discussion to the Handypersons Advisory Committee, noting that Board Members Diana Love and Joël Barton would be giving a joint presentation.

Member Love reviewed the development and purpose of California's B-2 Residential Remodeling license, created after the Camp Fire to fill a market gap for contractors with multi-trade experience who did not qualify for a general license and to aid in wildfire recovery. The license applies to contracts requiring three or more trades on wood-frame residential structures, though it excludes behind-the-wall mechanical, electrical, and plumbing work. Unlike Nevada's B-7 license, California's B-2 still requires four years of experience plus passing law and trade exams.

Member Love also discussed CSLB's consideration of a provisional license tied to the minor work exemption, though concerns about consumer protection and the underground economy prevented adoption. She said CSLB staff will monitor Nevada's B-7 license and report back in 2026. Member Love highlighted California's increase in the minor work exemption from \$500 to \$1,000, aimed at expanding lawful work opportunities and encouraging pathways to licensure. Member Love emphasized efforts to bridge entry barriers for smaller trade workers and reported that 1,280 B-2 licenses had been issued. She closed by encouraging promotion of the B-2 license and invited fellow Member Barton to add comments.

Member Barton expressed support for the B-2 residential remodeling license as a way to reduce barriers to licensure for individuals performing multiple minor trades in residential construction but lacking the structural or specialized background needed for a general or specialty license. He emphasized the importance of creating pathways for B-2 license holders to eventually qualify for a general contractor license when they gain sufficient experience. Member Barton also supported allowing unlicensed individuals working lawfully under the \$1,000 exemption to apply for a B-2 license once they have four years of qualifying experience. He concluded by noting that Member Martin has obtained the B-2 classification and invited him to comment.

#### Board Member Comment

Member Martin said they had already addressed the B-7 license in their earlier comments and did not have any additional comments unless there was a misunderstanding of the question.



Member Barton said while increasing the minor work exemption can be beneficial, it is crucial to ensure that work performed within that threshold maintains safety standards and that any employees involved are properly covered by workers' compensation insurance.

Member Love asked whether the four years of industry or high school training could potentially count toward qualification for the B-2 license, either currently or in the future.

Member Lopez said the training mentioned would likely not qualify toward meeting the B-2 license requirements.

Chair Galarza said JATC training counts as college credits, but those credits do not apply toward the B-2 license requirements.

Member Mark said four years of verified hands-on trade experience is required for the B-2 license, and applicants must provide proof of that experience when applying.

Member Love acknowledged the clarification and that the explanation was helpful.

#### Public Comment

There was no comment.

### **G. Discussion Regarding NSCB and CSLB Solar Industry Updates**

Chair Galarza introduced agenda item G, which concerns updates regarding the solar industry.

#### **1. Presentation by California Contractors State License Board**

Member Mark presented solar updates under agenda item G. He reported that solar complaints rose 108 percent from 2020 to 2023 but declined in 2024 for the first time since 2019, with 2025 projected to see an additional 18 percent decrease. Member Mark credited this progress to the creation of the Multiple Offender Unit, which has handled over 1,300 complaints and taken disciplinary action against licenses, as well as strong partnerships with agencies like the Public Utilities Commission. He commended CSLB staff for their consumer protection efforts in the solar industry.

Chair Galarza thanked Member Mark for the report and acknowledged the significant enforcement progress that has helped reduce solar complaints. He then introduced Josh Buswell-Charkow, the deputy director of the California Solar and Storage Association (CALSSA), inviting him to share comments with the Board.

Buswell-Charkow thanked the CSLB for the invitation and discussed the group's long partnership in educating members and addressing solar complaints. He discussed the decline in complaints and affirmed CALSSA's commitment to ongoing collaboration. Buswell-Charkow then explained recent changes to the federal investment tax credit (ITC), saying it is a tax credit, not direct payment, applied against income taxes, with separate provisions for residential and commercial systems. Residential systems fall





under Section 25-D, while commercial systems (including leases and PPAs) fall under Section 48. He said only eligible solar equipment qualifies, not unrelated costs like new roofs. Buswell-Charkow said the ITC previously ran through 2034 at 30 percent, but the new federal budget bill introduced changes. For residential projects, expenditures must be completed by December 31, 2025, to qualify. For commercial projects, the timeline is more complex, with rules tied to construction start dates, compliance with foreign entity sourcing requirements, and deadlines extending to 2027. Energy storage under commercial systems retains its credit through 2034.

Buswell-Charkow said many customers mistakenly believe signing a contract qualifies them for the credit, when in fact installation must be completed before the deadline. This could lead to consumer complaints. He stressed that CALSSA is educating members and urged customers to consult tax advisors. Buswell-Charkow said contractors are overwhelmed with demand as customers rush to secure credits before deadlines but said many in the industry are anxious about 2026, fearing higher costs, business closures, and stranded systems. He noted new insurance products and long-term equipment warranties as consumer protection, though service costs may still apply. Buswell-Charkow closed by reminding consumers to exercise due diligence, avoid misleading claims, and recognize solar as a valuable but significant investment.

#### Board Member Comment

There was no comment.

#### Public Comment

There was no comment.

## **2. Presentation by Nevada State Contractors Board**

NSCB Chair Kent Lay introduced Luis Quesada, Director of Investigations.

Director Quesada discussed Senate Bill 379, which strengthens consumer protection in Nevada's solar industry. He noted complaint statistics: 212 new cases in 2024-2025, mostly involving workmanship issues, fraud, and misrepresentation. He said complaints have recently decreased by 15 percent, which he attributed to aggressive outreach, collaboration, and enforcement. Director Quesada detailed how SB 379 addresses these issues. Key provisions include limiting down payments to 10 percent or \$1,000 until final inspection or permission to operate, expanding rescission rights (3 days generally, 10 days for consumers over 60), and requiring on-site surveys instead of relying on satellite images. Installers must provide equal or better equipment substitutions at no added cost, and financiers cannot release final payments until a system is operational—otherwise, they assume responsibility.

The bill also tightens oversight of third-party lead generators by requiring clear disclaimers, banning false affiliations with utilities or government, and mandating that leads only be sold to licensed installers. Financial institutions must confirm contractor licensing and bid limits, record confirmation calls with consumers, and keep them for



five years, with recordings accessible to regulators within 10 days of request. Additional protections include background checks on solar employees, improved transparency in lease and tax-related disclosures, and mandatory first-year quality assurance, requiring installers to remedy underperforming systems. Consumers are also obligated to disclose property issues, such as roof problems, before installation. Director Quesada said SB 379 closes critical gaps in consumer protections, curbs deceptive practices, strengthens licensing enforcement, and ensures financial and transparency safeguards, placing Nevada ahead of many states in solar consumer protection.

**Board Member Comment**

There was no comment.

**Public Comment**

There was no comment.

**H. Adjournment**

NSCB Chair Lay thanked the California Board and staff for their collaboration and thanked Roadcamp and Hernandez for sharing their expertise. Chair Lay requested a motion to adjourn, which was seconded and approved, officially closing the Nevada meeting.

Chair Galarza expressed appreciation for the collaboration with Nevada and anticipated continued cooperative efforts. A motion to adjourn was made, seconded, and approved, officially closing the California meeting.

*The meeting was adjourned at 10:30 a.m.*



# CONTRACTORS STATE LICENSE BOARD

## BOARD MEETING MINUTES

### Board Meeting Minutes – September 5, 2025

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

Board Chair Miguel Galarza called the meeting of the Contractors State License Board (CSLB) to order on September 5, 2025, at 10:30 a.m. at the John C. Hall Hearing Room, 9821 Business Park Drive, Sacramento, CA 95827. A quorum was established.

#### Board Members Present

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

Steve Panelli, James Ruane and Mary Teichert had approved absences.

#### CSLB Staff Present

David Fogt, Registrar  
Estelle Champlain, Chief Deputy Registrar  
Rebecca May, Chief of Legislation  
Steve Grove, Chief of Enforcement  
Carol Gagnon, Chief of Licensing  
Ingrid Witowski, Chief of Administration  
Katherine White, Chief of Public Affairs  
David Gower, Public Affairs Supervisor  
Michael Jamnetski, Special Projects Manager  
Stacey Paul, Budget Manager  
Raju Sah, Information Technology Program Manager  
Michael Collins, Information Technology Business Manager  
Tracy Brazil, Regulations Manager  
Amy Lawrence, Television Specialist  
Natalie Watmore, Information Officer  
Robin Williams, Executive Analyst

#### DCA Staff Present

John Kinn, DCA Legal Counsel

**Board Member Comments**

Chair Galarza welcomed Estelle Champlain as CSLB's new Chief Deputy Registrar. Her background includes nine years of service in the U.S. Air Force in intelligence, counterterrorism operations, and training at the Air Force Officer Intelligence Course. She held multiple state service positions, including legislative work at the Department of Consumer Affairs, policy development at the Department of Health Care Services, Assistant Division Chief at the Department of Human Resources, and most recently, Project Administration Manager for the Pension Solution IT Project. Chair Galarza thanked her for her service and experience and invited her to provide remarks.

Chief Deputy Registrar, Estelle Champlain thanked the Board for the opportunity, expressed her honor in joining the organization, and conveyed her enthusiasm to contribute to serving the public.

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

There was no comment.

**Public Comment**

There was no comment.

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

Chair Galarza presented a certificate of recognition to Robin Williams for his service to the Board. Williams began his state career as a student assistant in the Executive Office, primarily assisting Public Affairs. He was promoted to Office Technician and later to Staff Services Analyst, where he supported Board scheduling, meetings, and multi-vendor pilot projects. He recently accepted a position as an Associate Governmental Program Analyst with the Department of Consumer Affairs. Although he already started his new role, Williams returned to perform one final roll call at this meeting. Chair Galarza expressed appreciation for Williams' dedication and service and presented him with a certificate of recognition.

Executive Analyst Robin Williams thanked the Board, Executive team, and Public Affairs staff for their support and mentorship throughout his career.

Chair Galarza commended Williams for his contributions, noting the pride in seeing young professionals advance in public service. Chair Galarza then invited Board Members to share additional comments.

**Board Member Comment**

Board Member Thomas Ruiz congratulated Williams on his career advancement and thanked him for his professionalism and welcoming demeanor during their time on the Board.

Board Member Henry Nutt III praised Williams, noting that he made their transition onto the Board easier and extended best wishes in his future role.

Board Member Rodney Cobos thanked Williams for helping him manage Board meetings. He also thanked him for getting to know him personally outside of meetings and recognized his contributions to both the Board and individual members.

Board Member Michael Mark commended Williams for his reliability, noting that he consistently followed through on commitments.

Board Member Jacob Lopez congratulated Williams, noting his contributions to smooth transitions, accountability, and positive attitude.

Board Member Diana Love congratulated Williams and recalled supporting him when he first attained his staff position during her tenure as Chair. She expressed appreciation for Williams' responsiveness and ability to accommodate Board Members' needs.

Board Member Josef Preciado congratulated Williams and echoed the comments of fellow members

Board Member Joël Barton congratulated Williams and expressed gratitude for his service to the State of California and to the country through his prior military service.

Vice Chair Alan Guy thanked Williams, echoing the appreciation expressed by fellow members.

Registrar David Fogt praised Williams for his dedication and willingness to take on new assignments over the past three years.

Williams thanked Registrar Fogt and the Board Members for their comments.

**Public Comment**

Bryan Williams, also a CSLB employee, expressed appreciation and acknowledgment for the successes of his brother Robin.

**D. Executive****1. Review and Possible Approval of June 13, 2025, Board Meeting Minutes**



**Motion:** To approve the June 13, 2025, Board Meeting Minutes. Moved by Josef Preciado; seconded by Thomas Ruiz. Motion carried, 9-0-2.

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

**NAY:** None

**ABSTAIN:** Alan Guy and Jacob Lopez.

**ABSENT:** Steve Panelli, James Ruane and Mary Teichert.

**Board Comment**

There was no comment.

**Public Comment**

There was no comment.

**2. Registrar's Report**

Chair Galarza introduced agenda item, D2, which included a report for review and discussion. The first part covered the Workers' Compensation Advisory Committee Stakeholders Meeting held on May 5-7.

**a. Review, Discussion, and Possible Action Regarding Workers' Compensation Advisory Committee Stakeholder Meeting**

Registrar David Fogt provided scheduling updates, noting three Board Meetings planned for November (including a review of the strategic plan) and a tentative December 11 meeting in San Francisco to align with a Northern California Carpenters Union event. He discussed the Workers' Compensation Advisory Committee's August 26 meeting, focusing on concerns in the roofing industry. Roofing contractors are required to carry workers' comp insurance, but some are buying minimum policies without reporting payroll, raising fraud concerns. While CSLB cannot investigate insurance fraud, it can address licensing violations. The meeting included the Department of Insurance and State Compensation Insurance Fund (State Fund), though other invited agencies could not attend. Registrar Fogt concluded by inviting Committee Members Galarza and Barton to share their thoughts on next steps.

**Board Comment**

Committee Member Galarza highlighted concerns about workers' compensation enforcement in the roofing industry. He said State Fund has only about 130 auditors to cover all policyholders, including



5,000 roofing policies, which makes it impossible to adequately detect fraud. He said an issue is contractors carrying minimal policies but failing to report actual hours, often by misclassifying workers as 1099s. This creates broader problems with workers' compensation, employment taxes, and compliance. Member Galarza emphasized the need for collaboration with State Fund, Employment Development Department (EDD), and the Franchise Tax Board.

Committee Member Barton noted it may take years for all employers to comply with workers' compensation requirements, but said it's simply a cost of doing business, like licensing. He found it significant that State Fund policies still provide coverage for unreported employees in case of injury, which protects both employers and consumers. Member Barton said this coverage is an important benefit despite the costs.

Registrar Fogt suggested creating memorandums of understanding with State Fund and other agencies to improve referrals and collaboration on workers' compensation issues. He said consumer complaints and contractor interviews can reveal unreported employees, which points to premium insurance fraud. He said contractors often report wages more reliably to EDD than to insurers. Registrar Fogt recalled successful past partnerships with Department of Industrial Relations (DIR) and other agencies, crediting Eric Rood for his role in developing those agreements and publicly thanked him for his contributions.

#### Public Comment

Erin Rood emphasized the importance of addressing insurance premium fraud, saying that failing to report workers' compensation policies is a felony, whereas lacking a policy is a misdemeanor. Rood said he attended the Southern California Fraud Investigators Association and highlighted the role of district attorneys statewide in pursuing such cases. Rood cited past enforcement successes, including 58 convictions in Orange County for prevailing wage violations, and stressed the importance of continued collaboration with local unions and agencies on these issues.

#### Board Member Comment

Member Ruiz noted that workers' compensation issues extend beyond roofing to areas like tree trimming, where landscape companies often lack proper coverage. He suggested the committee consider expanding its focus and encouraged partnerships with compliance groups such as operators, laborers, and carpenters to help generate leads. Member Ruiz also said that while district



attorneys are pursuing some cases, efforts ultimately need to start with insurers.

Committee Member Galarza said misclassification is a major problem, and said an example of that is contractors doing roofing work but reporting it under other classifications like carpeting to lower rates. He said this misrepresentation creates significant issues and asked which committee should address these concerns, especially since some prior agreements have expired.

Registrar Fogt suggested moving forward with the matter through the Executive Committee, noting that Legislative Chief, Rebecca May would be very helpful in the process.

#### **b. Wildfire Update**

Registrar Fogt delivered a wildfire recovery update, stressing the goal of preventing consumer harm during rebuilding. Registrar Fogt highlighted the permitting progress, reminded survivors of payment restrictions, and introduced a new outreach flyer developed with LA County and the Department of Consumer Affairs to protect consumers. He emphasized the importance of survivor-friendly enforcement to ensure licensed, insured contractors are used.

#### Board Member Comment

Vice Chair Guy discussed the recent wildfires, describing them as among the largest and most costly disasters in U.S. history. He praised the efforts to clean up more than 10,000 homes as a highly successful, coordinated effort among federal, state, and local agencies, completed in just six months. Member Guy commended CSLB's visible enforcement presence, noting it helped prevent unlicensed contractors from participating and contributed to the overall success of the recovery operation.

Chair Galarza emphasized the importance of communicating key information, noting the information that will be shared and published.

Registrar Fogt asked for clarification about who helped create the flyer and whether staff contributed to its development.

Chief of Public Affairs Katherine White explained that the flyer was created by Information Officer Natalie Watmore, with input from DCA and other agencies to highlight key information. It was also translated into Spanish, making it double-sided for broader accessibility, with similar materials provided in multiple languages for rebuilding efforts.





Chief White emphasized ongoing efforts to expand resources and outreach, both in print and online, to support affected communities.

Chair Galarza stated that the team was responsible for creating and placing informational placards throughout the affected area.

Chief White confirmed that additional signs were ordered to remind people to hire licensed contractors and warn against unlicensed activity. SWIFT placed the signs throughout fire-affected areas, and many are still visible months later, showing their lasting impact.

Member Lopez asked whether SWIFT would continue to be involved in the next phase of the recovery, now that cleanup is mostly complete and rebuilding of homes and businesses is beginning.

Registrar Fogt confirmed that SWIFT would resume proactive enforcement on August 25 and will continue conducting sweeps and following leads during the rebuilding phase. He cautioned about repeat offenders and predatory unlicensed contractors, noting past cases in Paradise. Registrar Fogt said the LA District Attorney's Office may conduct undercover operations, and contracting without a license in a declared disaster remains a felony.

Member Love shared their experience touring Altadena, describing it as heart-wrenching and devastating, particularly seeing seniors who lost everything. She emphasized the impact of the Board's work and contractors' efforts in helping people rebuild their lives. Member Love highlighted the extraordinary six-month recovery process and expressed gratitude for the opportunity to positively affect the community.

Board Member Amanda Gallo asked if CSLB is implementing any permanent measures or statewide strategies based on lessons learned from this disaster, noting the growing frequency of disasters and the use of outreach tools like flyers and specialized teams.

Registrar Fogt emphasized the importance of quickly providing wildfire survivors with guidance to avoid exploitation by contractors targeting their insurance payouts. Registrar Fogt explained that survivors need to first assess how much money they have for rebuilding, which may limit whether they can rebuild "like to like" or must consider alternatives like ADUs. He said the task force is working on workshops to guide survivors through key steps: securing plans, navigating permits, finding reputable architects and contractors, and checking contractor references thoroughly to ensure quality and protection during the rebuild process.

Public Comment

There was no comment.

**3. Budget Update**

Chair Galarza introduced the next agenda item, CSLB's budget.

Budget Manager Stacey Paul reported that in the last fiscal year (FY), the Board had a \$82.7 million budget and spent 99% (\$81.9 million), with \$6.3 million in mandatory external costs. Revenue reached \$100.6 million, the first-time surpassing \$100 million, resulting in a \$12.4 million surplus and a reserve balance of \$52.7 million. Projections show revenue of \$96 million and reserves of \$58 million (about seven months) by year-end. The Construction Management Education Account requested \$225,000 in grant disbursements, pending approval in December. The Governor's budget for FY 2025–2026 is \$83.3 million with 431 positions, including six new enforcement roles. Statistical summaries showed increases in applications, renewals, and a 2% growth in license population. Manager Paul concluded the update by asking the Board if they had any questions.

Board Member Comment

Chair Galarza asked whether CSLB was instructed to make cuts during the California budget process and if any reductions were made.

Manager Paul confirmed CSLB was required to cut about \$1.1 million from its budget, which was managed through adjustments to stay within limits. She noted the tentative loss of 7.5 positions, though the official reduction has not yet been applied to the authorized position count. Final confirmation on the position cuts is expected in January, and the vacancies must remain unfilled in the meantime.

Chair Galarza asked whether CSLB's charter limits the amount of reserve funds it can hold and if it would be possible to maintain a full year's reserve.

Manager Paul explained that CSLB proposed legislation to raise the reserve limit to 12 months.

Chief May said the current statutory reserve limit is six months. Through SB 779, an amendment was proposed and approved at the last committee meeting to increase the reserve limit, providing CSLB with more financial flexibility.

Chair Galarza praised Manager Paul for her work.

Manager Paul confirmed that this is only possible when the organization is currently not operating at a deficit.



Chair Galarza said when they joined the Board six years ago, the organization was in a different situation and noted they currently have about one month's reserve.

Manager Paul noted that at one point in the past, the organization's reserve was as low as half a month.

Chair Galarza emphasized the dramatic financial turnaround and expressed gratitude, noting that future Board members will benefit from the progress made.

Member Cobos thanked staff for reviewing the budget with him and commended their efforts in managing budget cuts, adapting effectively, and keeping expenditures under budget.

Member Mark praised the improved budget reserves and highlighted the importance of adding six new enforcement positions. He also commended HR for reducing staff vacancies year after year, stressing the need to keep vacancies low to strengthen consumer protection and manage the budget effectively.

Manager Paul noted that securing the Budget Change Proposals (BCP) during a deficit year was challenging, but said teamwork led to success.

#### Public Comment

A member of the public briefly asked what the current vacancy rate is.

Manager Paul stated that the current vacancy rate is 1 percent.

The member of the public said that it is very good.

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

Chair Galarza directed attention to page 72 of the Board packet and said Administration Chief Ingrid Witowski would present her update.

Chief Witowski reported a 6 percent vacancy rate (26 of 425 positions) for FY 2024-2025. She said key initiatives included reinstating the Career Development and Mentoring Program, implementing a new onboarding schedule, and launching new training for managers on performance management, hiring practices, and supervision. A supervisor toolbox with resources is being developed for release by December 2025. Additionally, CSLB partnered with CSU Sacramento to study enforcement and unlicensed practice issues; after a transition, the Institute for Social Research will now handle the project under the same terms. The update concluded with an invitation for Board questions or comments.

**Board Member Comment**

Member Mark expressed interest in the enforcement staffing requirement study and suggested Chair Galarza add it as a future agenda item for the Enforcement Committee to address unlicensed practice.

**Public Comment**

There was no comment.

**5. Information Technology Update**

Chair Galarza introduced the Technology Upgrade update on page 79, noting that two Information Technology managers, Raju Sah and Michael Collins, would present the update.

IT Program Manager Raju Sah provided an IT update highlighting CSLB's efforts to modernize systems, secure infrastructure, and improve efficiency. Key points included the May 2025 launch of the Enterprise Document Management System (EDMS), replacing the old iOS system. EDMS has migrated nearly 500,000 documents, issued over a thousand licenses efficiently, and converted over 25 million files into searchable PDFs. The system centralizes document storage, improves search and retrieval, boosts efficiency, and offers long-term cost savings. The next phase aims to further automate business processes, including capturing entire application packets and processing payments electronically. Manager Sah provided an update on CSLB's IT system upgrades, focusing on security and compliance. All Windows 10 devices are being replaced with Windows 11 Enterprise, as Microsoft support for Windows 10 ends on October 14, 2025. The IT team tested Windows 11 for compatibility with all CSLB software and applications and began phased deployment at headquarters and remote sites, aiming to meet the compliance deadline.

IT Business Manager Michael Collins discussed the Online Sole Owner Application Project. The system's design and planning are complete, and core features are being built to integrate into CSLB's existing databases. Next steps include system design, workflow testing, and integration testing with legacy licensing and enforcement systems. The streamlined online application process is scheduled to launch in the first quarter of 2026. The IT team is updating systems to reflect new legislation compliance updates, including changes for reimbursement of expert investigation costs. This project is on track for full implementation by fall 2025. The update concluded with an invitation for questions.

Board Member Comment

Member Love asked whether the new online application system will include the capability for final signatures.

Manager Collins explained that the online application will be an interview-style process, guiding applicants step-by-step. After submitting all required information and documents, applicants can electronically sign the application and complete payment, finalizing the process with an automated confirmation.

Member Love asked if there would be an auto send receipt.

Manager Collins said the system will automatically generate a confirmation or “thank you” receipt once the application, signature, and payment are completed. He said applicants will receive email verification after completing their submission, be able to download a PDF of their application, and have the option to save progress to return later via email links directly to their last step.

Public Comment

There was no comment.

*Agenda Item E2.F went ahead of Agenda Item E.*

**Item E2F: AB 1341 (Hoover) Contractors: discipline: building law violations. (Adds prohibitions on unlicensed practice of architecture, landscape architecture, engineering, geology or geophysics, and land surveying to Contractors State License Law.)**

Chair Galarza said he would take an item out of order to discuss a legislative bill.

Legislative Committee Chair Barton discussed Assembly Bill 1341, saying it stalled in the Senate Appropriations Committee. The bill would have allowed CSLB to discipline contractors for unlicensed practice in related professions. While the Board had previously voted to support the legislation, opposition from labor groups raised concerns. No Board action is recommended, but public and stakeholder comments will help with future legislative analysis.

Board Member Comment

Member Ruiz, who is also a member of the laborers union, explained that their concern with AB 1341 was that it blurred the line between construction support activities (like using GPS, GPR, or drones for safety checks) and actual surveying work. Many contractors rely on ground-penetrating radar for tasks such as concrete cutting, and he said the bill’s wording raised fears these routine practices could be misclassified as unlicensed surveying. The



union proposed amendments to clarify this distinction, agreeing that true surveying should remain limited to licensed professionals.

Public Comment

Rob Carrion, representing Local 30 Operating Engineers, spoke in support of AB 1341, saying that work involving ground penetrating radar (GPR) for tasks like surveying, GPS data collection, and locating fixed works should only be performed under the direction of a licensed land surveyor. He said the bill clarified existing law rather than creating a jurisdictional conflict, ensuring CSLB could enforce proper licensing and protect the integrity of the surveying profession. Without this clarification, he warned, unlicensed activity would undermine public safety and contribute to the underground economy.

Eric Rood, representing Local 12 Operating Engineers, spoke in support of AB 1341, stressing that it would protect the public from structural failures and faulty designs caused by unqualified contractors. He said the bill ensures licensed professionals aren't undercut by unlicensed work, clearly defines CSLB's jurisdiction, and reduces disputes. He said the fiscal impact would be minimal, about \$21,000 annually for fewer than 20 referrals, with possible savings from reduced cross-agency investigations. He emphasized the bill is not an expansion of authority but a clarification, improving public safety, professional standards, and enforcement efficiency while reinforcing California's commitment to quality construction and consumer protection.

*The Board took a 30-minute break at 12:00 p.m. and reconvened at 12:30 p.m.*

Chair Galarza recognized Ted Rieger from Indoor Comfort News for his many years of covering CSLB and related topics. He noted that Rieger often worked behind the scenes without much recognition, but said his reporting has been valuable and appreciated. Since he is retiring, the Board publicly acknowledged his contributions and said his efforts will be missed, inviting him to share a few words about his final story and future plans.

Ted Rieger said he has been covering CSLB meetings for nearly 40 years, beginning with Registrar John Mahoney. He said Indoor Comfort News is published by the Institute of Heating and Air Conditioning Industries in Southern California, while he has worked as a freelance writer in Northern California. His reporting has focused on the Contractors Board and the Energy Commission. He thanked the Board for the recognition, noted he plans to write about this meeting and the legislative update before year's end, and expressed gratitude for the support he has received from the Board.

**E. Legislation**

Legislative Committee Chair Barton explained that the legislature adjourns September 12, meaning all bills must pass both houses by then or be held for the year. He said no more committee hearings remain, and active bills are awaiting floor votes. Bills amended in the second house must return to their house of origin for concurrence before moving to the governor. The governor has until October 12 to sign or veto bills, which generally take effect January 1 unless otherwise stated. The legislature reconvenes in January.

**1. Review, Discussion and Possible Action on 2025 Board-Sponsored Legislation**

Chair Barton introduced agenda item E1 on Board-sponsored legislation. Board Members also have copies of the bills and an updated status spreadsheet, which Chief May distributed and prepared.

**a. AB 521 (Carrillo) Bond deposits: liability for legal fees and costs. (Clarifies CSLB is not responsible for legal fees on civil claim against licensee cash deposit.)**

Chair Barton introduced AB 521. He said the bill has passed the legislature and is awaiting the governor's signature. AB 521 clarifies that CSLB is not responsible for legal fees on civil claims against cash deposits filed with the Board. Staff recommended no Board action.

Board Member Comment

There was no comment.

Public Comment

There was no comment.

**b. AB 559 (Berman) Contractors: home improvement contracts: prohibited business practices. (Updates definitions and penalties for accessory dwelling unit construction and contractors accepting money in advance of work performed or materials delivered.)**

Chair Barton introduced AB 559, explaining it would add accessory dwelling units (ADUs) to the definition of home improvement under contractor law and impose fines up to \$10,000 and possible license revocation for violating progress payment rules that harm customers.





He said the bill has become a two-year bill and will not move forward until January.

Chief May explained that AB 559 faced opposition from ADU manufacturers and builders, concerned that home improvement down payment restrictions could negatively affect off-site custom builds. CSLB staff tried to address these concerns with the bill's author but were unable to resolve them before the legislative year ended. CSLB Staff recommended no Board action for now and plan to continue working on the bill in the fall with the goal of advancing it in January.

Board Member Comment

There was no comment.

Public Comment

There was no comment.

**c. SB 291 (Grayson) Contractors: workers' compensation insurance. (Increases penalties for filing false exemptions from workers' compensation insurance requirements.)**

Chair Barton discussed the last Board-sponsored bill, SB 291. The bill is currently pending in the Assembly, and Chief May was asked to provide a brief update.

Chief May said SB 291 increases penalties for filing a false workers' compensation exemption and directs the Board to explore an evidence-based process for determining exemption eligibility. It does not alter the requirement for all licensees to carry workers' compensation insurance. Staff recommended no action but suggested the Chair consider convening the Workers' Compensation Advisory Committee to assess the feasibility of such an exemption.

Board Member Comment

Member Mark clarified that the previously discussed \$2,000 limit was removed. He explained that current rules remain in effect, with no changes to classifications until January 1, 2028.

Chief May explained that on January 1, 2028, current exemptions will end and said this bill does not create or extend any exemptions. Instead, it requires the Board to report to the legislature by January 1, 2027, on an evidence-based process for determining exemption eligibility.





Member Mark clarified that this meant the current workers' compensation requirements for C-8, C-20, C-22, C-39, and D-49 remain unchanged.

Chief May said the status quo remains in place but noted a significant change: penalties for filing a false exemption have been increased.

Public Comment

There was no comment.

**d. SB 779 (Archuleta) Contractors: civil penalties. (Increases minimum civil penalties on citations.)**

Chair Barton introduced SB 779, noting that it proposes increasing minimum civil penalties and raising the CSLB's reserve time cap from 6 to 12 months. He reminded the Board that this amendment was previously approved in June and recommended no action on the bill at this meeting.

Board Member Comment

There was no comment.

Public Comment

There was no comment.

**2. Review, Discussion and Possible Action on Other Relevant 2025 Legislation**

Chair Barton moved to agenda item E2, covering other bills relevant to CSLB and the contracting profession. Since the Board has already taken positions on these bills, staff recommended no further action so no discussion is needed on all but three of these bills. Updates were provided on three bills, AB 483 (Irwin), AB 1341 (Hoover), and SB 456 (Ashby) for discussion with the Board and public. Chair Barton asked if Board Members had any questions or wanted to address any other bills listed in the meeting materials that would otherwise not be discussed.

Board Member Comment

There was no comment.

Public Comment

There was no comment.



**a. AB 483 (Irwin) Fixed term installment contracts: early termination fees. (Caps early termination fees in construction ongoing service agreements.)**

Chair Barton presented AB 483, which originally dealt with early termination fees and fixed-term installment contracts, but was amended on August 19 to include home improvement contracts, raising concerns about consumer harm and confusion. Since there was not time for the Board to meet, Chair Galarza and Chair Barton authorized staff to oppose unless amended. The author later amended the bill to exclude home improvement contracts, removing its impact on CSLB. Chair Barton recommended changing the Board's position from "oppose unless amended" to "neutral."

Board Member Comment

There was no comment.

Public Comment

There was no comment.

**Motion:** To take a neutral position on AB 483 (Irwin) Fixed term installment contracts: early termination fees. (Caps early termination fees in construction ongoing service agreements.) Moved by Michael Mark; seconded by Rodney Cobos. Motion carried, 11-0-0.

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

**NAY:** None

**ABSTAIN:** None

**ABSENT:** Steve Panelli, James Ruane and Mary Teichert

**b. AB 485 (Ortega) Labor Commissioner: unsatisfied judgments: nonpayment of wages. (Requires state agencies to deny an application or renewal to an employer with any unsatisfied final judgment for nonpayment of wages.)**

*No discussion.*



- c. AB 742 (Elhawary) Department of Consumer Affairs: licensing: applicants who are descendants of slaves. (Requires the expediting of applications from descendants of American slaves.)**

*No discussion.*

- d. AB 1002 (Gabriel) Contractors: failure to pay wages: discipline. (Authorizes the Attorney General to file civil action for license suspension, revocation, or denial.)**

*No discussion.*

- e. AB 1327 (Aguiar-Curry) Home improvement and home solicitation: right to cancel contracts: notice. (Allows consumers to cancel a home improvement contract via email.)**

*No discussion.*

- f. AB 1341 (Hoover) Contractors: discipline: building law violations. (Adds prohibitions on unlicensed practice of architecture, landscape architecture, engineering, geology or geophysics, and land surveying to Contractors State License Law.)**

*Discussion regarding AB 1341 can be seen before Agenda Item E and was taken out of order.*

- g. SB 61 (Cortese) Private works of improvement: retention payments. (Limits the retention payment amount for a private work of improvement to five percent.)**

*No discussion.*

- h. SB 456 (Ashby) Contractors: exemptions: muralists. (Exempts murals from Contractors State License Law.)**

Chair Barton reviewed SB 456, which exempts muralists from needing a contractor license. The bill passed the legislature and awaits the governor's signature. The Board previously took a "neutral if amended" position, asking for clarification that muralists would still need to follow business requirements like providing workers' compensation for employees and complying with building permit requirements, and preclude the contracting for or subcontracting



licensed work. However, the author declined these amendments since there was no opposition, and the bill moved forward as written.

Registrar Fogt reported on ongoing stakeholder discussions about the muralist exemption. A virtual meeting is scheduled for September 25 to gather input. He noted complaints involving murals that included additional work, such as tile or ironwork, which would not be exempt. Staff aim to clarify the rules, determine what is exempt under the bill, and develop outreach materials for awarding agencies. Initial review indicates the exemption applies only to artwork itself, not related activities like surface preparation.

Board Member Comment

Member Love asked when the governor's deadline is to sign the bill.

Chair Barton said the deadline is October 12.

Member Love clarified that the governor's deadline to sign the bill is October 12, and the September 25 meeting is meant to inform the public about the law, not to influence the governor's decision.

Registrar Fogt emphasized that the meeting is not intended to influence the governor but to address stakeholder concerns, mainly from painting contractors, about uncertainties in what the bill exempts. He clarified it is not an effort to lobby the Board or governor.

Chief May noted that since the Board adopted a neutral position, there are no plans to lobby the governor.

Chair Barton said the upcoming meeting will be interesting and raised the broader question of where to draw the line between art and contracting.

Chief May announced that the meeting will be held on September 20 at 9 a.m. via Teams.

Chair Barton asked if the meeting information will be sent out to the Board.

Registrar Fogt said the exact meeting time still needs to be confirmed and asked if Member Gallo is interested in participating.



Member Gallo explained that local jurisdictions are concerned about art programs that hire muralists who are not licensed contractors. These projects, such as painting walls or utility boxes, engage communities, and there is worry that without the bill, these community benefits could be lost.

DCA Legal Counsel John Kinn explained that if more than two Board Members are interested in attending, a noticed meeting would be required; otherwise, the Chair could appoint up to two members to attend and report back at the next meeting.

Chair Galarza said Board Members Gallo and Nutt are both interested in attending the stakeholder meeting on September 25.

Member Nutt agreed with Chair Galarza.

Member Love said she was interested in attending the meeting as well.

Chair Galarza said he would decide later which Board Members would attend the meeting.

Public Comment

There was no comment.

- i. **SB 517 (Niello) Home improvement contract requirements: subcontractors. (Requires home improvement contracts to disclose whether a subcontractor will be used on a project.)**

*No discussion.*

- j. **SB 641 (Ashby) Department of Consumer Affairs: states of emergency: waivers and exemptions (Clarifies license classifications for debris removal.)**

*No discussion.*

- k. **SB 784 (Durazo) Home improvement loans: right to cancel. (Increases consumer protections for consumers securing financing for residential home improvement.)**

*No discussion.*

**F. Enforcement**

Chair Galarza moved on to agenda item F, regarding enforcement.

**1. Enforcement Program Update**

Enforcement Committee Chair Mark introduced agenda item F on enforcement.

Enforcement Chief Steve Grove shared three key highlights. First, a homeowner who paid \$19,500 for an ADU that was never built was fully refunded through CSLB mediation, while the contractor remained under investigation for licensing violations. Second, a contractor who received \$484,000 for an ADU who abandoned the project and lived in the partially constructed unit. An investigation resulted in revoking the contractor's license, \$60,000 in restitution to the homeowner, and \$5,000 in investigative costs. Third, a previously revoked licensee with criminal convictions was sentenced to one year in jail with two years of probation. While in custody, he continued contracting without a license, leading to additional charges. These cases highlight CSLB staff's commitment to protecting consumers and working closely with prosecutors to address criminal violations.

Chair Mark provided a statistical update about staffing, reporting that out of 228 positions in the division, 26 are vacant, which is higher than usual due to new special investigator positions and recent retirements, with recruitment underway. Between January 1 and June 30, 2025, CSLB opened 9,689 complaints, exceeding the optimum pending caseload of 4,895, with staff mediating cases resulting in \$14.8 million in restitution. As of July 10, 277 complaints were older than 270 days, and supervisors continue to manage backlog through case strategy discussions and reviews. Arbitration and disciplinary actions resulted in over \$2.3 million in restitution. The SWIFT team conducted 10 undercover operations, spent 190 days on investigations, responded to 269 leads, closed 1,361 cases, and issued 532 advisory notices, though operations were reduced due to wildfire disaster recovery support. The experience verification program investigated 236 applications, approving 115, pulling 44, denying 73, and receiving one appeal, demonstrating the effectiveness of targeted investigations. No Board action was required.

**Board Member Comment**

Member Barton said the Labor Enforcement Task Force inspected 72 contractors, finding 61 in non-compliance, which is an 85 percent rate, and expressed hope that more compliance efforts will follow.



Chair Mark emphasized the importance of collaboration between the Labor Enforcement Task Force, CSLB, and the Department of Insurance. By sharing information and coordinating efforts, these agencies aim to protect consumers and address the underground economy in the construction industry.

Member Love expressed concern about the large financial losses consumers face due to contractor misconduct and emphasized the need for CSLB to do more to educate the public. She suggested putting the onus on contractors, possibly through enforcement action if they fail to do so, to educate consumers about the protections available to them. Member Love said part of the responsibility for consumer awareness should fall on contractors to inform the public about their rules and limitations.

Registrar Fogt stressed the importance of licensed professionals serving as ambassadors by distributing educational materials to consumers when bidding for jobs, even if they don't win the contract. He said while it might be possible to require contractors to provide such materials, compliance could be a challenge given CSLB's limited enforcement resources. Registrar Fogt said the priority should be educating consumers about contract payment restrictions to prevent them from paying large sums before work is completed, ensuring consumers can make informed decisions.

Member Love suggested incorporating a requirement into the contractor application process where applicants must confirm they will provide consumers with specific information about their rights and protections. By checking a box, contractors would acknowledge this responsibility, and if a consumer later filed a complaint, CSLB could verify whether the contractor followed through and take appropriate action if they did not.

Registrar Fogt explained that CSLB receives nearly 1,300 consumer complaints each month, many involving contractors failing to provide legally required information in home improvement contracts. Although a sample home improvement contract with proper notices is now available on the CSLB website, many contractors remain noncompliant. With limited staff to address the high volume of complaints, resources are focused on the most serious cases. Registrar Fogt emphasized the need for better public education, greater contractor compliance, and support from industry associations to help distribute information and protect consumers.

Special Projects Manager Michael Jamnetski noted that in the early 2000s there was a checklist contractors were required to provide consumers in home improvement contracts under section 7159.3, but it was later removed



from the law. It was replaced by the current disclosures that are now incorporated directly into home improvement contracts.

Registrar Fogt recalled when the home improvement certification required contractors to answer 10 questions, but said compliance was only about 45 percent. This led to many licenses not being renewed, which the legislature and Registrar at the time viewed as harmful to the public. Ultimately, the program was discontinued due to the low compliance rate and its negative impact.

Member Love agreed with the need for public education but emphasized that most consumers are unaware of the Contractors State License Board and do not visit its website. Instead, they typically search online when hiring a contractor. Because of this, she said the responsibility for informing and protecting consumers must go beyond just the contractors.

Chair Mark highlighted that addressing the underground economy involves not only dealing with problematic licensed contractors but also recognizing the large number of unlicensed individuals being hired. Many of these cases go unreported because consumers often use informal referrals, like friends or family. He said the solution requires both increasing the number of licensed contractors and improving public education.

Member Love agreed that unlicensed contractors are a problem but said licensed contractors also bear responsibility. She said licensed professionals should take ownership in educating and informing consumers, especially since many consumers public are unaware of the CSLB or its role. Member Love stressed the need for contractors to solicit business honestly, professionally, and transparently to protect consumers and maintain trust.

#### Public Comment

There was no comment.

## **2. Review and Discussion Regarding the Multiple Offender Unit**

Chair Mark transitioned to the next agenda item, the review and discussion of the Multiple Offender Unit.

Chief Grove reported encouraging progress from CSLB's Multiple Offender Unit (MOU), created in 2023 in response to a 176 percent increase in solar complaints, many involving repeat offenders. The unit expedites complaint resolution by giving contractors 30 days to correct violations or face license suspension or revocation. Since its launch, the MOU has handled over 1,300 complaints, closed more than 700, filed 22 accusations, and recently became





a permanent division with added staff and ongoing recruitment. The complaint threshold for investigation has been lowered from 10 to 5, broadening its reach. As of August 2025, eight contractor licenses had been revoked or placed on probation, tied to 29 complaints. The MOU has completed 377 investigations in 2025 alone, easing caseloads in other CSLB divisions by consolidating repeat offender complaints under one investigator. Chief Grove concluded by expressing excitement for the unit's expanded role moving forward.

#### Board Member Comment

Chair Mark praised the Multiple Offender Unit for targeting the “bad apples,” noting that this focus helps reduce the overall enforcement caseload. He expressed optimism that with Robin Williams joining the unit and the addition of two funded staff positions, the unit's effectiveness and the number of cases resolved will continue to grow.

Registrar Fogt emphasized that contractors who take excessive deposits or frontload contracts face zero tolerance from CSLB. While a first offense may result in an advisory notice, repeat complaints are referred to the Multiple Offender Unit (MOU). The unit quickly addresses patterns of misconduct by posting disclosures online, taking formal administrative actions, and referring cases to district attorneys when necessary. This approach highlights the unit's effectiveness and sets a standard for all field staff to follow.

#### Public Comment

There was no comment.

### **G. Licensing**

Chair Galarza concluded the discussion and moved the meeting forward to action item G, focusing on licensing.

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

Licensing Committee Chair Nutt provided an update on the CSLB licensing and testing program. CSLB received over 12,000 applications in the last quarter (May–July), including more than 5,000 for new licenses. The Board's NASCLA trade exam waiver, approved in March, has resulted in one new license issued so far, with others still meeting requirements. North Carolina has signed a reciprocity agreement for certain residential remodeling trades.

Nutt noted processing times remain close to four weeks despite staff absences, with cross-training and requests for additional positions helping manage the workload. Over 50,000 applications were received in fiscal year



2024–2025, with 24,000 licenses issued and 19,000 still pending. Staff identified reasons for delays, including incomplete applications, unscheduled exams, exam failures, and unmet requirements, and are sending reminder letters to address inactivity. CSLB received over 31,000 applications in the last quarter, typical for the spring season, and assisted 17 contractors affected by the LA fires with deferred renewal fees.

Nutt shared that criminal background staff processed over 40,000 records, identifying about 5,700 with criminal history reports, while fingerprinting requirements continue to act as an effective deterrent. Additionally, almost \$30 million was reimbursed to agencies and the public in 2024, and staff remain current on processing judgments, outstanding liabilities, and bond payment plans. The update then transitioned to the testing program update, presented by Chief Gagnon.

Chief Gagnon highlighted a record-breaking year for CSLB, with over 58,000 exams administered by PSI between August 2024 and July 2025, including 95 at the Wilsonville, Oregon test center and 142 in other out-of-state centers. The Exam Development Unit released one updated exam for the C-23 ornamental metal trade and is programming five additional item banks, while nine more exams are in development. The unit also received updated Title 24 California building codes to refresh all code-based item banks within six months. CSLB is digitizing exam booklets, which include blueprints, charts, and other materials, to allow candidates to access them on-screen, beginning with the fully digitized C-15 flooring and floor covering exam, improving security and reducing costs.

Chief Gagnon noted Spanish-language exams continue to expand, with over 11,000 Spanish exams taken this year, including new releases for the B General Building and C-36 Plumbing trades. Translations of forms, letters, and application instructions are ongoing, including Hazardous Substance Removal certification instructions and waiver applications, as part of CSLB's strategic plan to reduce language barriers. Staff involved in these translation efforts were recently recognized for their work.

#### Board Member Comment

Board Chair Galarza mentioned the challenges with Spanish translations for exams. Translators found that some previous translations were done in European Spanish and did not match Latin American Spanish, which is more appropriate for CSLB candidates. Additionally, many candidates speak and read Spanish but learn trade terminology in English, so they may not recognize equipment names in Spanish. To address this, a toggle feature was



added to allow switching between Spanish and English during the exam, helping candidates better understand the questions.

Chief Gagnon stated the introduction of Spanish exams led to a 10 percent increase in pass rates, and adding a toggle option to view questions in both Spanish and English further improved the pass rate by 6 percent. This allows candidates to see tools and equipment terminology in the language they are most comfortable with.

Committee Chair Nutt praised staff for their effective work with Spanish-language exams, noting that listening to candidate feedback has improved outcomes, and highlighted that the positive results are reflected in the improved pass rates.

#### Public Comment

There was no comment.

## **2. Applicant Survey**

Chief Gagnon provided an update on the applicant survey, which has been conducted monthly since March 2020 to assess satisfaction with the licensing process. The survey includes questions on the licensing process, and since October 2024, additional demographic questions on education, experience, race/ethnicity, age, gender, disabilities, and military service. A Spanish version is also sent to relevant candidates. Over the past year, 15,342 surveys were emailed with 1,653 responses (11 percent response rate). High satisfaction levels were reported, with 92 percent saying they were treated courteously and 90 percent satisfied with CSLB service. Interestingly, only 57 percent used CSLB study guides, 59 percent used the law book, and 46 percent used the website. Demographics from 10 months of data showed that 11 percent of new licensees did not complete high school, 46 percent had a high school diploma, 18 percent attended trade school, and 16 percent completed an apprenticeship. Most had 6-15 years of trade experience, 55 percent identified as Hispanic/Latino, 37 percent as White/Caucasian, 38 percent obtained their license between ages 36-45, 94 percent were male, 2 percent had a disability, and 2 percent were veterans or spouses of disabled veterans.

*Members Jacob Lopez and Thomas Ruiz left the meeting at 1:30 p.m.*

#### Board Member Comment

There was no comment.

**Public Comment**

There was no comment.

**3. Consumer Satisfaction Survey**

Chair Nutt provided an update on the annual Consumer Satisfaction Survey, which assesses public satisfaction with CSLB's handling of complaints against licensed or unlicensed contractors. Over the past year, surveys were mailed to just over 10,000 complainants, with 1,100 responses received (11 percent). Of the eight satisfaction questions, five showed an increase from the previous year, two decreased, and one remained the same. The highest agreement (72 percent) was for being treated courteously, followed by 66 percent agreeing they were contacted promptly. Fifty-eight percent understood the outcome of their case, and 48 percent were satisfied with CSLB's service.

Chair Nutt noted slight increases were seen for questions on explanation of procedures and keeping respondents informed. A slight decrease was noted for courteous treatment, likely due to higher average caseloads, 1,300 per month compared to the 1,100 CSLB is set up to handle. The new Multiple Offender Unit is expected to reduce individual investigator caseloads by handling repeat-offender contractors collectively. Questions about timely processing and understanding outcomes increased, agreement that actions were appropriate remained the same, and one question showed a slight decrease. Enforcement is actively taking steps to address these concerns.

Enforcement Committee Chair Mark emphasized that the Consumer Satisfaction Survey represents real Californians and that CSLB enforcement takes these concerns seriously. While some cases take time, the overall improvements show that enforcement staff are enhancing their processes. CSLB has added consumer resources to the website, including a sample home improvement contract and a bilingual demand letter template, to help consumers clearly communicate concerns and understand contract expectations. Moving forward, CSLB plans to take several steps based on survey feedback, such as rebuilding the DCA Enforcement Training Program, provide customer service training as needed, review survey comments to identify further internal improvements or website additions, and assess the San Bernardino pilot case-handling procedures for broader implementation. Additionally, CSLB conducted an extensive audit of case closures across field offices to identify areas for improvement and potential staff training to better serve consumers.

**Board Member Comment**

Member Love asked whether questions about down payments being within legal limits would be added to the consumer survey or if there are additional survey questions not currently shown on the page.

Member Mark clarified that the issue of down payments being within legal limits is already addressed under existing home improvement laws.

Chief Grove noted that this requirement is included in a new sample contract now available on the CSLB website.

Member Love asked for clarification, confirming that the discussion is about the survey questions being sent out to applicants or consumers.

Chair Mark stated that they are indeed referring to the actual survey questions being sent out.

Member Love asked whether the survey is an appropriate place to include a question about whether respondents were informed that down payments are within legal limits, seeking a simple yes-or-no response.

Chair Mark questioned which department is responsible for creating the survey, whether it is the Licensing or Public Affairs division.

Chief Gagnon stated that the survey has been handled by the Testing Division since 1993.

Chair Mark suggested that Chief Gagnon might be better suited to answer the question.

Member Love asked if it's possible to add a question to the survey.

Chief Gagnon said they were unsure if the survey was created by law, regulation, or simply in response to one, and noted that flexibility in adding questions may be limited. However, she was committed to looking into the matter further.

**Public Comment**

There was no comment.

**H. Public Affairs**

Chair Galarza announced moving on to the final agenda item before the closed session, which is Public Affairs, and handed it over to presented by Public Affairs Committee Chair Diana Love.



Chair Love circled back to legislation to thank Chief May for providing a helpful one-page cheat sheet and bill copies, noting it was very valuable and possibly a first for the Board. She also expressed appreciation for the CSLB pins, emphasizing pride in the logo and relief that it was not changed, as it represents contractors' work. Chair Love thanked the Board Chair and the Registrar for making the pins available.

Registrar Fogt explained that the idea for the CSLB pins came from Board Chair Galarza, and he arranged the order of 500 pins. After the Board Meeting, the pins will be distributed to all CSLB staff.

### **1. Public Affairs Program Update**

Chair Love delivered a detailed update on the Public Affairs Office (PAO). She explained that PAO manages media, licensee, and consumer communications, provides outreach, and produces publications, newsletters, webcasts, videos, and social media content. Recent efforts focused on wildfire recovery, including a disaster recovery workshop with LA County Public Works, updated "Rebuilding After a Disaster" resources, and a toll-free disaster hotline. PAO also expanded CSLB's social media presence, issued a press release about a sting targeting unlicensed contractors, and responded to 14 media inquiries. Between May and July, PAO attended outreach events statewide, published consumer resources in English and Spanish, and produced internal communications, including highlights of the Chair's first official site visit. The Public Information Center maintained wait times under six minutes. She concluded by noting the report was informational with no Board action required.

#### Board Member Comment

There was no comment.

#### Public Comment

There was no comment.

### **2. Review and Discussion Regarding Senior Scam Stopper Seminar Video**

Chair Love introduced Chief White, who would provide an update on CSLB's new Senior Scam Stopper seminar video, now available to the public and can be found on [YouTube](#).

Chief White introduced a collaborative video created by the outreach coordinator and television specialist. Released a month ago, the 10-minute video shares important information for seniors, and a short clip was shown as



an example. The full video is also available on the CSLB website's Senior Scam Stopper page.

Board Member Comment

Chair Galarza expressed appreciation for the new Senior Scam Stopper video, noting it would be useful for an upcoming October event they had forgotten about. He was glad the video provides a consistent, concise message for the public and can be used statewide when an in-person presenter isn't available.

Chair Love shared that they recently visited a senior center in Pasadena where the video was well received. She emphasized the value of having the video available but noted that live-spoken remarks, especially from the Chair, were also very well received by audiences.

Public Comment

There was no comment.

**I. Closed Session**

- 1. Closed Session: Pursuant to Government Code section 11126(e)(1), the Board will move into closed session to confer with, and receive advice from, its legal counsel regarding the following pending litigation: CA Solar Energy Industries Assn v. CSLB, San Diego County Superior Court, Case No. 37-2024-00029818.**

**J. Adjournment**

*Meeting adjourned at approximately 2:03 p.m.*



# CONTRACTORS STATE LICENSE BOARD

## COMMITTEE MEETING SUMMARY REPORT

### Executive Committee Meeting Summary Report – November 17, 2025

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

Executive Committee Chair Miguel Galarza called the meeting of the Contractors State License Board (CSLB) Executive Committee to order on November 17, 2025, at 9:00 a.m. at CSLB Headquarters in Sacramento, CA, via Microsoft Teams teleconference.

Vice Chair Alan Guy led the Pledge of Allegiance, and a quorum was established.

#### Committee Members Present

Miguel Galarza, Chair  
Alan Guy  
Rodney Cobos  
Michael Mark

#### CSLB Staff Present

David Fogt, Registrar  
Estelle Champlain, Chief Deputy Registrar  
Rebecca May, Chief of Legislation  
Steve Grove, Chief of Enforcement  
Carol Gagnon, Chief of Licensing and Examinations  
Thuc Nguyen, Exam Development Manager  
Ingrid Witowski, Chief of Administration  
Katherine White, Chief of Public Affairs  
David Gower, Public Affairs Supervisor  
Michael Jamnetski, Special Projects Manager  
Amy Lawrence, Television Specialist  
Natalie Watmore, Information Officer  
Katie Carrasco, Executive Office Technician

#### Department of Consumer Affairs (DCA) Staff Present

John Kinn, DCA Legal Counsel

#### **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:**

There was no comment.

**C. Review and Discussion Regarding Staff Training and New Employee Onboarding**

Chair Miguel Galarza introduced agenda item C, expressing strong support for staff training, especially from the perspective of being a business owner with many employees. He stressed the importance of using all available tools to support and develop staff. Chair Galarza then turned the discussion over to the Chief of Administration, Ingrid Witowski, for an update on the item.

Chief Witowski explained Strategic Plan Objective 5.2 and said CSLB has taken significant steps to enhance employee training and development. She said on April 29, 2025, the Career Development and Mentoring Program Steering Committee was reinstated. This committee, composed of representatives from each division, held its first meeting to adopt a new onboarding schedule for new employees. The schedule was officially rolled out on July 11, 2025, when CSLB managers and supervisors received training on its implementation. This onboarding structure will be used throughout 2026.

To further support leadership development, Personnel Manager Alex Christian developed a three-phase performance management training program for all CSLB managers and supervisors. The first phase was delivered to enforcement management during their statewide meeting on July 18, 2025, and was later presented to other divisions, including Administration, Licensing, IT, and Public Affairs, on August 7, 2025.

Chief Witowski noted that on August 14, 2025, Manager Christian also introduced a “Best Hiring Practices” training session for all CSLB managers and supervisors. In addition, he is developing a Supervisor’s Toolbox, which will be hosted on the CSLB intranet. This will include training recordings, presentation slides, sample probation reports, performance appraisals, memos, and other useful documents. The toolbox is expected to be completed by December 2025.

Chief Witowski also shared CSLB also hosted an in-person “Building Blocks of Leadership” session on October 3, 2025, at its Sacramento headquarters. Later that month, managers and supervisors participated in a three-class performance management series provided by the Department of Consumer Affairs (DCA) Office of Human Resources. On November 13, 2025, CSLB management joined a live WebEx session presented by DCA HR, which focused on strategies for handling common labor relations issues.

Looking ahead to 2026, Chief Witowski noted that CSLB plans to offer quarterly training courses. These will focus on team dynamics, classification-specific skills, employee development, and leadership and team-building strategies, continuing the agency’s commitment to professional growth and organizational excellence.

Committee Member Comment:

There was no comment.

Public Comment:

There was no comment.

**D. Review and Discussion Regarding Information and Technology Projects to Reduce Processing Times in Licensing and Enforcement**

Chair Galarza introduced Agenda Item D, which focuses on reviewing and discussing Information Technology (IT) projects aimed at reducing processing times in licensing and enforcement. He explained that the IT Advisory Committee met earlier that morning and received updates from staff on key IT improvements. Chair Galarza then turned the floor over to Chief Deputy Registrar Estelle Champlain.

Chief Deputy Registrar Champlain stated that in May 2025, CSLB successfully launched the Enterprise Document Management System (EDMS), a cloud-based platform that replaced the previous paper-based workflow system for managing licensing documents. The EDMS integrates with other systems, and a proof of concept was presented to the IT Advisory Committee to demonstrate potential data integration between EDMS and CSLB's enforcement records system. Chief Deputy Registrar Champlain reported that work is ongoing on the Sole Owner Online Application project, which aims to automate the application process. The Sole Owner Online Application solution is expected to go live in April 2026.

Chief Deputy Registrar Champlain explained that during the morning IT Advisory Committee meeting, members received a briefing on the Nevada State Contractors Board's mobile app. A formal recommendation regarding whether CSLB should develop a similar mobile app will be presented at a future board meeting.

Committee Member Comment:

Registrar David Fogt stated the demonstration of the Nevada State Contractors Board's mobile app was provided by its IT manager. He explained since CSLB has a strategic plan objective to develop its own mobile app, the presentation was of interest. He pointed out that the Nevada app has only been downloaded a few hundred times and is primarily used for license lookups. A decision on whether to include a similar presentation in the December 11 Board Meeting will need to be made by Chair Galarza.

Registrar Fogt clarified that the discussion currently taking place is for Agenda Item D, not Agenda Item E, and that the topic under discussion, specifically the mobile app, falls under Agenda Item D.

Public Comment:

There was no comment.

**E. Review and Discussion of IT Advisory Committee Recommendation Regarding CSLB Mobile Application**

Item E was addressed during the discussion of Item D. Chair Galarza decided to proceed by inviting comments on the IT Advisory Committee's recommendations.

Member Michael Mark thanked Members Henry Nutt III and Amanda Gallo for their service on the IT Advisory Committee and for sharing their insights. He emphasized the ongoing need for a CSLB mobile app to better serve the public and suggested that, while December may be too soon, a discussion on this topic could be added to a 2026 Board Meeting agenda.

Chair Galarza acknowledged the suggestion and requested that Registrar Fogt add the item to a future meeting agenda.

**Public Comment:**

An online commenter asked whether the new IT services would include support for online payments.

**Committee Member Comment:**

Chief of Licensing Carol Gagnon explained that the Sole Owner Online Application will include functionality for online payments.

Registrar Fogt stated that CSLB is exploring mobile app options and found the Nevada app presentation to be informative. He stated the Nevada app includes four main features: license lookup, geographic location of licensees, access to disciplinary actions, and reporting of unlicensed activity. However, it does not currently support online payments, something he added the CSLB IT Advisory Committee may want to consider. Due to time constraints during the Nevada presentation, not all features were fully discussed.

Registrar Fogt emphasized the need for a formal recommendation from the IT Advisory Committee and mentioned the potential of collaborating with the Department of Consumer Affairs (DCA), which has shown interest in leading app development. Registrar Fogt also noted that continuing with this initiative would involve costs and suggested the next steps should include a summarized presentation to the full Board and input from DCA on their app development status.

Chair Galarza asked CSLB staff to confirm whether it would be too soon to receive an update from the IT Advisory Committee on the mobile app item for the December Board Meeting.

Registrar Fogt noted that yes, the IT Advisory Committee will provide a summary of their recommendation to Chair Galarza. Although the recommendation wasn't ready before the morning meeting, he said it will be shared with the Chair soon.

**F. Update Regarding Muralists Exemption Resulting from Senate Bill 456 (Ashby)**

Chair Galarza moved on to Agenda Item F for an update on the muralist exemption resulting from Senate Bill 456, which was recently passed and signed by the Governor.

Registrar Fogt provided an update on SB 456, which establishes a license exemption for muralists, effective January 1, 2026. The exemption will apply to artists who create murals by hand drawing, painting, restoring, or conserving artwork, under a formal agreement. The key requirement is that the work must be hand-applied and considered unique artistic expression. CSLB staff previously sought clarification from the bill's author regarding whether surface preparation (e.g., sandblasting, patching, sealing) and protective coatings (e.g., graffiti guard) would be considered incidental to mural creation or require a contractor's license. The request for clarification was not accepted, as the bill's supporters, including the Painters and Allied Trades, were comfortable with its narrow scope.

An Advisory Committee, appointed by Chair Galarza and composed of Board Members Diana Love and Henry Nutt III, met on November 7, 2025, to discuss how to proceed. A key concern is whether tasks like surface preparation and protective coatings fall under the exemption. Additionally, some contracts include decorative elements such as ironwork or tile, which clearly would not be exempt under the bill. To address these issues, a stakeholder meeting is being planned, tentatively for the third week of December 2025, to gather input from various groups. The goal is to clarify which work is exempt and which is not, and to ensure awarding agencies do not mistakenly issue contracts for work that requires a license. Ideally, the stakeholder meeting would take place before the December 11 Board Meeting, so the Board can review and approve the direction CSLB will take.

Following Board approval, CSLB plans to issue an Industry Bulletin and public guidance to clearly communicate the scope of the muralist exemption and prevent misinterpretation by public agencies or contractors.

DCA Legal Counsel John Kinn agreed that holding a stakeholder meeting and issuing a bulletin before the end of the year is essential. He stated this would help prevent inconsistencies in how the new muralist exemption law is applied once it takes effect, ensuring clarity for both licensing and contracting agencies.

**Committee Member Comment:**

Chair Galarza expressed concern about potential misuse of the muralist exemption, suggesting that an unscrupulous property owner might claim an entire building is a mural to avoid licensing requirements for extensive surface preparation. He warned this could be used as a workaround to bypass contractor licensing laws, even if the building hadn't been painted in decades.



Member Mark suggested inviting a representative from the bill author's office to the upcoming stakeholder meeting, since they were responsible for drafting the legislation. He noted that most relevant individuals from a prior meeting are already on the stakeholder list but recommended including the author's office as well.

Registrar Fogt agreed to consider this and follow up on the recommendation.

Public Comment:

There was no comment.

*Board Member Rodney Cobos joined the meeting at 9:30 a.m.*

**G. Update Regarding Analytical Study on Unlicensed Practice and Resource Need**

Chair Galarza moved on to Agenda Item G for an update regarding the analytical study of unlicensed practices and the resources needed to address them. The presentation was introduced by Thuc Nguyen, PhD., manager of CSLB's Exam Development Unit (EDU). Manager Nguyen has 28 years of academic and professional research experience and has authored or co-authored more than 10 government and university publications, including work in top marketing journals. Her team includes a PhD and five staff members with master's degrees, all with significant research backgrounds.

Manager Nguyen presented CSLB's research plan to analyze unlicensed contractor activity in California and assess the resources needed to address the issue. She said the primary goals of the project are to estimate the number of unlicensed contractors, determine the enforcement resources required, and develop outreach strategies to educate consumers and industry stakeholders on the benefits and legal requirements of licensure.

To estimate the number of unlicensed contractors, the team will compare business license data from selected cities with CSLB's database of active licensed contractors. The difference between the two will help estimate the number of unlicensed contractors in the sample, which will then be used to project statewide figures. Second, enforcement data will be analyzed by calculating the ratio of unlicensed to licensed cases and applying that ratio to the total number of active licensed contractors. Third, Manager Nguyen noted the team will monitor online advertising platforms such as HomeAdvisor, Angi (NGS), and Craigslist, comparing ads that include license numbers with those that do not. These ratios will also contribute to the final statewide estimate.

In addition to data analysis, Manager Nguyen stated the project includes a consumer outreach component. The team will conduct surveys with individuals who filed complaints with CSLB within the past year to understand how, when, and why they chose licensed or unlicensed contractors. A wildfire-based survey will also be conducted on similar topics. Furthermore, expert opinions will be gathered from



consumer advocacy groups like the National Housing Law Project, as well as from industry leaders and organizations such as the California Building Officials Association.

Manager Nguyen concluded the project will culminate in a public report that presents the estimated number of unlicensed contractors, identifies factors influencing consumer choices, and recommends outreach strategies and enforcement resources.

Registrar Fogt clarified that the agenda item was introduced to explain the shift in how the unlicensed contractor study will be conducted. Originally, CSLB had a contract with Sacramento State University's Population Research Center (PRC) to perform the study, but PRC withdrew; however, when they withdrew, PRC recommended another unit within Sacramento State to take on the work. CSLB determined pursuing that option would require negotiating and executing a new contract. CSLB's internal staff, specifically the Exam Development Unit, has stepped in and developed the current research proposal. The team has comparable academic qualifications and is motivated to complete the study in a timely manner. The purpose of this agenda item is to seek Committee input on whether to proceed with internal staff or to pursue a new contract with Sacramento State.

Committee Member Comment:

Chair Galarza thanked Registrar Fogt for the summary and invited Committee Members to share their input. He personally expressed strong confidence in Manager Nguyen and her team, praising their diligence and long-standing involvement in test development. Based on their credentials and experience, Chair Galarza believes CSLB has the necessary internal expertise to successfully conduct the unlicensed contractor study and produce reliable, high-quality research without needing to outsource the work.

Member Guy agreed with the Chair's opinion, stating that CSLB is fully capable of conducting the study in-house and should proceed with that approach.

Member Mark stated it's unfortunate that the Sacramento State contract could not continue, especially given how long the Board has been discussing unlicensed activity, as it remains one of the strategic goals. However, he noted there is confidence that in-house staff can complete the research in a timely manner. Two key questions were raised: first, if the Board and Committee decide to move forward, what would be the lead time for delivering a finalized report? Second, could the outreach campaign be expanded to include additional stakeholders such as compliance groups and contractor associations who have valuable knowledge and a vested interest in addressing unlicensed activity? Additionally, he suggested that the study should also explore the extent of unpermitted work occurring during the same timeframe, as this issue often overlaps with unlicensed activity.

Manager Nguyen explained that the project is expected to be completed by July 2026. In response to the second question, the team will seek expert input and include any stakeholder groups deemed necessary, and members are encouraged to share suggestions. Regarding the permit-related data, once the initial phase on unlicensed



contracting is complete, the team can move quickly on the permit analysis since the methodology will already be established. That portion of the work could be completed within one to two months.

Member Mark acknowledged the projected July 2026 completion date and said he appreciated the plan to include outreach to compliance groups and contractor associations. He also noted that while not all unlicensed contractors are tied to unpermitted work, the two issues often overlap, making it logical to examine them together during the research. Member Mark concluded by thanking the team for their responses.

Registrar Fogt clarified that this item was for discussion only and not up for a vote but added the key takeaway is that the Executive Committee generally supports staff moving forward with the work.

Member Cobos expressed support for keeping the project in-house, noting that outsourcing would still require CSLB staff involvement, potentially doubling the workload.

*Member Miguel Galarza's connection was lost during the meeting.*

Vice Chair Alan Guy assumed the Chair's duties until Chair Galarza reconnected to the meeting.

Public Comment:

There was no comment.

**H. Adjournment**

*Meeting adjourned at 9:44 a.m.*





# CONTRACTORS STATE LICENSE BOARD

## COMMITTEE MEETING SUMMARY REPORT

### **Enforcement Committee Meeting Summary Report – November 17, 2025**

#### **A. Call to Order, Roll Call, Establishment of Quorum, and Chairs Introduction**

Enforcement Committee Chair Michael Mark called the meeting of the Contractors State License Board (CSLB) to order on Monday, November 17, 2025, at 10:03 a.m., via Microsoft Teams. A quorum was established.

#### Committee Members Present

Michael Mark, Enforcement Committee Chair  
Joël Barton  
Rodney Cobos  
Henry Nutt III  
Jim Ruane  
Thomas Ruiz

#### CSLB Staff Present

David Fogt, Registrar  
Estelle Champlain, Chief Deputy Registrar  
Steve Grove, Chief of Enforcement  
Carol Gagnon, Chief of Licensing and Examinations  
Rebecca May, Chief of Legislation  
Katherine White, Chief of Public Affairs  
David Gower, Public Affairs Supervisor  
Andrew Esch, Multiple Offender Unit Supervisor  
Michael Jamnetski, Special Projects Manager  
Katie Carrasco, Executive Office Technician

#### DCA Staff Present

John Kinn, DCA Legal Counsel

#### Members of the Public Present

Davi Rodrigues  
Garrett Horton  
Ean Bezemer

Chair Mark stated that the purpose of the meeting was to provide the Committee with important updates on the Enforcement Program, and reminded participants that only Committee members could engage in discussion and that the meeting would be information only due to the virtual format.



**B. Public Comment**

Chair Mark introduced the public comment for items not on the agenda. Chair Mark advised that public comments would be limited to three minutes each. He reminded the Committee that state law prohibits Committee members from discussing matters brought up during public comment and that the Committee is not allowed to act on any items not on the agenda. He noted that if a member has an item they would like the Committee to consider for discussion, they may request that it be added to the agenda for a future meeting. Chair Mark reminded attendees that if they have an application, complaint, or disciplinary charges pending before the Board, they should refrain from discussing the details of their case or pending complaint during the meeting. Chair Mark asked Committee members, online participants, and the public if they had any agenda item requests for future Committee meetings.

Committee Member Comment:

There were no Committee member comments.

Public Comment

Davi Rodrigues addressed the Committee and expressed concerns regarding various municipalities, particularly in Sacramento County, that he asserted were engaging unlicensed contractors. He stated that he has been raising this issue for several years and is frustrated that no significant action has been taken. Mr. Rodrigues stated that some of these contracts involve substantial amounts — totaling in the hundreds of thousands of dollars — and yet, according to him, the issue remains unaddressed. He noted that while CSLB has conducted sting operations and taken enforcement action against individuals for lesser violations, similar accountability has not been applied in these larger cases. Mr. Rodrigues urged the Board to investigate.

**C. Review and Discussion Regarding Implementation of Civil Penalty Increase Provided by Senate Bill 779 (Archuleta)**

Chair Mark provided an update on Senate Bill (SB) 779, recently passed by the state Legislature, with effective date July 1, 2026. He explained that this legislation will significantly enhance CSLB's ability to enforce contractor license law and protect consumers.

The bill raises the minimum civil penalties for all violations of the Business and Professions Code. Previously, many of the 62 sections most frequently cited by CSLB investigators carried a minimum civil penalty of only \$100, despite maximum penalties ranging up to \$30,000. These low minimums often resulted in reduced penalties during appeals, weakening their deterrent effect. SB 779 increases the minimum penalty to \$500 for the majority of Business and Professions Code violations, and to \$1,500 for the following five specific sections:



- §7110 – Failure to obtain a building permit; also used for labor and safety law violations.
- §7114 – Aiding and abetting unlicensed contractors.
- §7118 – Contracting with an unlicensed entity.
- §7125.4 – Use of employee labor without a valid workers' compensation policy.
- §7028.7 – Contracting without a license.

CSLB is authorized to adjust the minimum civil penalties every five years based on the Consumer Price Index. This provision ensures that penalties remain a meaningful deterrent over time.

The bill also increases CSLB's maximum authorized reserve fund from six months to 12 months of annual Board expenditures. Chair Mark emphasized the importance of maintaining a strong fiscal position to support the Board's operations and mission. He acknowledged Budget Manager Stacey Paul for her diligence in maintaining the current six-month reserve.

Chair Mark explained the next steps for implementation will include internal coordination within Enforcement staff. Enforcement Chief Steve Grove will meet with Citation Enforcement Services staff to discuss the legislative intent and new statutory authority to increase penalties. In addition, Legal Action Deputy Heather Young will monitor proposed decisions from Administrative Law Judges to ensure that civil penalties are not reduced below the new minimums.

Chair Mark concluded his update by expressing appreciation to Senator Bob Archuleta and his staff for their efforts in drafting and advancing SB 779 through the legislative process. He also thanked CSLB staff and the Enforcement Committee for their continued dedication to strengthening enforcement efforts.

#### Committee Member Comment:

There were no Committee member comments.

#### Public Comment

Ean Bezemer, a licensed C-7 contractor located in Clovis, CA, expressed concern about the impact of gig work platforms — specifically Field Nation — on licensed contractors. He asserted that such platforms often broker and manage entire projects, dispatching unlicensed and uninsured individuals to perform regulated work at significantly lower rates. Mr. Bezemer stated that this practice undermines legitimate contractors who comply with licensing, insurance, and labor requirements, making it fiscally impossible to compete. He claimed to have personally lost hundreds of thousands of dollars to work that was routed to Field Nation and he stated that he has made multiple complaints with the Statewide Investigative Fraud Team (SWIFT). Mr. Bezemer stated that CSLB does not have the tools necessary to address this. He stated that the issue is systemic and called on CSLB, and specifically SWIFT, to explore



ways to hold platforms like Field Nation —and the contractors who use them — accountable.

Garrett Horton, a third-generation contractor from Southern California, expressed interest in sharing suggestions to improve the contractor application process. Chair Mark stated that Mr. Horton's comments may be better addressed to the Licensing Committee Meeting, scheduled for the following day. Mr. Horton agreed to address his comments to the Licensing Committee.

#### **D. Update Regarding Establishment of Multiple Offender Unit**

Chief Grove provided an overview of the Multiple Offender Unit (MOU), which was launched as a pilot program in 2023 in response to a growing number of contractors with ten or more open complaints. At its peak, CSLB had over 900 open solar-related complaints. The MOU was created to streamline enforcement by bypassing CSLB's Intake and Mediation Centers. As such, contractors with ten or more complaints were notified that CSLB would not mediate their disputes and those contractors were given 30 days to resolve their complaints. Unresolved complaints would then be investigated by a single investigator assigned to their cases, and legal action pursued upon confirmation of violations.

The MOU has alleviated excessive caseloads in the Investigative Centers and made great progress toward achieving its objective of reducing the number of operating licensees who have generated multiple complaints or have engaged in egregious acts. Due to its success, the MOU expanded its outreach in July 2025 to include contractors with 5 or more open complaints.

Chief Grove explained that the MOU was initially staffed by two investigators on loan from their respective Investigative Centers. In July 2024, two retired annuitants, both former CSLB investigators, joined the unit part-time. To support the growing caseload, Enforcement acquired three positions from the Licensing Division and created three Associate Governmental Program Analyst (AGPA) roles. By June 2025, the MOU became a formal unit within the Enforcement Division, with two of the AGPA positions filled (one in Sacramento and one in Norwalk). Recruitment began for a supervisor, Office Technician, and three Special Investigators. In September, the third AGPA position was filled, and shortly thereafter, Andrew Esch was hired as the unit's supervisor. Mr. Esch introduced himself and provided a brief overview of his background with CSLB and his plans for leading the unit.

From July 2023 through October 2025, Chief Grove noted the MOU handled over 1,624 complaints, successfully closing 1,099 of them. During this period, the unit filed 23 accusations, which collectively involved 88 consumer complaints. As of November 2025, eight licensees named in these accusations have had their licenses revoked or placed on formal probation. These eight cases involved a total of 29 complaints,



averaging approximately four complaints per accusation. Since January 2025, the MOU has completed 377 investigations.

Chief Grove stated the number of contractors assigned to the MOU with 10 or more open complaints has dropped from 100 to nine, and there are six contractors who have five to nine open complaints. While solar-related complaints dominated early caseloads, recent trends show a shift toward accessory dwelling unit projects.

Chief Grove concluded by noting that a review of all CSLB's open complaints shows 38 contractors with more than 5 or 10 open complaints against them. CSLB staff continue to review contractors with multiple complaints for potential referral to the MOU, and in some cases, MOU staff assist with investigations already in progress.

Committee Member Comment:

Chair Mark commended the work of the MOU, noting that it is eye-opening to see individual contractors with multiple open complaints. He emphasized that CSLB's core mission is to protect California consumers and that addressing egregious offenders quickly is essential.

Registrar David Fogt added that CSLB is taking a very strong stand against contractors who are front-loading contracts and that the MOU is well equipped to address these complaints.

Public Comment

There were no public comments.

**E. Review of 2025 NASCLA National Coordinated Effort**

Chief Grove provided an overview of CSLB's participation in the 2025 National Association of State Contractor Licensing Agencies (NASCLA) nationwide enforcement operation that was held from October 13-24. The enforcement effort aimed to raise public awareness and reinforce the role of state regulatory agencies in protecting consumers and promoting fair competition in the construction industry.

CSLB's SWIFT joined 13 other states (Alabama, Arizona, Arkansas, Connecticut, Florida, Michigan, Mississippi, Nevada, North Carolina, Oregon, Texas, Utah, and Washington) to conduct proactive enforcement and outreach activities. At the end of the two-week operation, each state submitted a press release highlighting their accomplishments. NASCLA also disseminated a nationwide press release covering the joint effort. On November 3, 2025, both the CSLB and NASCLA press releases went out and are available on the CSLB website.

Chief Grove shared that nationwide results included 2,936 jobsite visits and 922 cases opened related to potential violations of state licensing laws. During the operation, CSLB conducted three sting operations in San Joaquin, Kern, and San Diego counties, resulting in 19 administrative citations and 26 referrals to local district attorneys for



criminal prosecution. The highest unlicensed bid recorded was \$46,000 for a kitchen and bathroom remodel — well above the legal limit of \$1,000 for unlicensed work. In addition, SWIFT conducted sweep operations across 17 counties, performing 454 job site inspections. These efforts led to 28 district attorney referrals, 99 citations to licensees, 24 citations to unlicensed individuals, 13 letters of admonishment, 27 stop work orders for lack of workers' compensation insurance, and 99 advisory notices for minor violations.

Chief Grove commended the SWIFT team, led by Program Manager Winston Horn, for their dedication and hard work.

Committee Member Comment:

Chair Mark acknowledged that nearly 500 of the 3,000 job site inspections nationwide were conducted by SWIFT. He emphasized the importance of SWIFT's proactive enforcement role and expressed support for increasing resources to expand the team.

Member Rodney Cobos inquired whether the NASCLA operation uncovered any contractors who had violations across different states. Chief Grove replied that CSLB does not research that – and clarified that each state reports their stats only and that NASCLA reports on nationwide findings.

Public Comment

There were no public comments.

**F. Adjournment**

*The Enforcement Committee meeting adjourned at approximately 10:43 a.m.*



# CONTRACTORS STATE LICENSE BOARD

## COMMITTEE MEETING SUMMARY REPORT

### Public Affairs Committee Meeting Summary Report – November 17, 2025

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

Public Affairs Committee Chair Diana Love called the meeting of the Contractors State License Board (CSLB) Public Affairs Committee to order on November 17, 2025, via Microsoft Teams teleconference, at 11:00 a.m. A quorum was established.

##### Committee Members Present

Diana Love, Chair  
Alan Guy  
Jacob Lopez  
Josef Preciado  
Steve Panelli

Mary Teichert and Amanda Gallo had approved absences.

##### CSLB Staff Present

David Fogt, Registrar  
Estelle Champlain, Chief Deputy Registrar  
Katherine White, Chief of Public Affairs  
Carol Gagnon, Chief of Licensing and Examinations  
Steve Grove, Chief of Enforcement  
Rebecca May, Chief of Legislation  
Michael Jamnetski, Special Projects Manager  
David Gower, Public Affairs Supervisor  
Amy Lawrence, Television Specialist  
Natalie Watmore, Information Officer  
Katie Carrasco, Executive Office Technician

##### DCA Staff Present

John Kinn, DCA Legal Counsel

Public Affairs Supervisor David Gower served as the host and moderator. Chair Love reviewed participation guidelines and noted that a summary report that will be provided to the full Board at the December 11, 2025, Board meeting.

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

Chair Love opened the public comment section, explaining that comments could be made on matters not listed on the agenda. She reminded attendees that committee members cannot discuss or act on those items during the meeting, consistent with state law. She also advised the public not to discuss pending applications, complaints, or disciplinary matters.

**Committee Member Comment:**

There were no Member comments.

**Public Comment:**

There were no public comments.

**C. Presentation of Updated Accessory Dwelling Unit Video**

Chair Love introduced the agenda item regarding CSLB's updated accessory dwelling unit (ADU) video. Chief of Public Affairs Katherine White described the updates and shared that many Californians are interested in building ADUs but do not know where to begin. The new video provides "Quick Tips" to help consumers navigate permits, hiring requirements, and payment restrictions. The video serves as a complement to the previous ADU video featuring Member Steve Panelli and connects viewers to CSLB's "Fast Facts: Tips for Building a Residential ADU" publication.

The video was played for the Committee, which can be viewed on [YouTube](#).

**Committee Member Comment:**

There were no Member comments.

**Public Comment:**

There were no public comments.

**D. Review and Discussion Regarding Disaster Response Modernization Plan**

Chair Love introduced the discussion on the Disaster Response Modernization Plan, which was recently used in response to the Los Angeles County wildfires that began in January. As directed by the plan, Public Affairs staff have been continuously updating the Disaster Help Center on CSLB's website to provide resources for survivors and contractors. These updates assist consumers in researching licensed contractors, reporting unlicensed activity, reviewing contract requirements, and understanding payment protections.

Chair Love invited comments from Committee Members regarding additional improvements to the Disaster Help Center. There were none.

Chief White continued the discussion by highlighting CSLB's recent disaster outreach efforts. CSLB staff participated in a Los Angeles County Public Works Rebuilding Workshop in September and a Catholic Charities case management event in October, providing guidance to survivors on proper contractor hiring practices and reconstruction requirements. Enforcement personnel also staffed the Eaton Fire Collaboratory in October and distributed publications, including Terms of Agreement and "Fast Facts: Rebuilding After a Disaster."



Chair Love noted that a full update on the Disaster Response Modernization Plan will be presented to the Board at its December meeting.

Committee Member Comment:

There were no Member comments.

Public Comment:

There were no public comments.

## **E. Update Regarding Website Improvements**

Chair Love introduced this update regarding ongoing improvements to the CSLB website. Public Affairs is reviewing the entire website to determine which pages need updates, particularly those related to licensing workshops, guides, and publications. The team is reorganizing the “Guides and Publications” page to make it more user-friendly for consumers and contractors.

Additionally, a larger website mapping project is underway to identify outdated or duplicative pages that may be removed or consolidated. Public Affairs is working with Information Technology and other divisions to evaluate pages that have not been updated or heavily used, ensuring resources remain relevant and accessible. These efforts will continue into the new year.

Committee Member Comment:

There were no Member comments.

Public Comment:

There were no public comments.

## **F. Review and Discussion Regarding Career Opportunities for Justice-Involved Individuals**

Chair Love introduced the agenda item addressing career opportunities for justice-involved individuals — defined by DCA Legal as individuals who have interacted with the criminal justice system as defendants. The Committee discussed how CSLB can support these individuals after their release and before they become eligible for licensure. Chair Love noted that during this period, they may work toward gaining the required experience needed for licensure, and CSLB will later evaluate their work history, rehabilitation progress, and compliance with parole or probation.

Public Affairs is preparing a new section on CSLB’s website titled “Justice-Involved Individuals Information,” which will appear under the “Important Links” page. The section will include information and links to organizations such as the California Prison Industry Authority, the State Building and Construction Trades Council’s pre-apprenticeship programs using the MC3 curriculum, Second Call, Second Chance, The





Last Mile, and other training programs. Public Affairs will also contact the California Department of Corrections and Rehabilitation to coordinate on resource sharing. The updates will be finalized ahead of the December Board meeting.

Committee Member Comment:

Chair Love suggested reaching out to wardens across the state to share information about pathways into the construction industry.

Member Panelli recommended contacting the United Association as an additional resource for justice-involved individuals.

Public Comment:

There was no public comment.

**G. Adjournment**

*The meeting was adjourned at 11:30 a.m.*



# CONTRACTORS STATE LICENSE BOARD

## COMMITTEE MEETING SUMMARY REPORT

### Licensing Committee Meeting Summary Report – November 18, 2025

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

Licensing Committee Chair Henry Nutt III called the meeting of the Contractors State License Board (CSLB) Licensing Committee to order on November 18, 2025, at 9:12 a.m. via Microsoft Teams teleconference. A quorum was established.

#### Committee Members Present

Henry Nutt III, Chair  
Amanda Gallo  
Alan Guy  
Jacob Lopez  
Jim Ruane

Mary Teichert and Steve Panelli had approved absences.

#### CSLB Staff Present

David Fogt, Registrar  
Estelle Champlain, Chief Deputy Registrar  
Carol Gagnon, Chief of Licensing and Examinations  
Rebecca May, Chief of Legislation  
Steve Grove, Chief of Enforcement  
Katherine White, Chief of Public Affairs  
Raju Sah, IT Manager  
Michael Jamneski, Special Projects Manager  
David Gower, Public Affairs Supervisor  
Amy Lawrence, Television Specialist  
Natalie Watmore, Information Officer  
Katie Carasco, Executive Staff

#### DCA Staff Present

John Kinn, DCA Legal Counsel

#### Public Commenters Present

Rick Pires, Basic Crafts  
Phil Vermeulen, Contractors Licensing Center  
Kyle Vermeulen, Contractors Licensing Center

#### **B. Public Comment**

There were no public comments.



### **C. Update and Discussion Regarding CSLB's 2025-27 Strategic Plan**

Chief of Licensing and Examinations Carol Gagnon updated the Committee on staff's research related to Strategic Plan item 1.6 - Identify and educate licensees on the need to maintain current certifications to promote proper installations. Staff researched government and trade association certifications available to all of the trades that CSLB licenses. They determined that while there are many government certifications, registrations, and other licenses, there are only three required by every licensee in specified CSLB trades. The Division of Occupational Safety and Health (DOSH) registration is required for every C-22 Asbestos Abatement licensee holder. The U.S. Department of Housing and Urban Development Manufactured Housing Installation is required for all C-47 General Manufactured Housing contractors. Also, all C-28 Lock and Security Equipment licensees and the D-16 Hardware, Locks, and Safes limited specialty licensees must have a Bureau of Security and Investigative Services locksmith license.

Four other trades have government certifications required depending on the type of work the contractor is doing. These include the Department of Industrial Relations electrician certification for C-10 contractors, the U.S. Environmental Protection Agency universal refrigerant certification for C-20 and C-38 contractors, and the DOSH elevator certification for C-11 contractors.

Chief Gagnon stated staff are not responsible for verifying current certification with other government agencies for all of these classifications; however, she suggested placing a statement on the license history page that would state something to the effect of "This license may also be registered with this other agency. Please click here to search for their registration."

For example, for the C-22 Asbestos Abatement license, every license that currently holds that classification would include a statement at the bottom of their license page stating "This license may also be registered with the Division of Occupational Safety and Health (DOSH). Please click here

<https://www.dir.ca.gov/dosh/acru/acresources.htm> to search for their registration."

Licensees who add the classification to their license would automatically have the statement added to their license page. If they drop the classification, the statement would be removed.

Chief Gagnon said staff also researched trade association certifications and manufacturers' certifications. They found that while many trade associations have certification programs and training available, these are not required for licensees to work in CSLB's trades. These certifications are also often directed at the employees working for the contractor, but not necessarily the contractor themselves. Manufacturers will also require training and/or certification to install certain products



but will require the company to send staff for the training only if they are going to install that product. It is not required for all companies in that field of work. Therefore, Chief Gagnon suggested the focus be on government certifications and registrations only.

Chief Gagnon requested input from the Committee on three items. First, would the Committee like to add the statement (“This license may also be registered with this other agency. Please click here to search for their registration.”) to the license history page for those with a C-22, C-47, C-28 or D-16 license? Second, would the Committee like to add a similar statement to trades where most contractors, but not all, may need certification? Third, should these additional governmental certifications be mentioned in the application instructions, Get Licensed to Build webinar, and the study guides to educate applicants about possible required certifications from other government agencies?

Committee Member Comment:

Member Guy suggested modifying the statement for the C-22, C-47, C-28 or D-16 license with wording saying “This license **must** also be registered with the Division of Occupational Safety and Health (DOSH). Please click here <https://www.dir.ca.gov/dosh/acru/acresources.htm> to search for their registration.” For the other registrations, the statement could be left as “may”. Chair Nutt agreed with this idea.

Public Comment:

Phil Vermeulen agreed with the board members that this is a good idea.

Vermeulen also stressed the importance of continuing education. He felt CSLB’s biggest problem for Enforcement was with home improvement contractors. He said he was pleased that the sample home improvement contract is now available on the website but thinks all contractors who do home improvement work should be required to take annual training about the changes in home improvement contract requirements.

Kyle Vermeulen agreed with the board members that “may” wording would not be clear in the certification statements and the more definitive “must” would be more useful.

Rick Pires also spoke in agreement about using “must” instead of “may” when a certification is required for the entire trade.

Registrar David Fogt stated that it sounds like the Committee is in favor of moving forward with this topic at the next board meeting. It will be added to the board meeting agenda for a vote and staff would include examples in the slides.

**D. Review and Discussion Regarding Pathway from B-2 Residential Remodeling Contractor License to B General Building Contractor License**

Chair Nutt discussed the B-2 Residential Remodeling classification as a possible pathway to licensure for the B - General Building trade. The B-2 trade was created to address two issues. First, some applicants applying for the B General Building trade were rejected because they had no structural or framing experience. Second, unlicensed handypersons were doing jobs consisting of multiple unrelated trades, like changing plumbing fixtures and cabinets in a bathroom and then painting the wall, but these would not qualify them for a license with CSLB or would require multiple specialty classifications. The B-2 license allows licensees to work in three or more unrelated trades and does not allow for structural or framing experience.

Chair Nutt reminded the Committee that the B-2 was first released in August 2021 and said that trade description was written to specifically exclude any structural or behind-the-wall work and was designed to cover the work of a handyperson who worked in multiple trades and wanted to continue doing that work with a license.

Chair Nutt explained that the B trade description qualifies license holders to build homes, commercial buildings, and other structural buildings and that because of the work they do, they must have some structural experience to qualify for the license and sit for the exam. He said DCA Legal Affairs Office has clarified that structural or framing experience is required for applicants to the B trade to avoid the issue of someone doing just plumbing and flooring, or drywall and insulation, and earning a license to build houses.

Chair Nutt explained that the dilemma is that a person who is licensed as a B-2 contractor is specifically excluded from doing the structural or framing work that would let them gain experience necessary to add a B - General Building classification to their license.

Chief Gagnon proposed conducting a survey of the more than 1,300 active, licensed B-2 contractors to determine why they choose B-2 as a trade classification. The survey would determine if it was because this is the work they wanted to do, whether it was to qualify for lower insurance rates, or in the hopes of using the experience to qualify for a B license later on. The survey of B-2 licensees will determine if B-2 licensees intended to have a pathway for a B license or choose the classification for another reason. Once approved, the survey will take about 6 weeks to complete (one to create the survey, four to get responses, and one to calculate the results). Chief Gagnon expected to have results ready for the March 2026 Board Meeting so the board can discuss their options at that time.



If the survey results indicate most licensees did intend to gain experience for a B license, staff proposes adding a new certification that would allow B-2 licensees and other trades to gain experience for the B license in a way that protects the public. The idea is that the new certification would allow certification holders to build garages, sheds, pergolas, patio covers, and other structural work but not houses or home additions. This would allow licensees to gain structural experience to qualify for a B license. The certification would require a certification exam and the Law and Business exam if the qualifier has not already taken it. Because these would be licensed contractors adding a certification, they would already have a \$25,000 contractor's bond, be fingerprinted, and meet other licensing requirements.

Committee Member Comment:

Member Guy asked if B-2 contractors currently take an exam. Chief Gagnon replied that they take a B-2 trade exam created specifically for that classification in addition to the Law and Business exam. Registrar Fogt asked if the B-2 exam contains any structural or framing questions. Chief Gagnon confirmed that it does not because that is not within the scope of the trade.

Member Gallo asked for more information about why a survey is proposed for B-2 contractors. Chief Gagnon replied that CSLB has heard there are B-2 contractors who want to do B work but cannot due to the limitations of the B-2 trade. She said this would be CSLB's way of determining if there is an issue or concern within the general population of the classification. Registrar Fogt stated that one of the contractor licensing services told him there were B-2 licensees that want to add a B classification and cannot qualify and said CSLB wants to do the survey to see if there is an issue.

Public Comment:

Kyle Vermeulen stated he had had one applicant for a B-2 ask if it could be used a pathway to the B. He told the person it could not, so the person got a B qualifier to include with their application.

Phil Vermeulen said he also thought there were B-2 contractors that wanted to add the B.

Kyle Vermuelian asked if 1,300 licensees is a good number. Chief Gagnon replied that it is fairly average. She said there are many small trades like C-11 Elevator and C-4 Boiler that have far fewer licensees, while the B trade has about 106,000 licensees.

**D. Adjournment**

*The Licensing Committee adjourned at approximately 9:43 a.m.*



# CONTRACTORS STATE LICENSE BOARD

## COMMITTEE MEETING SUMMARY REPORT

### Legislative Committee Meeting Summary Report – November 18, 2025

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

Legislative Committee Chair Joël Barton called the meeting of the Contractors State License Board (CSLB) Legislative Committee to order on November 18, 2025, at 10:00 a.m. at CSLB Headquarters in Sacramento, CA, via Microsoft Teams teleconference.

Chair Joël Barton led the Pledge of Allegiance, and a quorum was established.

#### Committee Members Present

Joël Barton, Chair  
Rodney Cobos  
Diana Love  
Michael Mark  
Josef Preciado  
Thomas Ruiz

#### CSLB Staff Present

David Fogt, Registrar  
Estelle Champlain, Chief Deputy Registrar  
Rebecca May, Chief of Legislation  
Carol Gagnon, Chief of Licensing and Examinations  
Katherine White, Chief of Public Affairs  
David Gower, Public Affairs Supervisor  
Michael Jamnetski, Special Projects Manager  
Amy Lawrence, Television Specialist  
Natalie Watmore, Information Officer  
Katie Carrasco, Executive Office Technician

#### Department of Consumer Affairs (DCA) Staff Present

John Kinn, DCA Legal Counsel

#### Public Commenters Present

Phil Vermeulen, Contractors Licensing Center  
Kyle Vermeulen, Contractors Licensing Center  
Rick Pires, Basic Crafts

**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:**

Phil Vermeulen of the Contractors Licensing Center commented that when a qualifier is applying for a license, for the first license (applicants are allowed up to three licenses), they can have zero percent ownership if they provide a \$25,000 qualifier bond. For the second and third licenses, the applicants must show 20 percent ownership, but, according to Mr. Vermeulen, CSLB does not verify this and some qualifiers indicate on the application that they have 20 percent ownership when they do not. Mr. Vermeulen proposed that there should be legislation to allow qualifiers to provide a \$25,000 surety bond in lieu of having 20 percent ownership, as he states this would provide additional consumer protection. He noted that he is willing to work on with CSLB on this matter for the next session of the Legislature.

During his second comment, Mr. Verneulene stated that in 2010, when the industry created the limited liability company (LLC) license in statute, he believes there was an oversight when drafting the language of the bill. To qualify for an LLC license, an applicant must hold a general liability insurance policy. He noted there is no provision of time to obtain a general liability policy, e.g. a “grace period,” and he would like a “grace period” to be applied to the statutory language by way of amendment.

Chair Barton thanked Mr. Vermeulen for his two comments and stated, with regards to the first comment, that CSLB has studied the issue of CSLB’s requirement for qualifying additional contractor licenses under existing law extensively and has raised the issue at two Board Meetings and has held a stakeholder meeting in 2023. Those efforts did not identify a consumer protection value to proposing changes to how qualifiers may serve on additional licenses. If a bill is introduced, the Board will consider the proposed legislation and may take a formal position.

Chair Barton stated, with regards to the second comment, that CSLB included the concern about the issue of general liability insurance related to LLCs in its 2018 Sunset Review report, but the Legislature did not pursue an amendment to support the change.

**C. Update and Discussion Regarding CSLB’s 2025-2027 Strategic Plan**

Chief May noted that CSLB has taken steps to support CSLB’s strategic goal of improving communications with the Legislature in furtherance of CSLB’s mission. She noted the work is critical, not only because legislators shape the laws surrounding CSLB, but because legislators connect CSLB with their constituents. This connection is key to educating the public regarding safe practices for hiring a licensed contractor,





highlighting the work CSLB does to protect consumers, and assisting with applicant and licensee issues.

Chief May reminded the committee that CSLB reviewed numerous non-sponsored bills this year and for each bill the Board chose to support, staff voiced support at Legislative Committee hearings that were open to the public and provided testimony. These active efforts demonstrate CSLB's dedication to engagement with the Legislature and its commitment to the Board's consumer protection mission.

Chief May reported that CSLB's Public Affairs Office has also expanded their outreach to the Legislature by engaging with lawmakers who have not yet hosted a Senior Scam Stopper event, with a focus on reaching underserved communities. Additionally, staff are preparing a meet and greet for Board Chair Miguel Galarza and Board Member Barton with key legislators in early 2026.

Registrar Fogt reported that the National Association of State Contractors Licensing Agencies conference was held in Irvine in September and with Member Diana Love's assistance, they were able to secure State Treasurer Fiona Ma to open the conference. The keynote speaker was Alyson Van Hooser. The "Finding the Middle Ground" panel included California State Senator Roger Niello, who is a Republican and well-respected business leader in Northern California, and Senator Tim Grayson, who is a Democrat and is also a general contractor. More than 170 attendees from more than 40 states attended this discussion where a focus was that regulating contractors is nonpartisan and there is a protection benefit to all consumers.

Committee Member Comment:

There was no comment.

Public Comment:

There was no comment.

**D. Review and Discussion Regarding Identifying Resource Requirements to Support a Workers' Compensation Exemption Audit Process**

Chair Barton stated the Board-sponsored legislation this year related to workers' compensation with Senate Bill 291, which was signed into law and is effective January 1, 2026. This will require CSLB to determine an evidence-based process to verify eligibility for workers' compensation insurance exemptions and report findings to the Legislature by January 1, 2027. He noted that workers' compensation for all with no exemptions begins January 1, 2028.

The Workers' Compensation Advisory Committee comprised of Board Chair Galarza and Committee Chair Barton met recently to discuss how CSLB could determine eligibility prior to authorizing an exemption and what enforcement resources are needed for future compliance. The Advisory Committee's recommendation is for staff to meet



with the State Compensation Insurance Fund, the Department of Insurance, and the Department of Industrial Relations' Division of Labor Standards Enforcement to obtain their exemption prequalifying criteria (that may include a review of financial records, voluntarily providing tax documents, and interviews with license personnel.)

Registrar Fogt added currently, CSLB will discipline a licensee or make a criminal referral for a workers' compensation violation in conjunction with an investigation or a consumer complaint, or as part of proactive enforcement action by CSLB's Statewide Investigative Fraud Team. However, he stated, CSLB does not have staff to perform prequalification audits or prioritize future workers' compensation insurance compliance. He recognized that there are approximately 100,000 licensees that have an exemption on file so it would take additional resources to determine when a licensee qualifies for an exemption by performing a prequalification review.

Committee Member Comment:

Member Love stated she had a question related to the prior item (Item C). She asked for clarification if Senior Scam Stopper was skipped and that she was waiting to hear about the upcoming schedule.

Chief May answered that the Public Affairs staff is reaching out to lawmakers that had not already conducted Senior Scam Stopper events and would update the Board at the December 11 meeting.

Public Comment:

Kyle Vermeulen of the Contractors Licensing Center acknowledged the Board's effort toward workers' compensation requirements. He expressed that there is an inconsistency between D-49 Tree Service contractors and the C-49 Tree and Palm classification in that the D-49 must have workers' comp and the C-49 are not required to. He posited that there should be parity.

Phil Vermeulen of the Contractors Licensing Center expressed that he is frustrated that this issue has been around for so long. He indicated his support for an exemption fee and recommended that CSLB should require licensees requesting an exemption to pay for the audit.

**E. Review and Discussion Regarding Proposed Legislation: Require Hazardous Substance Certification to Conduct Debris Removal in a Declared Disaster Area.**

Chair Barton stated that staff are seeking the Committee's feedback on a proposal to require hazardous substance certification to perform debris removal in a declared disaster area. With the Committee's feedback, staff will draft a legislative bill proposal for the full Board's review and approval at the December quarterly meeting and if approved, will seek a legislator to propose the bill on CSLB's behalf in 2026.

Chief May explained that Senate Bill 641 (Ashby), which was proposed this year would have allowed all programs under the Department of Consumer Affairs (DCA) to waive



certain licensing requirement when a state of emergency is declared following a disaster. The bill also contained provisions related to the Department of Real Estate (DRE) making determinations of unlawful or fraudulent practices during a declared emergency. Specific to CSLB, SB 641 would have confirmed that contractors cannot engage in debris removal in a declared disaster area unless they hold an A, B, or both a C-12 and C-21 license and have passed a CSLB Hazardous Substance Removal Certification examination.

Chief May reported that SB 641 passed the Legislature but was vetoed by the Governor due to the DRE provisions being too broad and the DCA provisions being unnecessary.

Chief May further stated that the veto was not related to the CSLB provisions and therefore the draft proposal before the Committee is significantly narrower in scope than SB 641.

Committee Member Comment:

Member Preciado asked for confirmation that there isn't a current designation for when there is a need for hazardous substance removal so legislation would allow for those designations that were mentioned earlier.

Chief May confirmed that is correct.

Public Comment:

Rick Pires of Basic Crafts stated it has always been his belief that the B - General Building classification can only be used if the contractor is going to rebuild a type of residence or commercial building after removing the debris and asked if that is still correct.

Registrar Fogt replied that this proposal came about in coordination with Los Angeles County officials who were faced with an urgent need to support extensive debris removal after the wildfires. There are over 20,000 B contractors available. Los Angeles County officials determined that B contractors with the Hazardous Substance Removal certification were appropriate and they needed to be eligible to perform the work. He explained that the number one complaint CSLB receives regarding debris removal is unprotected workers. Therefore, requiring that B contractors engaged in debris removal in disaster areas have Hazardous Substance Removal certification would increase public protection because the certification process itself is designed to make the contractor aware of the importance of obtaining HAZWOPER training for their workers.

**F. Adjournment**

*Meeting adjourned at 10:42 a.m.*



## AGENDA ITEM D-2

### Registrar's Report

- a. Los Angeles County Disaster Response Update
- b. Enforcement Audit Review and Recommendations
- c. Update Regarding Analytical Study on Unlicensed Practice and Resource Needs
- d. Review and Discussion Regarding Construction Lending Issues







### Los Angeles County Disaster Response Update

CSLB continues its daily efforts to support the disaster response efforts in Los Angeles County following the Eaton and Palisades fires in January 2025. CSLB staff have reported its 2025 wildfire assistance efforts in Los Angeles County at each of its Board meetings and executive committee meetings. A detailed description of staff's consistent dedication to enforcement, outreach, and education in the wildfire areas is on page 85 of the [June 13, 2025 Quarterly Board Meeting Packet](#) and verbal updates were provided at the September 2025 meeting.

For the December 2025 Board meeting, staff will provide verbal updates to the Board on its efforts, partnerships and outreach regarding the following:

- The Los Angeles County District Attorney's Office's collaboration with CSLB at a recent undercover operation in the Southern California disaster recovery areas (location not disclosed). CSLB anticipates a press release to be issued December 11, 2025.
- CSLB's ongoing partnership with Los Angeles County Department of Public Works in Rebuilding with Licensed Contractors Workshops: [Workshops – LA County Recovers](#).
- Partnership with LA County Recovers in developing licensed contractors and industry professionals list: [Licensed Contractors and Industry Professionals List – LA County Recovers](#)
- Interagency rebuilding task force meetings.
- [Disaster Help Center](#) on CSLB home page, resources for consumers, disaster survivors, contractors, and media.
- The LA County Recovers Permitting Progress Dashboard, which is updated regularly and available at: [Permitting Progress Dashboard – LA County Recovers](#).
- Revised [Rebuilding After a Disaster Fast Facts](#) that were published in Spanish, Chinese, Tagalog, Korean, Vietnamese, and Armenian last summer.
- Staffing or mailing materials to rebuild centers and virtual meetings on hiring a contractor for Pasadena and Altadena (Eaton and Palisades Fire).
- Disaster case management webinar with Catholic Charities (October 6, 2025).
- Partnership with Cal OES on outreach and representing CSLB at Eaton Fire Housing Committee and Palisades Construction Committee.
- Registrar presentation at Virtual Rebuilding Summit for Eaton and Palisades Survivors (November 15, 2025).



### Enforcement Audit Review and Recommendations

In January 2025, the CSLB Executive Office informed Department of Consumer Affairs Labor Relations that it would perform a statewide audit of closed enforcement investigations. The purpose was to identify complaint filing trends and training needs. An additional goal was to perform the workload study requested by the California Statewide Law Enforcement Association (CSLEA).

### Data and Analysis – 346 Cases (Retired Annuitant Auditor)

CSLB assigned a retired annuitant (RA) Staff Services Manager with investigation experience to collect data, identify trends, and determine if CSLB is effectively addressing core values relating to home improvement payment restrictions, permit compliance and workers compensation requirements in the investigation of consumer complaints.

The RA audited 346 randomly selected complaints closed between October and December of 2024 in 12 investigation centers (Fresno, San Diego, San Francisco, Sacramento North and South, Valencia, Norwalk, Orange County, Special Investigations Unit, Quality Assurance, West Covina and San Bernardino).

### Workload Study – 92 Cases (CSLB Audit Committee)

On September 26, 2025, an audit committee of six CSLB Enforcement and Executive management staff performed a forensic review of 92 of the 346 cases to focus on time and motion of the tasks performed and how long they should take.

### Preliminary Conclusions

- **Many of the Special Investigators (SIs) are not properly documenting all investigative tasks and time spent on the approved SI Notes form:** Supervisors need to review the SI notes when conducting case reviews and when reviewing a case for closure and ensure that the SIs are following procedures for documenting all investigative tasks.
- **Fewer site visits are required because violations are changing:** For many years consumer complaints focused on workmanship and abandonment, for which a site visit by the SI and/or industry expert were critical.
  - Today, many consumer complaints include financial issues, such as requesting and accepting excessive down payment and progress payments and performing little or no work.
  - As a result, SIs are performing fewer site visits as these violations can be established with a “desk investigation.”





- **Weighted closing average of 8 complaints per month is attainable and many SIs close more.**
  - CSLB SIs assigned to the 10 primary Investigation Centers (not including Special Investigation Unit and Quality Assurance) have achieved a weighted closing average of **8.6 complaints per month** for the past 40 months (July 2022 through October 2025).
  - 8 complaints per month per SI is achievable and realistic for the average CSLB I based on the complaint audit review. Many SIs close more than 8 a month; the Investigation Centers **closed 9 or more per month 60 percent of the time**.
  - Special Investigations Unit and Quality Assurance averaged 6.5 complaints closed per month over the 40 months. These Investigation Centers are assigned more complex cases and often assigned priority cases at the last minute, all of which can reasonably be expected to result in longer investigation timelines.
- **Training is needed.** There is a need for training on financial crimes to ensure consistency statewide in how investigations are performed and documented, including:
  - Refresher on how to support violations for contract frontloading and accepting money in advance of work performed
  - Refresher training for Investigation Center supervisors on what to look for when reviewing case closures
  - Standardized supervisor review of egregious complaints for early public disclosure pursuant to Business and Professions Code section 7124.6 (a)(2)
- **Staffing Considerations:** Hiring a forensic auditor to assist in establishing felony diversion of construction funds.
- **Enforcement Modernization Plan:** Secure funding to hire a consultant to automate and standardize the report format and implement enhanced document sharing capability.



### **Update Regarding Analytical Study on Unlicensed Practice and Resource Needs**

A 2022-2024 Enforcement Strategic Plan Item was to research the scope of unlicensed practice, evaluate allocated enforcement resources, and meet with industry stakeholders to review enforcement strategies. CSLB's study of unlicensed practice and resource needs has met with numerous delays in its efforts to execute a contract with a university.

### **Scope of Study**

Conduct research to determine the scope of unlicensed contracting in California and provide CSLB with the following:

- Recommended methods to encourage individuals to apply for a license;
- Recommended methods for outreach to local government and communities where unlicensed practice is more prevalent; and

Conduct research to determine CSLB resource needs to effectively respond to consumer protection needs relating to unlicensed activity as well as general enforcement activity during declared natural disasters (wildfire, flood, earthquake, etc.) in California to include:

- Analysis of CSLB ability to staff disaster recovery centers (DRCs/federal and state) and local assistance centers (LACs/state and local);
- Evaluation of resource needs and allocation to provide a timely response to disaster-related egregious and/or criminal activity.

### **Status Update**

In December 2022, the Board approved \$75,000 to hire consultant(s) to conduct this analysis. On October 5, 2023, the Request for Proposal (RFP) was released.

The RFP did not result in any responsive bids by the final filing date. On December 13, 2023, the Board approved a motion to increase the amount of available funds for this effort from \$75,000 to \$200,000. During the process of reposting the RFP, the Department of Finance Budget Letter (BL) 23-27 was released, enacting an expenditure freeze and requiring state agencies to justify any proposed new expense as mission critical.

In May 2024, CSLB requested an exemption from the BL 23-27 expenditure freeze so the study could be performed. Upon reviewing CSLB's request, DCA recommended CSLB seek a different approach that could be more beneficial for the outcome of the study, such as working with a university.

In September 2024, CSLB engaged California State University Sacramento (CSUS) and agreed to a contract execution date of February 3, 2025, for CSUS' Population Research Center (PRC) to perform the work; however, upon DCA review of the proposal, it was determined the contract required additional review by the Department of General Service (DGS).

The CSUS contract was executed on June 24, 2025, with a term from July 1, 2025, through June 30, 2026. Shortly after this PRC notified CSLB that it was unable to work on the CSLB contract and would like to have the CSUS Institute for Social Research (ISR) take over the project. CSLB attempted to amend the contract; however, ISR requested a new contract. CSLB elected not to pursue a new contract.



In October 2025, CSLB identified two internal staff who hold advanced research degrees and relevant skills to perform the study internally. The staff can produce a report by mid-2026, which will result in \$200,000 cost savings for the state.

At the November 17, 2025, Executive Committee Meeting, members expressed support for the study to be performed internally, during a non-voting discussion of an agenda item on this topic.



### Review and Discussion Regarding Construction Lending Concerns

CSLB attributes a recent increase in accessory dwelling unit (ADU) complaints and an increase in residential solar energy system complaints prior to that to contractors requesting and accepting money up front and performing little or no work.

When the money is secured by a construction loan from a bank or nonbank lender, the consumer is left to make the payments. Lenders contribute to the problem by working and developing relationships with contractors who utilize predatory practices that include paying the contractor for work not performed or negotiating multiple loans for the same specific work. Often, when a consumer cannot resolve a dispute with the contractor, the lender simply disclaims any responsibility for the resulting financial harm.

In 2021, CSLB assisted with legislation to prohibit a contractor from accepting money up front from a financier (Senate Bill 757 (Limón), Chapter 249, Statutes of 2021). The bill did little to curb the practice. Two recent bills have attempted to address this exact practice and failed due to financial and construction industry opposition:

- [SB 784 \(Durazo, 2025\)](#): regulates home improvement loans and extends the time periods by which a consumer may cancel a home improvement or solicitation contract.
- [AB 2993 \(Grayson, 2024\)](#): adds requirements and restrictions related to home improvement contracts and a certain category of financing offered to consumers to pay for such improvements.

Legislative proposals in this area will need to be clearly defined as to what problem it is trying to address. Possible areas to review:

- **Partnership with other agencies:** The California Department of Financial Protection and Innovation (DFPI) regulates non-bank lenders that issue construction loans. Its jurisdiction is like CSLB in that it can issue administrative orders and bring civil actions. This can result in penalties, fines, the revocation of professional licenses and consumer relief such as restitution or rescission of contracts. DFPI does not regulate the transaction if the money is federally insured; it may be necessary for staff to reach out to the U.S. Consumer Financial Protection Bureau.
- **Performance and Payment Bond Requirements and Joint Controls:** Shall CSLB further publicize its authority in Business and Professions Code section 7159.5 that allows home improvement contractors to take all the money up front if there is a blanket and performance bond on file or a joint control? This section of law does not prescribe any requirements for blanket bonds or joint controls. CSLB has regulations for blanket bonds but not joint controls.

## AGENDA ITEM D-3

### Advisory Committee Reports

- a. Update Regarding Muralists Exemption Resulting from Senate Bill 456 (Ashby)
- b. Review and Discussion of IT Advisory Committee Recommendation Regarding CSLB Mobile Application and Enforcement Modernization Plan







# CONTRACTORS STATE LICENSE BOARD

## ADVISORY COMMITTEE MEETINGS SUMMARY REPORTS

### Advisory Committee Meetings Summary Reports

#### **A. Update Regarding Muralists Exemption Resulting from Senate Bill 456 (Ashby)**

Registrar David Fogt called the meeting of the Contractors State License Board (CSLB) Muralist Exemption Advisory Committee to order on November 7, 2025, at 9:30 a.m. via Microsoft Teams teleconference.

##### Committee Members Present

Diana Love

Henry Nutt III

##### CSLB Staff Present

David Fogt, Registrar

Steve Grove, Chief of Enforcement

Rebecca May, Chief of Legislation

Katherine White, Chief of Public Affairs

Michael Jamnetski, Special Projects Manager

#### **i. Summary**

The Muralist Exemption Advisory Committee met to discuss the new muralist exemption, which takes effect on January 1, 2026. The discussion focused on the scope of the exemption, including incidental preliminary site preparation and finishing work and the need to hold a stakeholder meeting to assist with public outreach and enforcement efforts. Board members and staff agreed to schedule this meeting before the end of the year and considered potential invitees, such as representatives from the Legislature, the League of Cities, the International Union of Painters and Allied Trades, and the California Arts Council. Additionally, the Committee recommended that staff prepare a draft industry bulletin to be reviewed at the stakeholder meeting.

The stakeholder meeting has been scheduled for December 9, 2025, and an update will be provided at the Board's quarterly meeting in December.

#### **B. Review and Discussion of IT Advisory Committee Recommendation Regarding CSLB Mobile Application and Enforcement Modernization Plan**

Board Member Henry Nutt III called the meeting of the CSLB IT Advisory Committee to order on November 17, 2025, at 8:00 a.m. at CSLB Headquarters in Sacramento, CA, via Microsoft Teams teleconference.

Committee Members Present

Amanda Gallo

Henry Nutt III

CSLB Staff Present

David Fogt, Registrar

Estelle Champlain, Chief Deputy Registrar

NSCB Staff Present

Brian Hayashi, IT Manager

Information Intelligence Group, Inc.

Adam Torab, President

**i. Summary**

The IT Advisory Committee will recommend to the Board in December that pursuing a mobile phone app is not a top priority at this time. It would not afford consumers more service than what they can already access on the CSLB website, and it may not be a good use of resources. Nevada's IT manager reports low usage for their app coupled with the necessity for ongoing resource commitment to upgrade the app to keep current with continuously released versions of iOS and Android devices. If procuring a mobile app becomes a priority for action in the future, it would be necessary to add additional features, such as the ability to renew a license.

A higher priority is to direct staff to appropriate funds and obtain a contract to move ahead with the Enforcement Modernization project. The proof of concept presented by Adam Torab for this effort was promising, as it would enable the public to submit complaints in a fully electronic format, whereas now they must mail in supporting documents. It would also leverage already completed work in CSLB's new Box cloud service to automate workflows, connecting data between EDMS and Teale, afford case tracking for better oversight and enable quicker, more comprehensive access to records, which would facilitate better customer service.

The Sole Owner online application project is progressing with expected completion in spring 2026. No voting action on this project is due in December.



## AGENDA ITEM D-4

# Information Technology Update







### Information Technology Update

#### Windows 11 Successful Deployment

As part of CSLB's strategic IT modernization efforts, the transition from Windows 10 Enterprise to Windows 11 Enterprise has been successfully completed across all CSLB devices.

#### Background

Microsoft is no longer providing technical support for Windows 10, which ended on October 14, 2025. This means that no further security or feature updates are being provided, and devices running Windows 10 are at increased risk for cybersecurity threats.

#### Project Highlights

- Full compatibility testing of Windows 11 was conducted by IT.
- Deployment completed ahead of schedule across Headquarters and all field offices.
- All CSLB systems are now compliant, secure, and running on a fully supported platform.

#### Next Steps

- IT will provide continued user support and training as needed.
- IT will provide ongoing monitoring of system performance and security under the new OS.

#### Business Modernization Update: Enterprise Document Management System

In May 2025, CSLB successfully launched its new Enterprise Document Management System (EDMS) as part of its broader Electronic Content Management (ECM) initiative, utilizing the Box platform.

The new EDMS is a cloud-based, enterprise-grade content management system that enables CSLB to:

- Securely store, manage, and share digital content.
- Automate workflows and streamline document handling.
- Collaborate more effectively across teams and departments.

Built on Box's secure infrastructure and implemented in partnership with Information Intelligent Group (IIG), EDMS replaced the legacy Imaging Workflow Automation System (IWAS). Below are some statistics from the new EDMS system:

- Total documents processed into EDMS: 766,991
- Average documents loaded per month: ~110,000
- Total ACTIVE documents processed through EDMS Workflow: 143,546
- Total ARCHIVE documents migrated from Teale into EDMS: 623,446



- Total issued licenses: 16,441

This successful implementation marks a major milestone in CSLB's digital transformation efforts and lays the foundation for more efficient, secure, and scalable document management.

**Business Modernization Update: Sole Owner Online Application**

The Sole Owner Online Application project team of subject matter experts and IT staff continue to engage in interactive sessions with the product developer focused on system design and workflow review. The team provides feedback and modification requests to the development team to ensure the application aligns with CSLB's requirements for an acceptable application submission. Product modifications to the application workflow are ongoing. Looking ahead, the team will prioritize product review, requirement decisions, and workflow finalization for CSLB applicants. The project is scheduled to deliver an electronic application process for sole owners in Spring 2026.

## AGENDA ITEM D-5

# Budget Update







# CONTRACTORS STATE LICENSE BOARD

## CSLB BUDGET UPDATE

### CSLB Budget Update

#### Fiscal Year (FY) 2025-26 CSLB Budget Summary

CSLB has an authorized Governor's Budget of \$83 million.

CSLB projects the final year-end revenue at \$96 million and board expenditures at \$83 million. In addition to its board expenditures, the board projects almost \$7 million in external mandatory costs, for total expenditures of \$90,310,000.

As a result of these figures and projections, CSLB assumes the fund reserve would increase to \$62.5 million (approximately 8 months' reserve) at fiscal year-end.

This information is summarized in the chart below:

#### FY 2025-26 BUDGET SUMMARY

Description	Amount
<b>Beginning Reserve Balance</b>	<b>\$56,810,000</b>
<i>Projected Fiscal Year-End Totals:</i>	
<b>Revenue</b>	<b>\$96,000,000</b>
Board Expenditures	\$83,334,000
External Costs	\$6,976,000
<b>Total Expenditures</b>	<b>\$90,310,000</b>
<b>Ending Reserve Balance (Projected)</b>	<b>\$62,500,000</b>
<b>Months in Reserve</b>	<b>8.0</b>

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

- Fiscal Year 2025-26 Expenditures
- Fiscal Year 2025-26 Revenue
- CSLB fund condition
- Construction Management Education Account fund condition

## Expenditures

Through October 31, 2025, CSLB spent or encumbered \$30 million, roughly 36 percent of its FY 2025-26 budget:

EXPENDITURE DESCRIPTION	FY 2025-26 BUDGET ACT	OCTOBER 2025 EXPENSES	BALANCE	% OF BUDGET REMAINING
<b>PERSONNEL SERVICES</b>				
Salary & Wages (Staff)	\$35,164,000	\$10,513,353	\$24,650,647	70.1%
Board Members	16,000	2,100	13,900	86.9%
Temp Help	560,000	260,173	299,827	53.5%
Overtime	146,000	20,129	125,871	86.2%
Staff Benefits	17,744,000	5,778,417	11,965,583	67.4%
<b>TOTALS, PERSONNEL</b>	<b>\$53,630,000</b>	<b>\$16,574,172</b>	<b>\$37,055,828</b>	<b>69.1%</b>
<b>OPERATING EXPENSES AND EQUIPMENT (OE&amp;E)</b>				
Operating Expenses	\$18,532,000	\$10,601,377	\$7,930,623	42.8%
Exams – Subject Matter Experts	436,000	116,750	319,250	73.2%
Enforcement	11,075,000	2,727,886	8,347,114	75.4%
<b>TOTALS, OE&amp;E</b>	<b>\$30,043,000</b>	<b>\$13,446,013</b>	<b>\$16,596,987</b>	<b>55.2%</b>
<b>TOTALS</b>	<b>\$83,673,000</b>	<b>\$30,020,185</b>	<b>\$53,652,815</b>	<b>64.1%</b>
Scheduled Reimbursements (i.e., fingerprint, public sales)	-353,000	-33,667	-319,333	
Unscheduled Reimbursements (i.e., invest. cost recovery)		-144,840	144,840	
<b>GRAND TOTALS</b>	<b>\$83,320,000</b>	<b>\$29,841,678</b>	<b>\$53,478,322</b>	<b>64.2%</b>

## Revenue

CSLB received the following revenue through October 31, 2025:

Revenue Category	Through 10/31/2025	Percentage of Revenue	Change from prior year (10/31/2024)
Duplicate License/Wall Certificate Fees	\$183,048	0.5%	17.7%
New License and Application Fees	\$8,046,698	19.8%	-4.8%
License and Registration Renewal Fees	\$29,068,640	71.6%	3.4%
Delinquent Renewal Fees	\$1,524,050	3.8%	1.3%
Citation Penalty Assessments	\$1,033,760	2.5%	29.3%
Misc. Revenue	\$768,395	1.8%	N/A
<b>Total</b>	<b>\$40,624,591</b>	<b>100.00%</b>	<b>2.3%</b>



**CSLB Fund Condition**

Below is the fund condition for the Contractors' License Fund, which shows the final fiscal year (FY) 2024-25 reserve with adjustments (\$56.8 million, approximately 7.5 months' reserve), along with the projected reversion amounts for current year (CY) 2025-26 through budget year (BY) 2026-27:

<i>(Dollars in thousands)</i>	<b>Final FY 2024-25</b>	<b>Projected CY 2025-26</b>	<b>Projected BY 2026-27</b>
<b>Beginning Balance</b> <i>(Fund/Savings Account)</i>	<b>\$41,741</b>	<b>\$56,810</b>	<b>\$62,500</b>
Prior Year Adjustment	(\$826)	\$0	\$0
<b>Adjusted Beginning Balance</b>	<b>\$40,915</b>	<b>\$56,810</b>	<b>\$62,500</b>
<b>Revenues and Transfers</b>			
Revenue	\$101,546	\$96,000	\$97,000
Transfer from General Fund (Disaster Response)	\$131		
<b>Total Resources</b> <i>(Revenue + Fund/Savings Acct.)</i>	<b>\$142,592</b>	<b>\$152,810</b>	<b>\$159,500</b>
<b>Expenditures</b>			
Board Expenditures	\$80,455	\$83,334	\$85,834
External Costs	\$5,327	\$6,976	\$6,976
<b>Total Expenditures</b>	<b>\$85,782</b>	<b>\$90,310</b>	<b>\$92,810</b>
<b>Ending Balance</b> <i>(Fund/Savings Account)</i>	<b>\$56,810</b>	<b>\$62,500</b>	<b>\$66,690</b>
<b>Months in Reserve</b>	7.5	8.0	8.3
<b>Dollars in Reserve</b>	\$56.8 M	\$62.5 M	\$66.7 M

Notes:

- 1) Board expenditures include staff pay, benefits, and operating expenses.
- 2) External costs include statewide pro rata.
- 3) CY 2025-26 & BY 2026-27 assumes workload and revenue projections.
- 4) CY 2025-26 assumes board expenditures is proposed Governor's budget with no savings and BY 2026-27 assumes a 3% increase in board expenditures over current year budget.

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

Below is the CMEA fund condition, which shows the final fiscal year (FY) 2024-25 reserve of \$493,000, along with the projected reversion amounts for current year (CY) 2024-25 through budget year (BY) 2026-27:

<i>(Dollars in thousands)</i>	<b>Final FY 2024-25</b>	<b>Projected CY 2025-26</b>	<b>Projected BY 2026-27</b>
<b>Beginning Balance</b>	\$ 509	\$ 493	\$ 470
Prior Year Adjustment	\$0	\$0	\$0
<b>Adjusted Beginning Balance</b>	<b>\$ 509</b>	<b>\$ 493</b>	<b>\$ 470</b>
<b>Revenues and Transfers</b>			
Revenue	\$223	\$216	\$216
<b>Totals, Resources</b>	<b>\$ 732</b>	<b>\$ 709</b>	<b>\$ 686</b>
<b>Expenditures</b>			
Disbursements:			
Program Expenditures (State Operations)	\$14	\$14	\$14
Local Assistance Grant Disbursements	\$225	\$225	\$225
<b>Total Expenditures</b>	<b>\$ 239</b>	<b>\$ 239</b>	<b>\$ 239</b>
<b>Fund Balance</b>			
Reserve for economic uncertainties	<b>\$ 493</b>	<b>\$ 470</b>	<b>\$ 447</b>

Notes:

- 1) Projected CY 2025-26 and ongoing includes increasing grants based on projected approved CMEA annual augmentation.
- 2) Program Expenditures are costs to administer the fund.



# CONTRACTORS STATE LICENSE BOARD

## STATISTICS SUMMARY

### Statistics Summary

#### All Applications Received

Month	2022-23	2023-24	2024-25	2025-26
July	3,749	3,794	4,449	4,137
August	5,926	4,511	4,362	4,183
September	5,094	3,920	4,307	4,319
October	4,640	4,324	4,369	4,326
<b>Total</b>	<b>19,409</b>	<b>16,549</b>	<b>17,487</b>	<b>16,965</b>
% Change from Prior FY				-3.0%

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

Month	2022-23	2023-24	2024-25	2025-26
July	1,779	1,973	2,457	2,385
August	2,235	2,289	2,444	2,343
September	1,767	2,084	2,321	2,407
October	2,126	2,256	2,520	2,442
<b>Total</b>	<b>7,907</b>	<b>8,602</b>	<b>9,742</b>	<b>9,577</b>
% Change from Prior FY				-1.7%
% of Apps Rcvd are Original Apps				56.0%

#### Original Licenses Issued

Month	2022-23	2023-24	2024-25	2025-26
July	1,571	1,350	1,658	1,863
August	1,408	1,937	1,574	1,742
September	1,375	1,473	1,477	1,647
October	1,278	1,663	1,611	1,675
<b>Total</b>	<b>5,632</b>	<b>6,423</b>	<b>6,320</b>	<b>6,927</b>
% Change from Prior FY				9.6%

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

Month	2022-23	2023-24	2024-25	2025-26
July	10,339	10,042	11,360	10,396
August	10,445	10,269	10,226	9,417
September	9,784	8,809	8,851	9,477
October	9,029	9,576	10,159	10,081
<b>Total</b>	<b>39,597</b>	<b>38,696</b>	<b>40,596</b>	<b>39,371</b>
% Change from Non-Peak FY 2023-24				1.7%
% Change from Peak FY 2024-25				-3.0%

**Original HIS Registrations Issued**

Month	2022-23	2023-24	2024-25	2025-26
July	693	701	664	552
August	830	578	622	583
September	821	691	591	530
October	779	828	517	558
<b>Total</b>	<b>3,123</b>	<b>2,798</b>	<b>2,394</b>	<b>2,223</b>

% Change from Prior FY -7.1%

**HIS Registrations Renewed**

Month	2022-23	2023-24	2024-25	2025-26
July	551	578	634	676
August	596	703	717	646
September	602	598	702	705
October	576	668	633	731
<b>Total</b>	<b>2,325</b>	<b>2,547</b>	<b>2,686</b>	<b>2,758</b>

% Change from Prior FY 2.7%

**License Population by Status**

Status	Nov. 1, 2022	Nov. 1, 2023	Nov. 1, 2024	Nov. 1, 2025
Active	236,775	237,043	239,734	243,261
Inactive	49,215	47,947	45,670	43,675
<b>Total</b>	<b>285,990</b>	<b>284,990</b>	<b>285,404</b>	<b>286,936</b>

% Change from Prior FY 0.5%

**HIS Registration Population by Status**

Status	Nov. 1, 2022	Nov. 1, 2023	Nov. 1, 2024	Nov. 1, 2025
Active	26,376	29,277	30,696	29,302

% Change from Prior FY -4.5%

**Complaints By Fiscal Year**

Complaints	2021-22	2022-23	2023-24	2024-25
Received	19,158	21,158	19,746	19,257
Reopened	1,231	1,578	1,479	1,754
Closed	19,397	22,181	21,503	21,806
Pending (As of June 30)	5,747	6,361	6,142	5,375

## AGENDA ITEM D-6

# Administration Update







# CONTRACTORS STATE LICENSE BOARD

## ADMINISTRATION UPDATE

### Administration Update Regarding Personnel

#### Personnel Unit

#### Transactions

During the first quarter of fiscal year 2025-26 (July 1, 2025-September 30, 2025), CSLB Personnel staff completed 21 personnel transactions. This included the addition of three employees from other state agencies and two employees new to state service. Within CSLB, there were 11 promotions and four transfer appointments. One student assistant was also appointed.

#### Total Number of Personnel Transactions Per Quarter – FY 2025-26

Recruitment Type	Quarter 1 <i>July-Sep</i>	Quarter 2 <i>Oct-Dec</i>	Quarter 3 <i>Jan-March</i>	Quarter 4 <i>April-June</i>
From other State Agencies	3	---	---	---
New to State Service	2	---	---	---
Student Assistants	1	---	---	---
Retired Annuitants	0	---	---	---
Promotions	11	---	---	---
Transfers within CSLB	4	---	---	---
<b>Total Per Quarter</b>	<b>21</b>	<b>---</b>	<b>---</b>	<b>---</b>

#### Total Number of Personnel Transactions Per Quarter – FY 2024-25

Recruitment Type	Quarter 1 <i>July-Sep</i>	Quarter 2 <i>Oct-Dec</i>	Quarter 3 <i>Jan-March</i>	Quarter 4 <i>April-June</i>
From other State Agencies	12	2	3	9
New to State Service	19	4	11	4
Student Assistants	1	0	1	0
Retired Annuitants	2	1	1	0
Promotions	6	7	3	5
Transfers within CSLB	7	5	2	1
<b>Total Per Quarter</b>	<b>47</b>	<b>19</b>	<b>21</b>	<b>19</b>

#### Vacancies

CSLB averaged 30 vacancies out of 423.5 authorized positions during the first quarter of fiscal year 2025-25 (July 1, 2025-September 30, 2025), which is a 7 percent vacancy rate. The Personnel Unit continuously works with CSLB hiring managers and the Department of Consumer Affairs' Office of Human Resources to identify and minimize any delays in recruitment for key positions.

**Average Monthly Vacancies by Fiscal Year**

Fiscal Year	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
2025-26	28	30	31	28	---	---	---	---	---	---	---	---
2024-25	26	22	23	23	24	30	30	28	26	24	24	26
2023-24	38	36	32	30	30	35	38	42	41	37	36	34
2022-23	52	51	54	48	46	44	46	45	45	43	41	40

**Career Development and Mentoring Program Steering Committee and Training**

The Career Development and Mentoring Program Steering Committee was reinstated at the beginning of the year and in July 2025 the new CSLB Onboarding Schedule was implemented. Committee members, representing each division, gathered to discuss and identify specific division training needs, which ultimately will move forward in meeting the Strategic Plan goal of reinstating the CSLB Training Unit.

During November 17, 2025, Executive Committee Meeting, Chief of Administration Ingrid Witowski provided a summary of all the trainings CSLB managers and supervisors successfully received this past year, as well as the 2026 training goals that are focused on team dynamics, classification-specific courses, and employee development courses, as well as leadership and team-oriented courses.

Personnel Manager Alex Christian is working to create a “Supervisor’s Toolbox” which will be located on CSLB’s intranet. This will be a resource for supervisors and managers to utilize and will include recordings and slides of past trainings, examples of probation reports, performance appraisals, corrective memos and more. The anticipated completion date is December 2025.

**Employee Recruitment**

On September 27, 2025, Personnel Manager Christian and a CSLB Personnel Unit staff member attended the Sacramento Regional Youth Career Fest at Consumnes River College in Sacramento. Approximately 75 students visited CSLB’s table.

CSLB continues to work with DCA, the California Department of Human Resources (CalHR) and other organizations to partner and participate in future career fairs statewide.

**Examinations**

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

ADMINISTERED BY DCA	STATUS	DATE
Office Services Supervisor II	Effective date of last exam:	June 2025
	Effective date of next exam:	December 2025



ADMINISTERED BY DCA	STATUS	DATE
Supervising Special Investigator II (Non-Peace Officer)	Effective date of last exam: Effective date of next exam:	June 2025 December 2025

## Administration Update Regarding Business Services

### Facilities

- **Fresno:** The lease renewal is in progress. Tenant improvements will be completed as part of this lease renewal.
- **Norwalk:** The lease renewal is in progress. Tenant improvements will be completed as part of this lease renewal.
- **Oxnard:** The lease renewal is in progress with the request to have a space reduction to eliminate the test center. Tenant improvements will be a part of the space reduction project.
- **Santa Clarita:** The lease renewal is in progress. Tenant improvements will be completed as part of this lease renewal.
- **San Francisco:** The lease renewal is in progress. Tenant improvements will be completed as part of this lease renewal.
- **West Covina:** The lease extension is through December 31, 2026. Tenant improvements will be completed as part of this lease renewal.
- **Redding:** The lease renewal has been executed.
- **San Bernardino:** The lease renewal has been executed.

### Contracts in process

The following contracts are being processed by the DCA Business Services Office (BSO):

- Forklift procurement and maintenance contract for a new forklift for the CSLB Headquarters Sacramento office.
- CalHR contract for psychological screening services for peace officers for fiscal year 2025-26.
- 2026 "California Contractors License Law and Reference Book" printing services contract.
- Department of Transportation (Caltrans) interagency agreement for parking services in Norwalk.

### Executed contracts

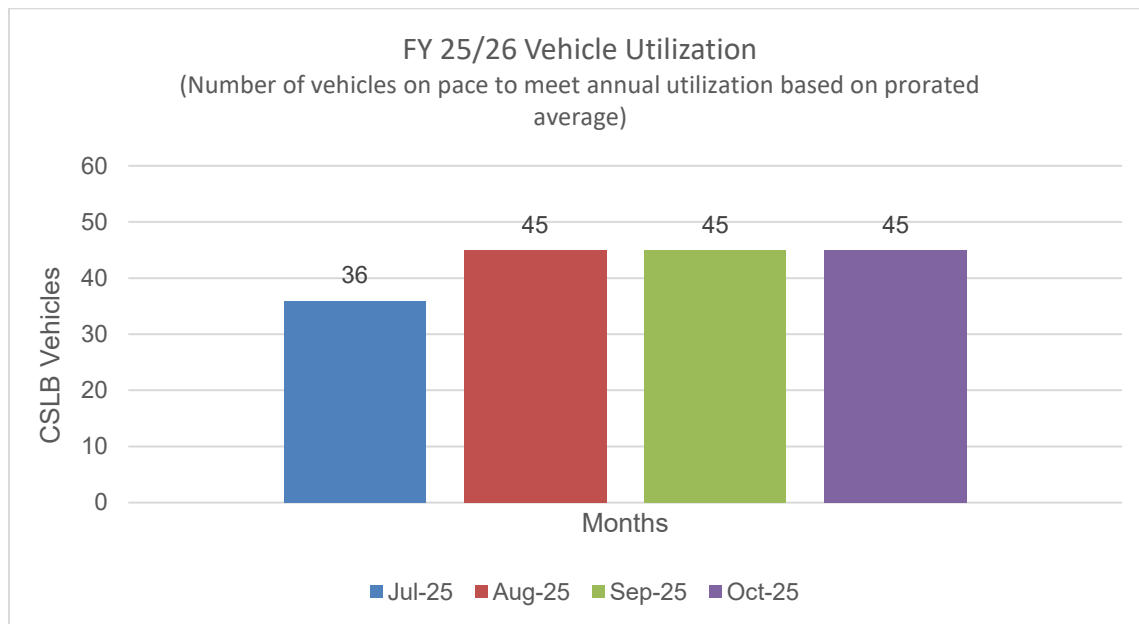
- 24-hour alarm monitoring contract for the CSLB Oxnard field office.
- Shred contract for confidential shredding services at CSLB Headquarters Sacramento office.
- Date stamp machine contract for time/date stamp machine repair and maintenance.
- California Highway Patrol interagency contract for protection services.



## Fleet

### Vehicle Utilization:

- The utilization goal is 100 percent by the end of each fiscal year. CSLB is currently at 80 percent (45 out of 56) vehicle utilization based on a General Services guidelines average.



## AGENDA ITEM E

# Legislation





## AGENDA ITEM E-1

### Review and Discussion Regarding Section 100 Rulemakings

- a. California Code of Regulations (CCR) Sections 831 and 883 – Updated Gender References
- b. CCR Sections 827 and 828 – Removed Outdated Licensing Processing Times







# CONTRACTORS STATE LICENSE BOARD

## SECTION 100 RULEMAKINGS

### Review and Discussion Regarding Section 100 Rulemakings

#### a. California Code of Regulations (CCR) Sections 831 and 883 – Updated Gender References

CCR Sections 831 and 883 were updated to reflect current day references to gender. This Section 100 rulemaking was approved by the Office of Administrative Law on June 26, 2025, and effective on June 26, 2025.

##### Section 831. Incidental and Supplemental Defined.

For purposes of Section 7059, work in other classifications is “incidental and supplemental” to the work for which a specialty contractor is licensed if that work is essential to accomplish the work in which the contractor is classified. A specialty contractor may use subcontractors to complete the incidental and supplemental work, or ~~he~~they may use ~~his~~their own employees to do so.

Note: Authority cited: Sections 7008 and 7059, Business and Professions Code.  
Reference: Section 7059, Business and Professions Code.

##### Section 883. Order of Correction--Extension of Time to Correct.

If the cited person, after exercising substantial efforts and reasonable diligence, is unable to complete the correction within the time allowed because of conditions beyond ~~his~~their control, ~~he~~they may request an extension of time in which to correct. Such request must be made in writing, and must be made prior to the expiration of the time allowed in the order of correction. An extension may be granted upon showing of good cause which determination is within the discretion of the Registrar. If a request for extension of time is not made prior to the expiration of time allowed in the order of correction, failure to correct within the time allowed shall constitute a violation of the order of correction whether or not good cause for an extension of time existed.

Note: Authority cited: Sections 7008 and 7099.1, Business and Professions Code.  
Reference: Sections 7099 and 7099.1, Business and Professions Code

#### b. California Code of Regulations (CCR) Section 827 and 828 – Removed Outdated Licensing Processing Times

CCR Sections 827 and 828 were updated to remove outdated minimum, median, and maximum licensing processing times that are no longer required due to the repeal of Government Code Section 15376 in 2003. While providing this information in regulation is no longer necessary, current licensing processing times are reported weekly on CSLB’s website. This Section 100 rulemaking was approved by the Office of Administrative Law on December 2, 2025, and effective on December 2, 2025.



Section 827. Review of Application for Original License, Additional Classification, or Replacement of Qualifying Person

(a) Application Requiring Examination.

(1) The Board shall inform an applicant in writing within 60 days of receipt whether the application is complete and has been referred for examination or is deficient and what specific information is required. An application is “complete” when an acceptable application and fee have been filed by the applicant.

(2) When an application is returned which was previously rejected for deficiencies, the Board shall decide within 5 days of receipt whether the application is complete and accepted for filing.

(3) The Board shall decide within 115 days after a complete application has been referred for examination whether an applicant meets the requirements for licensure, provided that the examination has been successfully completed and the applicant has filed the bond(s), fee and other documents required by Division 3 of the Business and Professions Code.

(4) If an applicant has not successfully completed the examination as scheduled in subsection (3), or met the other requirements of that subsection (subject to the limitations of Business and Professions Code Section 7074), the Board shall decide within 45 days of the successful completion of a subsequently scheduled examination and the filing of acceptable bond(s), fee and other documents required by Division 3 of the Business and Professions Code, whether the applicant meets the requirements for licensure.

(5) The periods specified in subsection (3) and (4) shall be extended by a period of 60 days, if the application must be investigated.

~~(6) The minimum, median and maximum times for an application requiring examination for licensure as a contractor, for an additional classification, or for replacement of the qualifying person from the time of receipt of the application until the Board decided to issue the license, grant the additional classification or the replacement of the qualifying person, based on the Board's past two years performance, were:~~

~~(A) Application for Original License, with Examination~~

~~Minimum: 11 days~~

~~Median: 253 days~~

~~Maximum: 726 days~~

~~(B) Application for Additional Classification, with Examination~~

~~Minimum 20 days~~





Median: \_\_\_\_\_ 96 days  
Maximum: \_\_\_\_\_ 617 days

~~(C) Application for Replacement of the Qualifying Person, with Examination~~

Minimum: \_\_\_\_\_ 20 days  
Median: \_\_\_\_\_ 78 days  
Maximum: \_\_\_\_\_ 428 days

~~(These periods include not only the Board's processing time, but also the time for which the applicant is responsible: e.g., the return of a rejected application, failure of and/or failure to appear at examinations, filing of the required bond(s) and fee.~~

(b) Applications Not Requiring Examination.

(1) The Board shall inform an applicant for licensure, without examination, as a contractor, for an additional classification, or for replacement of the qualifying person pursuant to Sections 7065 or 7065.1 of the Business and Professions Code within 50 days of receipt whether the application is complete and what the issuance or granting requirements are or that the application is deficient and what specific information is required.

(2) When an application is returned which was previously rejected for deficiencies, the Board shall decide within 5 days of receipt if the application is now complete and accepted for filing.

(3) Once the applicant has filed acceptable bond(s) and other documents required by Division 3 of the Business and Professions Code, the Board shall decide within 15 days whether the applicant meets the requirements for licensure.

(4) The period outlined in subsection (1) may be extended by 60 days if the application must be investigated.

~~(5) The minimum, median and maximum times for an application for licensure, without examination, as a contractor, for an additional classification, or for replacement of the qualifying person from the time of receipt of the application until the Board decided to issue the license, grant the additional classification or the replacement of the qualifying person, based on the Board's past two years performance were:~~

(A) Application for Original License, without Examination

Minimum: \_\_\_\_\_ 1 day  
Median: \_\_\_\_\_ 48 days  
Maximum: \_\_\_\_\_ 349 days

~~(B) Application for Additional Classification, without Examination~~

Minimum: \_\_\_\_\_ 24 days  
Median: \_\_\_\_\_ 58.5 days  
Maximum: \_\_\_\_\_ 358 days

~~(C) Application for Replacement of the Qualifying Person, without Examination~~

Minimum: \_\_\_\_\_ 1 day  
Median: \_\_\_\_\_ 29 days  
Maximum: \_\_\_\_\_ 253 days

~~(These periods include not only the Board's processing time, but also the time for which the applicant is responsible: e.g., return of a rejected application and filing of the required bond(s) and fee.~~

Note: Authority cited: Section 7008, Business and Professions Code; ~~and Section 15376, Government Code.~~ Reference: ~~Section 15376, Government Code;~~ and Sections 7065, 7065.1 and 7074, Business and Professions Code.

Section 828. Review of Application for Home Improvement Salesmanperson Registration.

(a) The Board shall inform, in writing, an applicant for registration as home improvement salesmanperson within 30 days of receipt whether the application is deficient and what specific information is required or whether the registration has been issued.

(b) When an application is returned which was previously rejected for deficiencies, the Board shall decide whether the applicant meets the requirements for registration within 5 days after return of the completed application. A "completed application" means that an acceptable application form together with all required information, documentation and fee has been filed by the applicant.

(c) The time periods outlined in (a) and (b) may be extended by 5 weeks if the fee is in the form of a personal or company check, or by 60 days if an application requires investigation to determine if a statement of issues must be filed.

~~(d) The minimum, median and maximum processing times for an application for registration as a home improvement salesman from the time of receipt of the initial application until the Board makes a final decision on the application, based on the Board's past two years performance, are:~~

Minimum: \_\_\_\_\_ 1 day  
Median: \_\_\_\_\_ 8 days  
Maximum: \_\_\_\_\_ 53 days



**CSLB**

## SECTION 100 RULEMAKINGS

Note: Authority cited: Section 7008, Business and Professions Code. Reference: ~~Section 15376, Government Code;~~ and Section 7153.1, Business and Professions Code.



## AGENDA ITEM E-2

### Review, Discussion, and Possible Action on 2025 Board- Sponsored Legislation

- a. AB 521 (Chapter 265, Statutes of 2025):  
Bond deposits: liability for legal fees and costs.
- b. AB 559 (Berman, 2025): Contractors:  
home improvement contracts: prohibited  
business practices.
- c. SB 291 (Chapter 455, Statutes of 2025):  
Contractors: workers' compensation insurance.
- d. SB 779 (Chapter 233, Statutes of 2025):  
Contractors: civil penalties.







# CONTRACTORS STATE LICENSE BOARD

## 2025 SPONSORED LEGISLATION

### Review, Discussion and Possible Action on 2025 Board-Sponsored Legislation

a. [AB 521](#) (Chapter 265, Statutes of 2025) Contractors State License Board: bond deposits: liability for legal fees and costs.

**SUBJECT:** Bond deposits: liability for legal fees and costs.

**SUMMARY:** AB 521 expressly provides that the Contractors State License Board (CSLB) is not liable for attorney fees in civil claims involving a contractor's cash deposit filed with CSLB in lieu of a license bond.

#### IMPLEMENTATION PLANS:

- Request the Supervising Assistant Attorney General at the Office of the Attorney General notify Deputy Attorney Generals in the Licensing and Torts section of the bill's passage.
- Include AB 521 in the next industry newsletter.

b. [AB 559](#) (Berman, 2025) – Contractors: home improvement contracts: prohibited business practices.

**SUBJECT:** Home improvement contracts: accessory dwelling units.

**SUMMARY:** AB 559 would add accessory dwelling units (ADUs) to the definition of "home improvement" in Contractors State License Law (Contractors Law) and specify that individuals (licensed and non-licensed) who violate progress payment provisions causing financial harm to their customers are subject to a \$10,000 fine whether or not they are licensed and possible license revocation if they are licensed.

**NEXT STEPS:** Due to opposition from the ADU manufacturing industry, AB 559 was made into a two-year bill. Staff met with the opposition on November 13, 2025, to discuss potential legislative changes to address the significant consumer harm resulting from unscrupulous individuals in the ADU sector, while ensuring compliance with any new requirements is economically feasible for the industry. Some potential ideas include: requiring a payment and performance bond for ADU projects, requiring a managed control fund for ADU projects, and determining the feasibility of a recovery fund. CSLB is also committed to making internal process improvements including website updates, updating the existing ADU video, and disseminating a consumer bulletin regarding safe contracting practices and consumer protection requirements. Staff will continue to work with all stakeholders as AB 559 moves forward.

c. [SB 291](#) (Chapter 455, Statutes of 2025) – Contractors: workers' compensation insurance.

**SUBJECT:** Workers' compensation insurance.



**SUMMARY:** SB 291 requires CSLB to determine an evidence-based process and procedure to verify eligibility for a workers' compensation (WC) insurance exemption and to report its findings to the Legislature by January 1, 2027. The bill also significantly increases civil penalties for WC violations.

**IMPLEMENTATION PLANS:**

- Hold stakeholder meetings to determine criteria for possible exemption and prepare draft report for the Legislature to be reviewed by the Board.
- Meet with the State Compensation Insurance Fund, the Department of Insurance, and the Department of Industrial Relations Division of Labor Standards Enforcement to better understand their exemption prequalifying criteria and determine if it can serve as a model for a WC exemption by CSLB.
- Determine the feasibility of requiring an application fee to assess initial WC exemption eligibility and a renewal fee to audit and assess ongoing compliance for a WC exemption. Conduct a workload analysis to determine application and renewal fee amounts.
- Promulgate regulations to update fine amounts in California Code of Regulations Section 884.
- Update CSLB's website and other materials to reflect changes affecting applicants and licensees.

d. **SB 779** (Chapter 233, Statutes of 2025) – Contractors: civil penalties.

**SUBJECT:** Raising enforcement fine minimums.

**SUMMARY:** SB 779 establishes and increases minimum fine amounts included with enforcement citations. This bill requires future minimum enforcement fine amounts to increase based on increases to the Consumer Price Index every five years. SB 779 also increases CSLB's revenue fund cap from six to 12 months.

**IMPLEMENTATION PLANS:**

- Notify enforcement staff of the increase in minimum citation civil penalties and update procedure manuals as needed.
- Conduct consumer and industry outreach, update CSLB's website and other materials, and disseminate an industry bulletin regarding the new minimum administrative fine amounts.
- Track administrative law decisions that reduce civil penalties below the statutory minimum.
- Promulgate regulations to update minimum fine amounts in California Code of Regulations 884. Determine if increased minimum amounts are needed every five years and promulgate regulations accordingly.



## AGENDA ITEM E-3

### Review, Discussion, and Possible Action on 2025 Bill Implementation (non-sponsored)

- a. AB 1002 (Chapter 567, Statutes of 2025):  
Contractors: failure to pay wages: discipline.
- b. AB 1327 (Chapter 348, Statutes of 2025):  
Home improvement and home solicitation:  
right to cancel contracts: notice.
- c. SB 456 (Chapter 758, Statutes of 2025):  
Contractors: exemptions: muralists.
- d. SB 517 (Chapter 585, Statutes of 2025):  
Home improvement contract requirements:  
subcontractors.







# CONTRACTORS STATE LICENSE BOARD

## 2025 (NON-SPONSORED) LEGISLATION

### Review, Discussion and Possible Action on 2025 Bill Implementation

a. **AB 1002** (Chapter 567, Statutes of 2025) Contractors: failure to pay wages: discipline.

**SUBJECT:** Civil Actions Against Contractors for Failure to Pay Wages.

**SUMMARY:** AB 1002 authorizes the Contractors State License Board (CSLB) to be included as a complainant in a civil action filed by the Attorney General to suspend, revoke, or deny licensure of a contractor for failure to pay workers or failure to comply with a wage judgment or court order.

**IMPLEMENTATION PLANS:**

- Notify enforcement and licensing staff of the new law and update procedure manuals as needed.
- Issue an industry bulletin to remind licensees to comply with wage payment requirements.

b. **AB 1327** (Chapter 348, Statutes of 2025) – Home improvement and home solicitation: right to cancel contracts: notice.

**SUBJECT:** Home improvement and home solicitation: right to cancel contracts: notice.

**SUMMARY:** AB 1327 requires home improvement contracts (HIC) to include the contractor's email address and allow for cancellation of the HIC by the buyer via email. The bill requires the HIC to include a telephone number to assist the buyer in locating and filling out the "Notice of Cancellation." The bill also provides that if the "Notice of Cancellation" is not included in or attached to the HIC, the buyer may file a complaint with CSLB.

**IMPLEMENTATION PLANS:**

- Notify enforcement staff of the new HIC disclosure requirements and update procedure manuals as needed.
- Update CSLB's website, videos, pamphlets and other materials to reflect changes affecting consumers and licensees. Disseminate industry bulletins regarding the changes to the HIC.

c. **SB 456** (Chapter 758, Statutes of 2025) – Contractors: exemptions: muralists.

**SUBJECT:** Contractors: exemptions: muralists.

**SUMMARY:** SB 456 exempts artists who draw, paint, apply, execute, restore or conserve a mural pursuant to an agreement with a person who can legally authorize the work from licensure. This bill also defines a "mural" as a unique work of fine art that is



protected by copyright, trademark, label, or patent and that is drawn or painted by hand directly upon an interior or exterior wall or ceiling, fixture, or other appurtenances of a building or structure. Lastly, this bill provides that a mural does not include painted wall signs.

**IMPLEMENTATION PLANS:**

- Hold a stakeholder meeting with interested parties to discuss implementation efforts.
- Notify enforcement and licensing staff of the new exemption and update procedure manuals as needed.
- Conduct outreach to licensees, local governments and the public regarding the new exemption. Update CSLB's website and other materials to reflect the new exemption.

**d. [SB 517](#) (Chapter 585, Statutes of 2025) – Home improvement contract requirements: subcontractors.**

**SUBJECT:** Requires disclosure to consumers regarding the use of subcontractors.

**SUMMARY:** SB 517 requires the disclosure of the use of any subcontractors in a home improvement contract (HIC) upon request by the consumer and for the subcontractor's name, contact information, license number, and classification to be provided. This bill also specifies that the prime or direct contractor is responsible for the construction project; however, it does not preclude administrative discipline against any subcontractor or home improvement salesperson for violations of Contractors State License Law.

**IMPLEMENTATION PLANS:**

- Notify enforcement staff of the new HIC disclosure requirements and update procedure manuals as needed.
- Conduct consumer and industry outreach, update CSLB's website and other materials, and disseminate an industry bulletin regarding the new HIC disclosure requirements.

## AGENDA ITEM E-4

### Review, Discussion, and Possible Action on 2026 Proposed Legislation

- a. Proposal to Add Business and Professions Code Section (BPC) 7058.9 – Require Hazardous Substance Certification Prior to Conducting Debris Removal.
- b. Proposal to Amend BPC 7075.1 – Clarify Conditions for Possible Reissuance or Reassignment of a License Number.







### Review, Discussion, and Possible Action on 2026 Proposed Legislation

#### a. Require Hazardous Substance Certification Prior to Conducting Debris Removal

**IDENTIFICATION OF PROBLEM:** California Contractors State License Law (Contractors Law) does not designate who can perform debris removal during a declared disaster, nor does it impose additional safety and educational requirements, such as passing the Hazardous Substance Removal Certification examination or complying with the Department of Industrial Relations' (DIR) hazardous waste operations and emergency response (HAZWOPER) requirements. This creates confusion about the appropriate license classification for disaster debris removal and risks exposing workers to dangerous working conditions and unsafe debris removal and disposal practices in the aftermath of a declared disaster.

**PROPOSED CHANGE:** Contractors Law should be amended to codify that a contractor can engage in debris removal, including muck out and ash out after a disaster, provided they hold an A-General Engineering Contractor license, B-General Building Contractor license, or both a C-12 and a C-21 classification. Contractors Law should also prohibit contractors from providing debris removal services after a disaster unless they have passed a Contractors State License Board (CSLB) Hazardous Substance Removal Certification examination and comply with HAZWOPER requirements established by DIR. Specifically, the following provisions should be added to Contractors Law:

Business and Professions Code (BPC) 7058.9

*(a) Notwithstanding Section 40520 of the Public Resources Code, a contractor shall not engage in debris removal, including muck out and ash out, in a declared disaster area, unless the contractor has one of the following licenses or classifications:*

*(1) A - General Engineering Contractor.*

*(2) B - General Building Contractor.*

*(3) C-12 Earthwork and Paving and C-21 Building Moving/Demolition.*

*(b) During a declared federal, state, or local emergency or for a declared disaster area due to a natural disaster, any licensee authorized to perform debris removal pursuant to this section shall have passed an approved hazardous substance certification examination and shall comply with the hazardous waste operations and emergency response requirements pursuant to Section 5192 of Title 8 of the California Code of Regulations.*



**JUSTIFICATION:** Currently, there is no designation in Contractors Law as to who can perform debris removal during a declared disaster. Out of necessity, CSLB has made this determination on an ad hoc basis during recent declared disasters, but a permanent solution is needed. By specifying who is authorized to perform debris removal during a declared disaster, including muck-out and ash-out operations, and requiring that contractors possess sufficient training and certification to conduct debris removal, worker safety is enhanced and the risk of additional health and environmental hazards resulting from improper debris removal and disposal practices can be mitigated.

In the wake of unprecedented natural disasters in California over the past several years, residential rebuilding efforts have commenced across the state in areas devastated by floods, fires, and earthquakes. CSLB has received inquiries from concerned parties about whether contractors digging to remove contaminated materials from these devastated areas are trained or have the qualifications to do the work safely. This proposal does not alter existing law as it relates to debris removal on sites unrelated to a disaster declaration. Limiting this proposal to the removal of debris by certain classifications who hold Hazardous Substance Removal Certification in a disaster area *only* is intended to address the safe disposal of dangerous contaminants and chemicals left behind after property is damaged or destroyed by a disaster.

A contractor must have an existing license to apply for a Hazardous Substance Removal Certification, which is added to the license after the qualifier passes the corresponding examination. BPC section 7058.7 defines the scope of work for those holding a hazardous substance removal certificate, which includes engaging in the removal or remedial action if the action requires digging into the surface of the earth and removing the dug material from hazardous sites. The existing definition is unclear as to whether the contractor holding the certificate is authorized and qualified to conduct similar work in disaster areas.

CSLB updates the hazardous substances certification examination every five years with extensive input from subject matter experts who help design questions based on federal, state, and local law. However, existing statute only requires the Hazardous Substance Removal Certification for removal and installation of underground storage tanks or if the project site is listed on state or federal websites, and as a result the certification examination questions are limited in scope to these issues. By codifying these provisions in statute, CSLB can update the examination to ensure that new licensees possess the skills necessary to safely perform debris removal during a declared disaster.

**PREVIOUS LEGISLATION:** [SB 641](#) (Ashby, 2025) would have limited disaster debris removal to the A-General Engineering Contractor, B-General Building Contractor license, or both a C-12 Earthwork and Paving classification and a C-21 Building/Moving Demolition classification. SB 641 would also have required licensees to have passed a CSLB Hazardous Substance Removal Certification examination and comply with



HAZWOPER requirements established by DIR to perform debris removal. Lastly, the bill would have authorized the registrar to allow other classifications to perform debris removal, including muck out services, on a case-by-case basis during a declared emergency or disaster. SB 641 was vetoed by the Governor for provisions it included that were unrelated to CSLB.

**FISCAL IMPACT:** Pending. There may be additional costs associated with updating the Hazardous Substance Removal Certification examination and absorbable costs related to updating the website and materials.

**STAFF RECOMMENDATION:** Staff recommend the Board approve a legislative proposal to codify who may provide debris removal during a designated disaster and prohibit contractors from engaging in debris removal unless they hold a Hazardous Substance Removal Certification and comply with HAZWOPER requirements.



### Review, Discussion, and Possible Action on 2026 Proposed Legislation

#### E4b. Clarify Requirements for the Reissuance of a License

**IDENTIFICATION OF PROBLEM:** Sometimes a construction company will change its corporate structure, its domicile, or seek to reissue the license number to another entity type, e.g. limited liability corporation (LLC) to corporation. Typically, the business entity will want to retain the construction company's original license number to complete active contracts, and older licenses are understood in the industry as being particularly valuable because they show stability. However, there are ambiguities in the law related to the reissuance of a license number from one corporate entity to another, resulting in CSLB often being unable to transfer the license number from one company to another. Clarifying when a license can and cannot be reissued or reassigned will prevent licensees from losing a license number that has built up years of business goodwill and licensees being placed under suspension, expiration or unable to renew the license due to a change in corporate registration or status. Also, clarification will enable staff to better assist licensees in navigating the process of making changes to their business entity.

**PROPOSED CHANGE:** Staff recommend Business and Professions Code (BPC) 7075.1 be amended to clarify when a license number can and cannot be reissued or reassigned following a change of entity status with the Secretary of State (SOS).

**JUSTIFICATION:** Existing law limits the situations in which a license number can be reissued from one company to another for consumer protection reasons. It is important that a consumer knows exactly who they are contracting with, and to ensure that the individuals behind the license and the license number are accurate.

Three scenarios for license number reissuance in statute are unclear:

- (1) To a corporation when the parent corporation has merged or created a subsidiary.
- (2) From an LLC to a corporation.
- (3) When the licensed corporation has changed its corporate registration.

Industry has informed staff that the scenarios described in statute [BPC sections 7075.1(c)(1) and (c)(2), respectively] do not fit real world scenarios or are outdated. The SOS has also changed its rules regarding registration to make the application of these two sections unworkable. CSLB believes it can update the statutory language to provide greater clarity for consumers regarding license tenure and structure and guide licensees making SOS or subsidiary entity changes.

**FISCAL IMPACT:** Pending.

**STAFF RECOMMENDATION:** Staff recommend the Board approve a legislative proposal to clarify when a license can and cannot be reissued or reassigned.



## AGENDA ITEM E-5

# Review, Discussion, and Possible Action on 2026 Proposed Non-substantive Updates to Contractors State License Law

- a. Business and Professions Code (BPC) Section 7026.12 – Remove Cross Reference to Repealed Statute.
- b. BPC Section 7071.18 (b) – Remove Obsolete Study Requirement.
- c. BPC Section 7074 (b) – Remove Reference to Exam Fee Collection.
- d. BPC Section 7139.3 (c) – Update Construction Management Education Account Advisory Committee Membership.







# CONTRACTORS STATE LICENSE BOARD

## REVIEW OF PROPOSED CHANGES TO CONTRACTORS LAW

### Review, Discussion, and Possible Action on 2025 Proposed Non-substantive Updates to Contractors State License Law

**IDENTIFICATION OF PROBLEM:** Staff have identified several locations in the California Contractors State License Law (Contractors Law) that require non-substantive or minor updates.

**PROPOSED CHANGES:** 1) Remove a cross reference to a code section that has been repealed; 2) remove a study requirement that has been completed and submitted to the Legislature; 3) remove an outdated reference to exam fee collection; and 4) update the Construction Management Education Account (CMEA) Advisory Committee member organizations, as follows:

#### Business and Professions Code Section (BPC) 7026.12

~~Except as provided in Section 7026.13, t~~ The installation of a fire protection system, excluding an electrical alarm system, shall be performed only by either of the following:

- (a) A contractor holding a fire protection contractor classification, as defined in the regulations of the board.
- (b) An owner-builder of an owner-occupied, single-family dwelling, if not more than two single-family dwellings on the same parcel are constructed within one year, plans are submitted to, and approved by, the city, county, or city and county authority, and the city, county, or city and county authority inspects and approves the installation.

#### BPC 7071.18

(a) Notwithstanding any other law, a licensee shall report to the registrar in writing the occurrence of any of the following within 90 days after the licensee obtains knowledge of the event:

- (1) The conviction of the licensee for any felony.
- (2) The conviction of the licensee for any other crime that is substantially related to the qualifications, functions, and duties of a licensed contractor.

~~(b) (1) The board shall consult with licensees, consumers, and other interested stakeholders in order to prepare a study of judgments, arbitration awards, and settlements that were the result of claims for construction defects for rental residential units and, by January 1, 2018, shall report to the Legislature the results of this study to determine if the board's ability to protect the public as described in Section 7000.6 would be enhanced by regulations requiring licensees to report judgments, arbitration awards, or settlement payments of those claims. Participation by licensees and consumers shall be voluntary. The study shall include, but not be limited to, criteria used by insurers or others to differentiate between settlements that are for nuisance value and those that are not, whether settlement information or other information can help~~



~~identify licensees who may be subject to an enforcement action, if there is a way to separate subcontractors from general contractors when identifying licensees who may be subject to an enforcement action, whether reporting should be limited to settlements resulting from construction defects that resulted in death or injury, the practice of other boards within the department, and any other criteria considered reasonable by the board. The board shall submit the report to the Legislature in accordance with Section 9795 of the Government Code.~~

~~(2) Records or documents obtained by the board during the course of implementing this subdivision that are exempt from public disclosure under the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code) shall remain exempt from disclosure pursuant to that act.~~

#### BPC 7074

(a) Except as otherwise provided by this section, an application for an original license, for an additional classification, or for a change of qualifier shall become void when:

(1) The applicant or the examinee for the applicant has failed to achieve a passing grade in the qualifying examination within 18 months after the application has been deemed acceptable by the board.

(2) The applicant for an original license, after having been notified to do so, fails to pay the initial license fee within 90 days from the date of the notice.

(3) The applicant, after having been notified to do so, fails to file within 90 days from the date of the notice any bond or lawful money or cashier's check deposited pursuant to paragraph (1) of subdivision (a) of Section 995.710 of the Code of Civil Procedure or other documents that may be required for issuance or granting pursuant to this chapter.

(4) After filing, the applicant withdraws the application.

(5) The applicant fails to return the application rejected by the board for insufficiency or incompleteness within 90 days from the date of original notice or rejection.

(6) The application is denied after disciplinary proceedings conducted in accordance with the provisions of this code.

(b) The void date on an application may be extended up to 90 days or one examination may be rescheduled ~~without a fee~~ upon documented evidence by the applicant that the failure to complete the application process or to appear for an examination was due to a medical emergency or other circumstance beyond the control of the applicant.

(c) An application voided pursuant to this section shall remain in the possession of the registrar for the period as he or she deems necessary and shall not be returned to the applicant. Any reapplication for a license shall be accompanied by the fee fixed by this chapter.

#### BPC 7139.3

(a) The board may award grants to qualified public postsecondary educational institutions for the support of courses of study in construction management.





(b) Any organization of contractors, or organization of contractor organizations, incorporated under Division 2 (commencing with Section 5000) of the Corporations Code may request the board to award grants pursuant to subdivision (a) directly to qualified public postsecondary educational institutions of its choice. However, the total amount of money that may be awarded to one public postsecondary educational institution pursuant to subdivision (a) may not exceed an amount equal to 25 percent of the total funds available under this article.

(c) The board shall establish an advisory committee to recommend grant awards. The advisory committee shall be known as the Construction Management Education Account Advisory Committee and shall consist of ~~11~~ 10 members, with at least one representative from each of the following: Associated General Contractors of California, Associated Builders and Contractors, California Building Industry Association, National Electrical Contractors Association, Plumbing-Heating-Cooling Contractor's Association, Southern California Contractor's Association, Associated General Contractors of San Diego, Engineering and Utility Contractors Association ([DBA United Contractors](#)), ~~Engineering Contractors Association~~, California Sheet Metal and Air Conditioning Contractor's Association, and one member representing the California State University and University of California construction management programs accredited by the American Council for Construction Education. Advisory committee member terms shall be for three years, and the representatives shall be appointed by each identified group. Members of the advisory committee shall not receive per diem or reimbursement for traveling and other expenses pursuant to Section 103.

(d) The mission of the Construction Management Education Account Advisory Committee is to maintain, and increase the quality and availability of, education programs for the construction industry. The primary focus is to provide financial resources not now available to accredited construction management programs in California colleges and universities to maintain and upgrade facilities and provide greater access by the industry to modern construction standards and management practices. The advisory committee shall do all of the following:

- (1) Confirm the qualifications of programs applying for grants.
- (2) Award less than full grants when the account has insufficient funds to award full grants to all qualifying programs.
- (3) Receive and review year-end reports of use and impact of funds.
- (4) Affirm applications for American Council for Construction Education accreditation and, when funds are available, award grants to complete the accreditation process.
- (5) Promote close ties between feeder junior colleges and four-year construction management programs.
- (6) Support development of new educational programs with specific emphasis on outreach to the construction industry at large.

**JUSTIFICATION:** Each year, the Senate Committee on Business, Professions and Economic Development (BPED) authors a non-substantive bill to revise provisions of the BPC pertaining to the programs under the Department of Consumer Affairs. Commonly known as an "omnibus" bill, proposals submitted for inclusion are



intended to be non-controversial, minor, and no-cost. The omnibus bill provides CSLB with a valuable opportunity to identify and correct errors or inconsistencies within Contractors Law therefore minimizing confusion for staff and the public and enhancing compliance among licensees and applicants.

This proposal would make several non-substantive, minor changes to Contractors Law. First, this proposal would delete an obsolete cross-reference in statute related to the installation of fire protection systems. BPC 7026.12 specifies who is authorized to install fire protection systems and contains a cross-reference to a statute (BPC 7026.13) that was repealed in 2017 (AB 433, Chapter 377, Statutes of 2013). Accordingly, this cross-reference should be removed to avoid confusion stemming from the citation to a code section that no longer exists.

Second, this proposal would delete the requirement for CSLB to conduct a study to determine if consumer protection would be enhanced by requiring licensees to report judgments, arbitration awards, or settlement payments resulting from claims for construction defects for rental residential units. SB 465 (Chapter 372, Statutes of 2016) required CSLB to conduct the study and report the results to the Legislature by January 1, 2018. The [study](#) was completed in December 2017 and submitted to the Legislature and is no longer needed in statute.

Third, this proposal would eliminate an outdated statutory reference regarding the collection of a fee for rescheduling an exam. Under SB 1455 (Chapter 485, Statutes of 2024), applicants for licensure are now required to pay examination fees directly to the examination vendor, rather than to CSLB. As CSLB no longer collects any examination fees, it is unnecessary to retain language in statute stating that CSLB does not charge a rescheduling fee.

Lastly, this proposal would update the CMEA Advisory Committee member organizations to reflect the consolidation of two associations and a name change. The CMEA Advisory Committee oversees the funds that help improve the quality and availability of education programs for California's construction industry as provided for in the Construction Management Education Sponsorship Act (Act). The Act allows contractors to contribute to an account established under CSLB for the purposes of construction management education. Contributions can be submitted with any application for licensure or renewal. The proposed change would codify the Engineering and Utility Contractors Association's filing a DBA in 2012 as the United Contractors and reflects its merger with the Engineering Contractors Association in 2023. This will ensure the names of the committees and their members that CSLB convenes and communicates with to implement the CMEA requirements are accurate and represented in state law under their true names.

**FISCAL IMPACT:** Any costs resulting from this proposal are minor and absorbable within existing resources.

**STAFF RECOMMENDATION:** Staff recommend the Board approve these non-substantive legislative proposals for inclusion in the Senate BPED 2026 omnibus legislation.



## AGENDA ITEM F

# Enforcement





## AGENDA ITEM F-1

# Enforcement Program Update









# CONTRACTORS STATE LICENSE BOARD

## ENFORCEMENT PROGRAM UPDATE & STATISTICAL REVIEW

### Enforcement Program Update and Statistical Review

#### Staff Vacancy Update

There are currently 25 vacancies in the Enforcement Division. The division's management team is working hard to fill these vacancies. Candidates have been selected and are pending approval for seven positions. There are 16 positions publicly posted or under review prior to public posting. The remaining positions are going through the interview process with interviews currently scheduled or will be scheduled soon. The current vacancies are listed below by position classification.

<i>Position Classification</i>	<i>Vacant</i>
Supervising Special Investigator II (PO)	1
Supervising Special Investigator I	1
Special Investigator	14
Special Investigator (Peace Officer)	2
Staff Services Analyst	3
Office Technician (Typing)	3
Program Technician II	1
<b>TOTAL</b>	<b>25</b>

### Intake and Mediation Center Highlights

#### Solar Installation Complaint Results in \$32,000 Settlement

A Staff Services Analyst (SSA) successfully mediated a complaint involving a San Diego consumer who had entered into a power purchase agreement and contract for the installation of solar panels, inverters, and a battery system. The complaint centered on workmanship deficiencies — specifically, roof damage sustained during installation — and allegations of misrepresentation regarding the system's energy offset capabilities. The consumer reported substantial water damage to the property and unexpectedly high utility bills, as the installed system offset only 77 percent of their energy usage, contrary to the 100 percent offset that had been promised. The SSA facilitated a resolution that included the termination of the agreement and a settlement payment of \$32,000 to the consumer to address the property damage.

#### Public Savings Achieved Through Resolution of Construction Complaint

An SSA successfully mediated a complaint involving a consumer in Cardiff-by-the-Sea who had entered into a \$44,625 contract for a bathroom remodel. The scope of work included tile installation, which the consumer alleged was improperly installed and lacked proper waterproofing. A third-party inspection substantiated the consumer's claims, identifying significant workmanship deficiencies. Although the contractor initially agreed to address the corrective work, they ultimately failed to follow through, prompting the consumer to file a formal complaint. Through effective mediation, the SSA facilitated a resolution in which the contractor agreed to reimburse the consumer for the cost of corrective repairs, resulting in \$16,500 in restitution.

**Consumer Compensated for Delays in \$220,000 Remodel Project**

In Los Angeles, a consumer entered into a \$220,000 contract for a full condominium remodel. The project encompassed a range of remodeling tasks; however, the consumer expressed concerns over the contractor's requests for progress payments despite limited work being completed. These concerns, coupled with delays and workmanship issues, led the consumer to file a formal complaint. Through skilled mediation, the SSA facilitated a resolution in which the contractor agreed to both complete the remaining work and reimburse the consumer \$6,635 for project delays.

**Investigation Center Highlights****Church Construction Project Failure in Paradise**

On January 8, 2020, a church representative entered into a \$318,900 contract with Vern Sneed, DBA Design Horizons LLC, for the construction of a Q Cabin Kit fourplex, intended to support recovery efforts following the 2018 Camp Fire. A second contract for an additional fourplex was signed on July 29, 2020, for \$430,112, bringing the total to \$749,012. Subsequent change orders and development costs increased the total contract price to \$1,039,968. The complainant paid \$744,957.56 toward the project.

Construction began in September 2021, but ceased in February 2023, with over 20 contracted items left incomplete. A correcting contractor later determined that the work performed failed to meet industry standards and did not conform to the approved plans. The estimated cost to correct and complete the project was \$700,000, which equaled \$404,989.56 more than the original contract price.

Beyond financial loss, the church suffered significant operational impacts. Originally, the rental income from the units — estimated at \$40,000 annually — was intended to fund a new pastor following the retirement of their current one. After the Camp Fire, the church shifted its focus to housing fire survivors. However, due to the project's failure, the church was left without usable units or rental income, forcing congregation members to lead services in the absence of a pastor.

Following CSLB's investigation, a CSLB Special Investigator (SI) found sufficient grounds to pursue disciplinary action. The contractor entered into a stipulated settlement agreement, resulting in license revocation effective August 25, 2025. Under the terms of the settlement, Vern Sneed is prohibited from applying for license reinstatement for three years and was ordered to pay \$21,577.75 in investigative costs and resolve \$404,989.56 in restitution before being eligible for reinstatement.

**Responsible Managing Officer Held Responsible**

In November 2022, homeowners entered into a \$156,846.56 contract with a licensed swimming pool contractor for the construction of a pool and spa in Calistoga. Subsequent change orders were proposed, totaling an additional \$117,585.81. Despite the license being suspended on September 29, 2023, the company's CEO requested and received a payment of \$31,369.31 on October 17, 2023 — without performing any work or delivering materials. The homeowners ultimately terminated the contractor. During the investigation, the CEO admitted to diverting the funds for unrelated



purposes, while the Responsible Managing Officer (RMO) denied any knowledge of or involvement in the project.

On July 29, 2024, CSLB closed the complaint with a recommendation that an accusation be filed based on multiple violations of the Business and Professions Code, including failure to exercise direct supervision and control of construction operations, diversion or misapplication of funds, willful or fraudulent conduct causing harm, contracting under a suspended license, and requesting or accepting payment in excess of work performed or materials provided.

An accusation was formally filed on February 12, 2025, citing the same violations and adding a cause for discipline against the CEO's Home Improvement Salesperson (HIS) registration. On July 25, 2025, the Registrar adopted a default decision revoking both the contractor license and the CEO's HIS registration, effective August 25, 2025.

To address the criminal violations, the case was also referred to the Napa County District Attorney's Office, and an arrest warrant has been issued for the RMO.

### **Bankruptcy Filing Leaves Consumer Without Options**

A CSLB SI conducted investigations into several complaints filed against the same licensee regarding residential room additions, accessory dwelling units (ADUs) and interior remodeling projects located throughout San Diego County. Between November 2021 and June 2023, the contractor entered into four contracts ranging from residential remodeling, totaling \$98,500, to the construction of room additions and ADUs totaling \$558,000. In each case, the contractor requested and received an excessive down payment, ranging from \$9,500 to \$25,000, failed to obtain the necessary permits for the work performed, and failed to refund money owed for work that was never performed. Two of the complainants suffered financial injuries ranging from \$28,061.29 to \$107,689; however, the contractor successfully had the debts discharged in bankruptcy, leaving the homeowners with no financial recovery options. The SI discussed the case with a deputy district attorney from the San Diego County District Attorney's Office, but they declined to prosecute.

In April 2025, CSLB recommended an accusation for revocation of the license. The accusation was settled and was effective August 7, 2025, revoking the license.

### **Statewide Investigative Fraud Team**

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

From January 1, 2025, to October 31, 2025, SWIFT conducted 26 sting operation days, participated in 352 sweep days, and responded to 524 leads. SWIFT closed 2,252 cases as a result of stings, sweeps, and leads. Of these 2,252 cases, 664 resulted in administrative or criminal legal action, as well as the issuance of 891 advisory notices for minor violations.

**National Association of State Contractors Licensing Agencies (NASCLA) Enforcement Effort**

Each year, SWIFT participates in NASCLA's nationwide enforcement effort, a major initiative to protect consumers and maintain fair competition in the construction industry. This year's operation took place between October 13, 2025, and October 24, 2025.

Over the two-week period, SWIFT conducted three undercover stings and 46 sweep operations in 18 counties throughout California. SWIFT investigators conducted sting operations at homes located in San Joaquin, Kern, and San Diego counties. Sweep operations were conducted at 454 active construction sites in El Dorado, Fresno, Kern, Los Angeles, Monterey, Napa, Orange, Placer, Riverside, Sacramento, San Benito, San Bernardino, San Diego, San Mateo, Santa Cruz, Tulare, and Yolo counties.

The efforts resulted in 119 legal actions against both licensed and unlicensed contractors which consisted of 54 referrals to district attorneys' offices for criminal prosecution, 52 administrative citations, and 13 Letters of Admonishment. Additionally, 29 stop orders were issued for failure to obtain workers' compensation insurance, and 99 advisory notices were issued for various minor violations of contractor license law.

**Southern California Fire Response**

Beginning in late January, SWIFT investigators have had boots on the ground helping disaster victims avoid contractor fraud by posting "Homeowners Beware" warning signs throughout the areas impacted by the Palisades and Eaton fires. As of October 31, 2025, SWIFT conducted 50 compliance sweeps within these declared disaster areas of Los Angeles County and continued to work alongside the Department of Insurance to supply homeowners with fraud prevention materials and tips on hiring licensed contractors.

**District Attorney Referrals**

From January 1, 2025 to October 31, 2025, SWIFT referred 256 cases to local district attorneys' offices for criminal prosecution – 205 for contracting without a license and 51 against licensees, primarily for failure to secure workers' compensation insurance.

**Administrative Actions**

From January 1, 2025 to October 31, 2025, SWIFT issued 314 licensee and non-licensee citations, issued 94 Letters of Admonishment, and assessed \$622,850 in non-licensee citation civil penalties. Administrative violations include working out of classification, working under a suspended or expired license, failing to obtain permits, and other license law violations that do not warrant a criminal referral.

**Stop Orders**

A Stop Order is a legal demand to cease all employee labor at any jobsite due to workers' compensation insurance violations until an appropriate policy is obtained. Failure of a contractor to comply with a stop order is a misdemeanor criminal offense, punishable by up to 60 days in county jail and/or a fine of up to \$10,000. From January 1, 2025, to October 31, 2025, SWIFT issued 257 Stop Orders to licensed and

unlicensed individuals for using employee labor without having a valid workers' compensation policy.

### Outstanding Tax and State Agency Liability Suspensions

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

#### Amounts Collected or Resolved

	2022	2023	2024	2025 (through 10/31/25)
<b>CSLB</b>	\$104,507	\$100,190	\$108,848	\$75,975
<b>EDD</b>	\$13,280,832	\$10,485,549	\$10,897,189	\$14,012,163
<b>DIR-Cal/OSHA</b>	\$243,066	\$493,104	\$697,638	\$601,322
<b>DIR-DLSE</b>	\$5,217,626	\$4,620,847	\$3,116,644	\$2,214,916
<b>FTB</b>	\$4,024,936	\$5,344,249	\$4,768,829	\$2,745,585
<b>Totals</b>	<b>\$22,870,967</b>	<b>\$21,043,939</b>	<b>\$19,589,147</b>	<b>\$19,649,961</b>

### Labor Enforcement Task Force

The Labor Enforcement Task Force (LETF) is comprised of investigators from CSLB, the Department of Industrial Relations' (DIR) Division of Labor Standards and Enforcement (DLSE) and Division of Occupational Health and Safety (Cal/OSHA), as well as the Employment Development Department (EDD). LETF combats the underground economy in California and aims to ensure that workers receive proper payment of wages and are provided with a safe work environment. Below are LETF statistics for January 1, 2025, to October 31, 2025:

Number of Contractors Inspected	152
Number of Contractors Out of Compliance	130
Percentage of Contractors Out of Compliance	86%
Total Initial Assessments	\$824,861

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

## Complaint Handling Statistics (For January 1, 2025, to October 31, 2025)

### Investigations Initiated & Complaints Received

- CSLB received 16,236 complaints.
- CSLB self-initiated 656 investigations.

### Pending Investigations

With current staffing levels, the optimum maximum Enforcement Division caseload is 4,895 pending complaints. As of October 31, 2025, the pending caseload was 5,484.

### Special Investigator Production Goals

The weighted monthly case-closing average per Special Investigator in CSLB Investigative Centers was 7 closures per month, three less than the closure goal of 10.

### Complaint-Handling Cycle Time

The Board's goal is to appropriately disposition all but 100 complaints within 270 days of receipt. As of November 5, 2025, 196 complaints exceeded 270 days in age. Enforcement supervisors and managers continue to conduct monthly case reviews and help investigators resolve aged cases.

### Restitution to Financially Injured Persons

CSLB continues to assist consumers and help licensees resolve non-egregious consumer complaints. Complaint negotiation efforts by the IMC and Investigative Centers resulted in more than \$26.5 million in restitution to financially injured parties.

### Investigative Center Legal Actions

The Investigative Centers referred 634 (24 percent) of the 2,601 legal action investigations for criminal prosecution.

## Case Management Activities (For January 1, 2025, to October 31, 2025)

### Arbitration

- 339 arbitration cases were initiated, resulting in \$2,776,217 in ordered financial restitution.
- 39 licenses were revoked for non-compliance with an arbitration award.

### Citations

	Licensees	Non-Licensed	Total
Citations Issued	766	629	1,395
Citations Appealed	402	200	602
Citations Complied With	474	325	799



**Licensee Civil Penalties Collected**

	<b>Total</b>
Informal Citation Conferences (ICC) Conducted	246
Citations Resolved Through ICCs	135
Civil Penalties Collected	\$1,969,985.50
Restitution Ordered	\$783,244.00

**Non-Licensee Citation Civil Penalties**

	<b>Total</b>
Informal Citation Conferences (ICC) Conducted	164
Citations Resolved Through ICCs	145
Civil Penalties Collected	\$598,468.00

**Accusations**

	<b>Total</b>
Accusations Filed	218
License Revocations	176
Licenses Placed on Probation	43
Restitution Paid to Injured Parties	\$1,303,462.00
Cost Recovery Collected	\$365,455.00

**Letter of Admonishment**

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

Additionally, contractors who receive an LOA are given an opportunity to contest its issuance via an Office Conference. The Office Conference procedures provide CSLB with the discretion to uphold, modify, or withdraw the Letter of Admonishment based on a second review of the case.

Beginning in 2020, contractors who have violated local permit requirements have been issued an LOA with a corrective order to complete a video training session on building permits. Violators who do not complete the training are subject to an administrative citation.

Below are LOA statistics for January 1, 2025, through October 31, 2025.

### **Office Conferences**

Office Conferences Conducted	19
LOA Decisions Upheld	12
LOA Decisions Withdrawn	4
LOA Decisions Modified	3

### **Corrective Action Plans**

Corrective Action Plans (CAP) Ordered	59
CAP Compliance Pending	25
CAP Compliance Complete	30
LOA Elevated to Citation/Non-Compliant	4

### **Application Experience Verification Statistics**

The following chart on the next page provides the breakdown for appeals, denials, withdrawals, experience verification, and pending applications by classification. The statistics primarily relate to the work performed by the Enforcement field application investigator, and do not include application investigations by other Enforcement or Licensing units.





**Experience Verification by Classification  
January 1, 2025, to October 31, 2025**

	CLASSIFICATION	APPEALED	WITHDRAWN	VERIFIED	DENIED	TOTAL
<b>A</b>	General Engineering	1	4	7	4	16
<b>B</b>	General Building	3	36	72	33	144
<b>B-2</b>	Residential Remodeling	0	5	8	4	17
<b>C2</b>	Insulation and Acoustical	0	0	1	2	3
<b>C4</b>	Boiler Hot Water	0	0	0	0	0
<b>C5</b>	Framing / Rough Carp	0	0	0	0	0
<b>C6</b>	Cabinet-Millwork	0	0	1	0	1
<b>C7</b>	Low Voltage Systems	0	0	6	1	7
<b>C8</b>	Concrete	0	1	3	4	8
<b>C9</b>	Drywall	0	0	0	3	3
<b>C10</b>	Electrical	0	5	19	10	34
<b>C11</b>	Elevator	0	0	0	0	0
<b>C12</b>	Earthwork & Paving	0	2	2	3	7
<b>C13</b>	Fencing	0	1	0	0	1
<b>C15</b>	Flooring	0	2	2	3	7
<b>C16</b>	Fire Protection	0	0	1	0	1
<b>C17</b>	Glazing	0	1	0	3	4
<b>C20</b>	HVAC	0	2	7	1	10
<b>C21</b>	Building Moving Demo	0	0	3	2	5
<b>C22</b>	Asbestos Abatement	0	0	0	0	0
<b>C23</b>	Ornamental Metal	0	0	0	0	0
<b>C27</b>	Landscaping	0	1	12	10	23
<b>C28</b>	Lock & Security Equip	0	0	0	0	0
<b>C29</b>	Masonry	0	0	1	0	1
<b>C31</b>	Construction Zone	0	0	0	0	0
<b>C32</b>	Parking Highway	0	0	0	0	0
<b>C33</b>	Painting	0	1	9	7	17
<b>C34</b>	Pipeline	0	0	0	0	0
<b>C35</b>	Lath & Plaster	0	0	2	2	4
<b>C36</b>	Plumbing	0	6	4	7	17
<b>C38</b>	Refrigeration	0	0	1	1	2
<b>C39</b>	Roofing	0	1	9	4	14
<b>C42</b>	Sanitation	0	1	0	0	1
<b>C43</b>	Sheet Metal	0	1	0	0	1
<b>C45</b>	Sign	0	0	0	0	0
<b>C46</b>	Solar	0	1	0	2	3
<b>C47</b>	Gen Manufactured House	0	2	0	0	2
<b>C49</b>	Tree and Palm	0	0	2	2	4
<b>C50</b>	Reinforcing Steel	0	0	0	1	1
<b>C51</b>	Structural Steel	0	0	2	2	4
<b>C53</b>	Swimming Pool	0	0	3	0	3
<b>C54</b>	Ceramic and Mosaic Tile	0	0	1	0	1
<b>C55</b>	Water Conditioning	0	0	1	1	2
<b>C57</b>	Well Drilling	0	0	1	0	1
<b>C60</b>	Welding	0	0	0	0	0
<b>C61</b>	Limited Specialty	0	0	7	2	9
<b>ASB</b>	Asbestos Cert	0	0	0	0	0
<b>HAZ</b>	Hazardous Cert	0	0	0	0	0
	<b>Total</b>	<b>4</b>	<b>73</b>	<b>187</b>	<b>114</b>	<b>378</b>

## **Training Update**

### **National Association of State Contractors Licensing Agencies (NASCLA) Conference**

The NASCLA 2025 Annual Conference, held on September 16-19, 2025, in Orange County, was a four-day interactive program designed for investigators in the state contractor licensing field. The conference covered both basic and advanced levels, focusing on investigative techniques, regulatory compliance, case management, and professional skills such as report writing, public relations, and administrative law. Conference sessions (including specialized topics like testifying at proceedings, consumer relations, negotiation skills, disaster response, and enforcement actions) provided valuable networking and professional development opportunities. Participants from CSLB included 18 SIs and 12 managers/supervisors.

### **Enforcement Academy**

The next CSLB Enforcement Academy is tentatively scheduled for March 2026 and will be held in Southern California.

## AGENDA ITEM G

# Licensing





## AGENDA ITEM G-1

# Licensing and Testing Program Update







# CONTRACTORS STATE LICENSE BOARD

## LICENSING PROGRAM UPDATE

### Application Processing Statistics

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

#### Total Number of Applications Received Per Month

	2024 Nov	Dec	2025 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
Original Exam	1,468	1,469	1,536	1,784	1,888	1,943	1,796	1,661	1,649	1,563	1,581	1,708
Original Waiver	602	724	842	911	855	917	853	803	736	780	826	734
Add Class	376	405	499	530	552	569	483	488	454	484	533	513
Qualifier Replacer	207	268	290	285	290	302	267	272	259	304	314	299
Home Improvement	755	773	899	904	1,005	987	932	996	761	807	789	796
<b>Total Per Month</b>	<b>3,408</b>	<b>3,639</b>	<b>4,066</b>	<b>4,414</b>	<b>4,590</b>	<b>4,718</b>	<b>4,331</b>	<b>4,220</b>	<b>3,859</b>	<b>3,938</b>	<b>4,043</b>	<b>4,050</b>

**3 – Month  
Totals**

**Nov – Jan: 11,113**

**Feb – Apr: 13,722**

**May – Jul: 12,410**

**Aug – Oct: 12,031**

#### Total Applications Received – Prior Calendar Years

	CY 2020	CY 2021	CY 2022	CY 2023	CY 2024
Original Exam	13,193	15,729	15,861	17,816	20,100
Original Waiver	7,456	7,558	7,970	8,737	9,205
Add Class	4,231	4,138	4,112	4,482	5,422
Qualifier Replacer	2,620	2,813	3,024	3,288	3,326
Home Improvement Salespersons	9,694	12,411	12,466	12,792	11,799
<b>Total Received</b>	<b>37,194</b>	<b>42,649</b>	<b>43,433</b>	<b>47,115</b>	<b>49,852</b>

## Weeks to Process

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

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

	2024 Nov	Dec	2025 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
Original Exam	2.7	2.3	1.5	2.2	2.8	2.9	2.9	3.6	4.0	3.5	3.3	2.1
Original Waiver	2.4	2.1	1.9	2.0	2.1	2.4	2.1	2.6	2.0	2.0	2.3	2.2
Add Class	1.2	1.5	2.4	2.8	2.5	2.6	1.7	2.0	2.0	1.9	2.0	2.4
Qualifier Replacer (Exams & Waiver)	1.3	1.6	2	2.8	2.5	2.6	1.7	2.0	2.0	1.9	1.9	2.3
Home Improvement Salesperson	1.9	1.3	1.8	2.1	2.6	2.0	1.6	1.8	2.0	1.4	1.6	1.4
Renewal	0.8	0.8	0.9	0.8	0.8	0.7	0.7	1.4	1.4	1.0	1.4	0.8
Add New Officer	1.9	1.3	1.8	2.4	2.6	2.3	1.8	1.9	1.7	1.5	1.8	1.3
Address / Name Change	1.9	1.3	1.8	2.4	2.6	2.3	1.8	1.9	1.9	1.9	1.7	1.0
Bond / Bond Exemption	0.5	0.7	0.6	0.6	0.6	0.6	1.0	2.5	1.2	0.9	1.0	0.9
Workers' Comp / Exempt	0.6	0.9	1.7	2.7	1.1	1.2	1.5	2.9	3.0	2.8	2.6	2.4
Certified License History	0.0	0.0	0.0	0.1	0.0	0.2	0.1	2.0	0.0	0.1	0.0	0.0
Copies of Documents	0.0	0.0	0.0	0.1	0.0	0.1	0.0	0.0	0.0	0.1	0.0	0.0
Criminal Offender Record Information (CORI) Review*	2.2	2.7	2.6	2.4	2.2	2.2	2.1	2.5	2.0	2.1	1.8	2.0

\*Outside CSLB Control—DOJ/FBI timeframe



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

### Disposition of Applications by Fiscal Year

Fiscal Year	Number of Apps Received	Processed & Issued	Voided	Pending*
2021-2022	43,707	19,148	4,801	19,758
2022-2023	47,042	22,301	5,197	19,544
2023-2024	49,008	25,189	4,694	19,125
2024-2025	50,424	24,303	6,126	19,995

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

An application may be classified as pending because:

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

### Renewal Processing Statistics

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

#### Total Number of Renewals Received Per Month

	2024 Nov	Dec	2025 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
Reactivation	69	91	80	110	127	118	80	107	109	71	105	106
Active	6,207	6,814	7,474	6,688	8,710	7,722	8,468	8,130	8,254	7,438	7,337	7,924
Inactive	685	745	823	688	964	762	846	761	822	702	704	767
Delinquent Active	1,082	1,094	1,288	1,193	1,040	1,142	1,000	1,026	1,196	1,144	1,296	1,243
Delinquent Inactive	146	134	176	160	164	139	125	119	124	133	140	147
Received Per Month	8,189	8,878	9,841	8,839	11,005	9,883	10,519	10,143	10,505	9,488	9,582	10,187

**3 – Month Totals**     
 Nov – Jan: 26,908     
 Feb – Apr: 29,727     
 May – Jul: 31,167     
 Aug – Oct: 29,257

#### Total Renewals Received – Prior Calendar Years

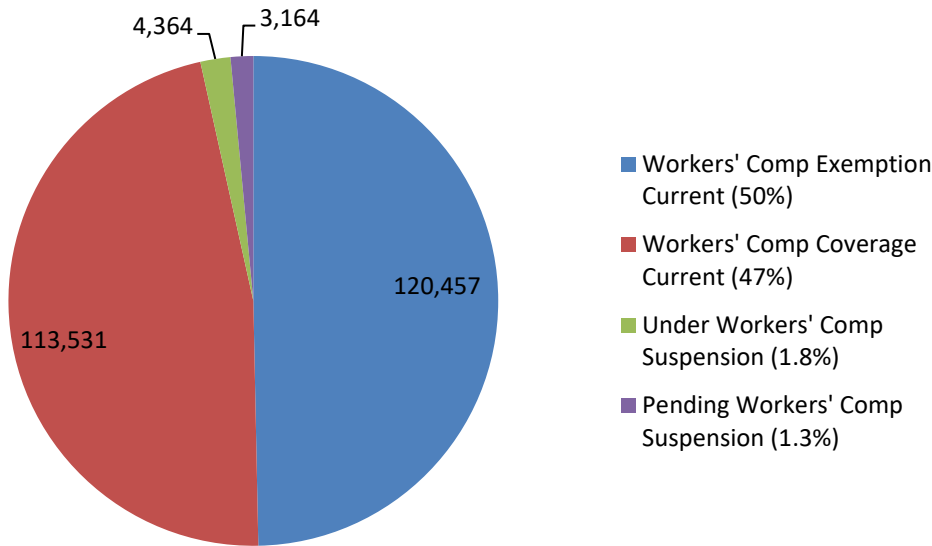
	CY 2020	CY 2021	CY 2022	CY 2023	CY 2024
Reactivation	1,164	1,230	1,250	1,293	1,248
Active	97,037	94,480	93,180	92,088	92,458
Inactive	12,379	11,351	9,087	9,689	9,994
Delinquent Active	12,636	13,162	12,519	12,911	13,776
Delinquent Inactive	2,071	2,163	1,658	1,661	1,799
<b>Total Received</b>	<b>125,287</b>	<b>122,386</b>	<b>117,694</b>	<b>117,642</b>	<b>119,275</b>

**Workers' Compensation Recertification Statistics**

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

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

**Workers' Comp Coverage for  
Active Licenses - October 31, 2025**



**Total Number of Active Licenses: 243,112**

The following chart shows the workers' compensation coverage (policies and exemptions) on file as October 31, 2025, for active licenses by classification and the percentage of exemptions per classification.



**Active License Classifications Workers' Comp Status: As of October 31, 2025**

	Classification	Exemptions on File	WC Policies on File	Total Policies & Exemptions	% of Total with Exemptions
<b>A</b>	General Engineering	5,306	9,570	14,876	36%
<b>B</b>	General Building	62,008	42,960	104,968	59%
<b>B2</b>	Residential Remodeling	1,050	314	1,364	77%
<b>C2</b>	Insulation and Acoustical	255	915	1,170	22%
<b>C4</b>	Boiler Hot Water	107	576	683	16%
<b>C5</b>	Framing / Rough Carp	533	501	1,034	52%
<b>C6</b>	Cabinet-Millwork	2,440	1,945	4,385	56%
<b>C7</b>	Low Voltage Systems	1,990	2,779	4,769	42%
<b>C8</b>	Concrete	11	5,280	5,291	0.2%
<b>C9</b>	Drywall	1,327	1,892	3,219	41%
<b>C10</b>	Electrical	14,640	13,423	28,063	52%
<b>C11</b>	Elevator	49	162	211	23%
<b>C12</b>	Earthwork & Paving	951	1,505	2,456	39%
<b>C13</b>	Fencing	747	1,047	1,794	42%
<b>C15</b>	Flooring	3,534	3,438	6,972	51%
<b>C16</b>	Fire Protection	727	1,463	2,190	33%
<b>C17</b>	Glazing	1,124	1,914	3,038	37%
<b>C20</b>	HVAC	6	11,417	11,423	0.05%
<b>C21</b>	Building Moving Demo	537	1,270	1,807	30%
<b>C22</b>	Asbestos Abatement	2	307	309	0.6%
<b>C23</b>	Ornamental Metal	448	628	1,076	42%
<b>C27</b>	Landscaping	4,998	7,053	12,051	41%
<b>C28</b>	Lock & Security Equipment	134	219	353	38%
<b>C29</b>	Masonry	789	1,307	2,096	38%
<b>C31</b>	Construction Zone	79	362	441	18%
<b>C32</b>	Parking Highway	185	315	500	37%
<b>C33</b>	Painting	8,735	7,033	15,768	55%
<b>C34</b>	Pipeline	134	398	532	25%
<b>C35</b>	Lath & Plaster	641	1,204	1,845	35%
<b>C36</b>	Plumbing	9,256	8,118	17,374	53%
<b>C38</b>	Refrigeration	424	1,218	1,642	26%
<b>C39</b>	Roofing	3	5,248	5,251	0.06%
<b>C42</b>	Sanitation	334	624	958	35%
<b>C43</b>	Sheet Metal	258	1,025	1,283	20%
<b>C45</b>	Sign	376	493	869	43%
<b>C46</b>	Solar	419	774	1,193	35%
<b>C47</b>	Gen Manufactured House	213	237	450	47%
<b>C49</b>	Tree and Palm	54	321	375	14%
<b>C50</b>	Reinforcing Steel	67	192	259	26%
<b>C51</b>	Structural Steel	432	1,075	1,507	29%
<b>C53</b>	Swimming Pool	1,260	1,619	2,879	44%
<b>C54</b>	Ceramic & Mosaic Tile	3,534	2,762	6,296	56%
<b>C55</b>	Water Conditioning	125	167	292	43%
<b>C57</b>	Well Drilling	267	473	740	36%
<b>C60</b>	Welding	578	507	1,085	53%
<b>C61</b>	Limited Specialty	7,365	13,217	20,582	36%

**Fingerprinting/Criminal Background Unit Statistics**

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

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

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

	CY 2020	CY 2021	CY 2022	CY 2023	CY 2024	TOTALS
<b>DOJ Records Received</b>	27,172	35,114	37,895	39,500	40,129	<b>179,810</b>
<b>CORI Information Received</b>	5,375	6,818	7,303	5,616	5,778	<b>30,890</b>
<b>Denials</b>	16	8	13	10	7	<b>54</b>
<b>Appeals</b>	11	5	7	3	3	<b>29</b>
<b>Probationary Licenses Issued (conditional license, requires periodic review)</b>	101	177	222	185	206	<b>891</b>

**Judgment Unit Statistics**

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

Outstanding liabilities are reported to CSLB by:

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

Unsatisfied judgments are reported to CSLB by:

- Contractors
- Consumers
- Attorneys

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

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

**Judgment Unit: Number of Reimbursements to State Agencies and Public****Outstanding Liabilities (from California state agencies)**

	2024 Nov	Dec	2025 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
<b>Notice</b>	67	51	50	56	38	72	73	59	65	61	60	62
<b>Suspend</b>	38	50	52	42	32	53	31	52	55	39	54	40
<b>Reinstate</b>	40	42	52	54	32	46	54	45	58	49	35	44
<b>Total</b>	145	143	154	152	102	171	158	156	178	149	149	146

**Final Judgments (from court actions)**

	2024 Nov	Dec	2025 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
<b>Notice</b>	74	94	93	82	77	96	92	86	88	100	105	104
<b>Suspend</b>	15	22	15	11	16	15	12	20	24	17	19	18
<b>Reinstate</b>	48	64	69	87	69	85	66	70	90	98	71	83
<b>Total</b>	137	180	177	180	162	196	170	176	202	215	195	205

**Payment of Claims (from bond surety companies)**

	2024 Nov	Dec	2025 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
<b>Notice</b>	199	175	192	170	204	235	191	148	163	210	172	229
<b>Suspend</b>	79	130	100	117	114	106	85	114	151	102	94	94
<b>Reinstate</b>	102	98	115	145	132	136	123	119	132	124	104	151
<b>Total</b>	380	403	407	432	450	477	399	381	446	436	370	474

**Reimbursement Amounts to State Agencies and Public  
Prior Calendar Years**

	CY 2020	CY 2021	CY 2022	CY 2023	CY 2024
<b>Outstanding Liabilities</b>	\$18,342,630	\$18,765,840	\$22,921,075	\$20,951,291	\$20,371,835
<b>Final Judgments</b>	\$20,586,833	\$18,003,223	\$20,211,482	\$19,505,855	\$43,984,178
<b>Payment of Claims</b>	\$9,921,280	\$7,934,026	\$7,781,618	\$7,168,304	\$10,360,721
<b>Total Monetary Recovery</b>	<b>\$48,850,913</b>	<b>\$44,703,089</b>	<b>\$50,914,175</b>	<b>\$47,625,450</b>	<b>\$74,716,734</b>



# CONTRACTORS STATE LICENSE BOARD

## LICENSING PROGRAM UPDATE

### State Agency Outstanding Liabilities Collected

	Employment Dev. Department (EDD)	Franchise Tax Board (FTB)	Department of Industrial Relations (DIR)  Division of Labor Standards Enforcement (DLSE)  Division of Occupational Safety & Health (DOSH)  Office of the Director – Legal Unit (ODL)	Total Liabilities Collected
<b>November 2024</b>	\$668,277	\$375,939	\$136,113	<b>\$1,180,329</b>
<b>December</b>	\$1,453,620	\$772,571	\$108,337	<b>\$2,334,528</b>
<b>January 2025</b>	\$1,094,815	\$306,998	\$884,975	<b>\$2,286,788</b>
<b>February</b>	\$1,189,173	\$265,422	\$960,254	<b>\$2,414,849</b>
<b>March</b>	\$487,033	-	\$82,124	<b>\$569,157</b>
<b>April</b>	\$2,541,157	\$368,187	\$163,842	<b>\$3,073,186</b>
<b>May</b>	\$1,208,736	\$539,105	\$1,995,261	<b>\$3,743,102</b>
<b>June</b>	\$1,170,348	\$191,457	\$1,388,761	<b>\$2,750,566</b>
<b>July</b>	\$2,479,458	\$390,713	\$3,095,017	<b>\$5,965,188</b>
<b>August</b>	\$2,168,707	\$210,916	\$185,749	<b>\$2,565,372</b>
<b>September</b>	\$819,048	\$40,509	\$16,738	<b>\$876,295</b>
<b>October</b>	\$853,689	\$432,276	\$102,017	<b>\$1,387,982</b>
<b>TOTALS</b>	<b>\$16,134,061</b>	<b>\$3,894,093</b>	<b>\$9,119,188</b>	<b>\$29,147,342</b>



**Examination Administration Unit**  
 The Testing Division’s Examination Administration Unit (EAU) utilizes PSI Exams to administer CSLB’s 48 examinations at 21 computer-based test centers. CSLB and PSI mail applicants instructions on how to schedule exams.

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

**Number of Examinations Scheduled Per Month Nov 2024 – Oct 2025**

Nov 2024	Dec	Jan 2025	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Total
4433	4630	4546	4633	5283	5046	5356	4728	5508	4898	4876	5244	59,181

CSLB currently utilizes PSI test centers in the following locations:

- Agoura Hills  
 Atascadero  
 Bakersfield  
 Carson  
 Diamond Bar  
 El Monte/Santa Fe Springs  
 Fresno  
 Irvine  
 Lawndale  
 Redding  
 Riverside

Sacramento  
 San Diego  
 San Francisco  
 Santa Clara  
 Santa Rosa  
 Union City  
 Ventura  
 Visalia  
 Walnut Creek  
 Wilsonville

In April 2024, the Law and Business exam was released to the other 20 DCA-approved PSI test centers nationwide. As of October 2025, the C-15 Flooring and Floor Covering and C-55 Water Conditioning exams are also offered nationwide.

**Number of Examinations Administered by Test Center**

From November 2024 to October 2025, PSI test centers administered a total of 59,074 exams. The details about each test center are described below.

Test Center	Number of Examinations Administered
Agoura Hills – PSI	4,647
Atascadero – PSI	860
Bakersfield – PSI	1,454
Carson – PSI	1,734
Diamond Bar – PSI	1,836
El Monte/Santa Fe – PSI	4,742
Fresno – PSI	1,733



<b>Test Center</b>	<b>Number of Examinations Administered</b>
<b>Irvine – PSI</b>	4,455
<b>Lawndale – PSI</b>	2,033
<b>Redding – PSI</b>	798
<b>Riverside/Mission Grove – PSI</b>	4,676
<b>Sacramento – PSI</b>	6,476
<b>San Diego – PSI</b>	6,310
<b>San Francisco – PSI</b>	2,942
<b>Santa Clara – PSI</b>	3,067
<b>Santa Rosa – PSI</b>	2,371
<b>Union City – PSI</b>	2,049
<b>Various - PSI*</b>	181
<b>Ventura – PSI</b>	2,613
<b>Visalia - PSI</b>	1,106
<b>Walnut Creek – PSI</b>	2,904
<b>Wilsonville - PSI</b>	87
<b>Total</b>	<b>59,074</b>

### **Examination Development Unit**

The Testing Division's Examination Development Unit (EDU) ensures that CSLB's 48 examinations are written, maintained, and updated in accordance with testing standards and guidelines, Department of Consumer Affairs policies, and CSLB regulations, as well as federal and California state law.

### **Examination Development**

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

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

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\* 20 PSI nationwide test centers – Law and Business exam only

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

The following new examinations were released between August 1, 2025, and October 31, 2025:

- C-5 Framing & Rough Carpentry
- C-35 Lathing & Plastering

The following item banks are ready for new releases

- C-8 Concrete
- C-9 Drywall
- C-15 Flooring & Floor Covering
- C-20 Warm Air Heating, Ventilating & AC
- C-32 Parking and Highway Improvement
- C-43 Sheet Metal

### Examination Programs in Progress as of November 2025

Occupational Analysis	Item Bank Development
C-7 Low Voltage System	C-22 Asbestos Abatement
C-17 Glazing	C-27 Landscaping
C-54 Ceramic & Mosaic Tile	C-29 Mansory
LAW Law and Business	C-53 Swimming Pool
	ASB Asbestos Certification

### Digitizing booklets

Since September 2024, EDU started the transition from physical booklets to digital image integration in computer-based exams, streamlining the testing process and eliminating the cost of producing and shipping physical booklets. There are 19 trade exams currently in transition to digitized images. As of November 2025, there are 6 trades (C-6, C-15, C-33, C-35, C-39 and C-55) that no longer need physical booklets.

### Spanish Translated Examinations

Candidates who request a translator for Spanish are now able to take their Law and Business exam and nine additional trade exams in Spanish instead of waiting for a translator to be approved. These 10 exams represent those that receive the most requests for a Spanish translator. Since November 1, 2024, EDU developed a toggle option for Spanish exams, allowing candidates to view the original English versions alongside their Spanish translations. Candidates will still have the option of utilizing a

translator for their trade exam if it has not been translated into Spanish.

From November 2024 to October 2025, PSI test centers administered a total of 11,558 Spanish version exams. The exam counts for each trade are described below.

Trade Exam	Number of Examinations Administered
Spanish Law and Business	6,765
Spanish B - General Building	1,803
Spanish C-8 Concrete	348
Spanish C-9 Drywall	230
Spanish C-15 Flooring and Floor Covering	220
Spanish C-27 Landscaping	487
Spanish C-33 Painting and Decorating	596
Spanish C-36 Plumbing	358
Spanish C-39 Roofing	536
Spanish C-54 Ceramic and Mosaic Tile	215
<b>Total</b>	<b>11,558</b>

## AGENDA ITEM G-2

# Review, Discussion and Possible Action to Award Construction Management Education Account Grants





## Review, Discussion and Possible Action to Award Construction Management Education Account Grants

### Background

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

In 2025, CSLB received grant applications from five institutions – California State University Chico, California State University Fresno, California State University Sacramento, California State University Long Beach, and California Polytechnic State University of San Luis Obispo. Staff reviewed the applications and presented a suggested level of funding to the Construction Management Education Advisory Committee. The Advisory Committee reviewed the staff proposal in early November 2025 and made no objections.

### 2025-2028 Construction Management Education Advisory Committee

ASSOCIATION	REPRESENTATIVE	ORGANIZATION
Associated General Contractor of CA (AGC)	Chris O'Connor	AGC
Associated General Contractors of San Diego (AGC)	Mike McManus	AGC
Associated Builders & Contractors (ABC)	Daniel Bargmann	Aztec Consultants
California Building Industry Association (CBIA)	Chris Ochoa	CBIA
National Electrical Contractor Association (NECA)	Vincent Bernacchi	Schetter Electric, Inc.
Plumbing Heating Cooling Contractor Association (PHCC)	Patrick Wallner	Wallner Plumbing Company Inc.
Southern California Contractor Association (SCCA)	Paul Von Berg	SCCA
United Contractors (UCON)	Emily Cohen	UCON
Engineering Contractors Association (ECA)*	-	ECA
Sheet Metal & Air Conditioning Contractors National Association (SMACNA)	Chris Walker	Walker Strategies
CSU / UC Construction Management Programs	Gareth Figgess	CSU Sacramento

\*There is no representative for Engineering Contractors Association (ECA) because they merged with United Contractors (UCON) in June 2023.

**Prior Year (2025) Grant Disbursements**

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

Institution	Number of Applicable Graduates	Award Amount per Graduate	Grant Award
CSU Chico	106	\$491.26	\$52,074.00
CSU Sacramento	49	\$491.26	\$24,072.00
CSU Fresno	50	\$491.26	\$24,563.00
CSU Long Beach	64	\$491.26	\$31,441.00
Cal Poly, San Luis Obispo	144	\$491.26	\$70,742.00
Cal Poly, Pomona	45	\$491.26	\$22,107.00
<b>Total</b>	<b>458</b>		<b>\$225,000.00</b>

**Changes in Spending Authorization**

In the Budget Act of 2025, CSLB was appropriated \$100,000 to the CMEA fund to provide award grants to eligible institutions.

Last fiscal year, CSLB received \$223,000 in contributions and the overall fund now holds \$493,000. For this reason, staff sought to increase the appropriation from \$100,000 to \$225,000 this year. CSLB recently received final approval from the Department of Finance to increase its spending authority to \$225,000. For this reason, staff are recommending an increase in fund distributions to the grant applicants for 2026 as follows.

**Staff Recommendation:** That the board authorize the following Construction Management Education Act grant disbursements for 2026.

Institution	Number of Applicable Graduates	Award Amount per Graduate	Grant Award
CSU Chico	80	\$542.17	\$43,373.00
CSU Sacramento	86	\$542.17	\$46,626.00
CSU Fresno	69	\$542.17	\$37,410.00
CSU Long Beach	40	\$542.17	\$21,687.00
Cal Poly, San Luis Obispo	140	\$542.17	\$75,904.00
<b>Total</b>	<b>415</b>		<b>\$225,000.00</b>



## AGENDA ITEM G-3

# Review and Discussion Regarding Surveying B-2 Residential Remodeling Contractors for Contracting and Licensing Goals







### **Review and Discussion Regarding Surveying B-2 Residential Remodeling Contractors for Contracting and Licensing Goals**

The B-2 Residential Remodeling classification has been mentioned as a possible pathway to licensure for the B - General Building classification. The B-2 classification, as defined in Business and Professions Code section 7057.5, was originally created to address two issues. First, some applicants applying for the B - General Building were rejected because they had no structural or framing experience. Second, unlicensed handypersons were doing jobs consisting of multiple unrelated trades, like changing plumbing fixtures and cabinets in a bathroom and then painting the wall, but these would not qualify them for a B license with CSLB. With only four years of experience in multiple trades, they were not able to apply to a specialty classification. The B-2 classification allows licensees to work in three or more unrelated trades and does not require structural or framing experience. The B-2 trade description was written to specifically exclude any structural or behind-the-wall work and was designed to cover the work of a handyperson who worked in multiple trades.

#### **B-2 Residential Remodeling classification description**

The statute for the B-2 Residential Remodeling classification description (BPC 7057.5) includes the following:

(2) A residential remodeling contractor shall not contract to make structural changes to load bearing portions of an existing structure, including, but not limited to, footings, foundations, load bearing walls, partitions, and roof structures.

(3) (A) The residential remodeling contractor shall not contract to install, replace, substantially alter, or extend electrical, mechanical, or plumbing systems or their component parts, or the mechanisms or devices that are part of those systems, unless the residential remodeling contractor holds the appropriate license classification or subcontracts with an appropriately licensed contractor.

#### **B - General Building classification description**

The statute for the B - General Building classification description (BPC 7057 (a) (b)) qualifies license holders to build homes, commercial buildings, and other structural buildings.



**7057. (a)** Except as provided in this section, a general building contractor is a contractor whose principal contracting business is in connection with any structure built, being built, or to be built, for the support, shelter, and enclosure of persons, animals, chattels, or movable property of any kind, requiring in its construction the use of at least two unrelated building trades or crafts, or to do or superintend the whole or any part thereof.

This does not include anyone who merely furnishes materials or supplies under Section 7045 without fabricating them into or consuming them in the performance of the work of the general building contractor.

**(b)** A general building contractor may take a prime contract or a subcontract for a framing or carpentry project. However, a general building contractor shall not take a prime contract for any project involving trades other than framing or carpentry unless the prime contract requires at least two unrelated building trades or crafts other than framing or carpentry, or unless the general building contractor holds the appropriate license classification or subcontracts with an appropriately licensed specialty contractor to perform the work. A general building contractor shall not take a subcontract involving trades other than framing or carpentry, unless the subcontract requires at least two unrelated trades or crafts other than framing or carpentry, or unless the general building contractor holds the appropriate license classification. The general building contractor may not count framing or carpentry in calculating the two unrelated trades necessary in order for the general building contractor to be able to take a prime contract or subcontract for a project involving other trades.

Because of the work B contractors do, they must have some structural experience in order to qualify for the license and sit for the exam. Staff consulted with DCA Legal Affairs Office, and they stated that structural or framing experience is required for applicants to the B classification to avoid the issue of someone doing just plumbing and flooring, or drywall and insulation, and earning a license to build houses.

The dilemma is that a person who is licensed as a B-2 contractor is specifically excluded from doing the structural or framing work that would let them gain experience necessary to add a B - General Building classification to their license.

For the Board's consideration, staff proposes conducting a survey of the over 1,300 active, licensed B-2 contractors to determine why they chose B-2 as a trade.

The three questions on the survey would be as follows:

1. Why did you choose to apply for a B-2 Residential Remodeling license?



- To do remodeling work lawfully
- To do three or more unrelated trades
- Did not meet requirements for B - General Building
- To qualify for lower insurance rates
- To expand my career as an interior designer or handyperson
- To gain experience that would qualify me for a B - General Building license
- Other

2. Are you satisfied with the work you can perform as a B-2 contractor (which is limited to non-structural work and includes no behind-the-wall work)?

If “yes” the survey ends.

If “No”

3. Do you want to expand to the B - General Building trade? If so, do you understand the requirements to add a B classification to your license?

The survey will take about six weeks to complete – one week to create it, four weeks to gather responses, and one week to calculate the results. Staff would have results ready for the March 2026 Board Meeting so the board can discuss their options then.

The voting item for this section is the board approving staff moving forward with the survey.

The option staff proposes is expanding the statute to add a new certification that certain classification holders could add to their existing license to gain structural experience to qualify for a B. The new certification would be similar to Nevada’s new restricted B-7 license in that it would allow holders to do certain limited work to gain experience toward qualifying for a full B - General Building classification.

The new California certification would include applicants taking a newly developed examination that would include structural, framing, and other related questions to cover the scope of work allowed with the certification. The idea is that the scope would include building pergolas, patio covers, sheds, and garages, but not houses, room additions, or accessory dwelling units (ADUs). In other words, these certification holders could build structures, but not a place where people would be sleeping or living.

Because this certification would only be open to people who already hold a CSLB license, they would have already taken the Law and Business exam, hold a contractor’s bond, have been fingerprinted, and met other CSLB license requirements.



## AGENDA ITEM H

### Public Affairs







## AGENDA ITEM H-1

# Public Affairs Program Update







# CONTRACTORS STATE LICENSE BOARD

## PUBLIC AFFAIRS PROGRAM UPDATE

### Public Affairs Program Update

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

PAO creates and posts content on CSLB's social media channels to educate and inform consumers, licensees, the construction industry, the news media, and government officials. Staff also produce content for the CSLB website that includes webcasts and videos. Staff conduct Senior Scam Stopper<sup>SM</sup> and Consumer Scam Stopper<sup>SM</sup> seminars and present speeches to service groups and organizations. Internally, staff also produce content for the employee intranet.

### Disaster Response

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

CSLB staffed and participated in one local assistance center (LAC)/disaster recovery center (DRC) throughout California from August 1, 2025, through October 31, 2025.

Disaster	LAC/DRC Location	Resources
1. TCU Complex Fire	Sonora (Tuolumne County)	Materials only

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

### Assistance for Licensees/Applicants

PAO communicates that CSLB continues its practice of waiving fees for licensees to replace their wall certificate and/or plastic pocket license in disaster zones. PAO also shares that CSLB waives delinquent fees for failure to renew a license before it expires for disaster survivors and works to expedite license applications for those planning to work in disaster areas.



## **Video/Digital Services**

### **Consumer, Licensee and Applicant Tips Videos**

Public Affairs staff continue to produce and translate consumer, applicant, and licensee tips videos for promotion on CSLB's website and social media platforms. Topics include tips for building an accessory dwelling unit or ADU, what seniors should know before about hiring a contractor and a Spanish version of CSLB's "Rebuilding After a Disaster" video. PAO staff have also released a full-length version of CSLB's Senior Scam Stopper<sup>SM</sup> seminar, which audiences can watch on-demand on the CSLB website and YouTube channel.

In addition, staff continue to produce and update English and Spanish versions of the monthly "Get Licensed to Build" workshop for those interested in obtaining a contractor's license. The workshop covers each step required to obtain a contractor license and includes a live question and answer session for participants. These workshops can be found on CSLB's website and YouTube channel.

### **Livestreams/Videos Produced August 1, 2025 – October 31, 2025**

<b>Date Published</b>	<b>Video Title</b>
<b>8/1/2025</b>	Senior Scam Stopper Seminar
<b>8/1/2025</b>	Get Licensed to Build Workshop
<b>8/14/2025</b>	Reconstrucción después de un desastre
<b>8/15/2025</b>	Workshop para que obtenga licencia de construir
<b>8/29/2025</b>	What Seniors Should Know About Hiring a Contractor
<b>9/5/2025</b>	CSLB Board Meeting
<b>9/12/2025</b>	Get Licensed to Build Workshop
<b>9/19/2025</b>	Workshop para que obtenga licencia de construir
<b>10/3/2025</b>	Get Licensed to Build Workshop
<b>10/17/2025</b>	Workshop para que obtenga licencia de construir

### **Social Media**

PAO continues to use social media as an outreach tool to better interact with applicants, licensees, the news media, and other stakeholders. CSLB currently utilizes Facebook, Instagram, X, YouTube, and LinkedIn.



## Social Media Highlights

- **Facebook:** 7,000 followers, a 4.5 percent increase since the previous quarter
- **Instagram:** 2,876 followers, a 15 percent increase since the previous quarter
- **X:** 3,141 followers, a 2.25 percent increase since the previous quarter
- **YouTube:** 10 videos produced; 86,739 video views; 6,000 hours watched since last year.
- **LinkedIn:** 1,326 followers, a 17 percent increase since the previous quarter

## Facebook Growth

Between August 1, 2025, to October 31, 2025, CSLB had 59,000 views, and an increase in 172 percent for 1-minute views.

## Follower Statistics

Of CSLB's Facebook followers, 67 percent of CSLB Facebook followers are male; 33 percent are female. Of these followers, 1 percent of CSLB's Facebook followers are ages 18 to 24, 12 percent are ages 25-34, 31 percent are ages 35-44, 26 percent are ages 45-54, 19 percent are ages 55-64, and 11 percent are ages 65 and up.

## Top Facebook Post

CSLB's top post was published Friday, October 24, at 9:40 a.m. Please see below. The post had 757 views, 37 interactions, and 5 link clicks. This post is in reference to providing tips for hiring licensed contractors and knowing and understanding down payment laws.



### Published Post

Planning a big project? If it costs \$1,000+ or needs permits or workers, you need a licensed contractor. Visit [www.cslb.ca.gov](http://www.cslb.ca.gov) to find one you can trust!

### Instagram Growth

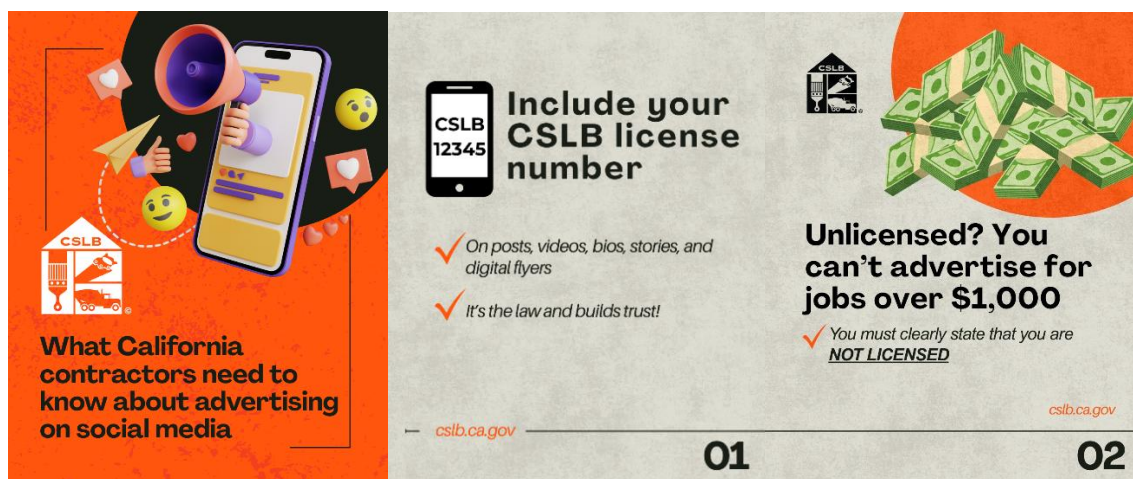
Between August 1, 2025, and October 31, 2025, CSLB reached 7,700 accounts on its Instagram page.

### Follower statistics

Of CSLB's Instagram followers, 74 percent of CSLB's Instagram followers are male; 26 percent are female. Of these followers, 3 percent of CSLB's Instagram followers are ages 18 to 24, 23 percent are ages 25-34, 39 percent are ages 35-44, 19 percent are ages 45-54, 7 percent are ages 55-64, and 3 percent are ages 65 and over.

### Top Instagram Post

CSLB's top post was a carousel of images that published on Friday, September 5, at 9:02 am with 3,860 views, a reach of 1,117 accounts, 79 interactions, and 2 additional follows. Please see below, This post referred to what California contractors need to know about advertising on social media. The Public Affairs Office partnered with SWIFT management for the information in this post. This post was also later turned into a reel for CSLB's social media channels.





### Published post:

Contractors: Are you advertising on social media?  
Before you hit "post," make sure you're following the law:

Always include your CSLB license number  
Unlicensed? You can't advertise for jobs over \$1,000  
Be honest about your services & classification  
Add your license number and business name to your profile and captions.  
Following these rules builds trust with customers and keeps you in compliance.  
Learn more: [cslb.ca.gov](http://cslb.ca.gov)

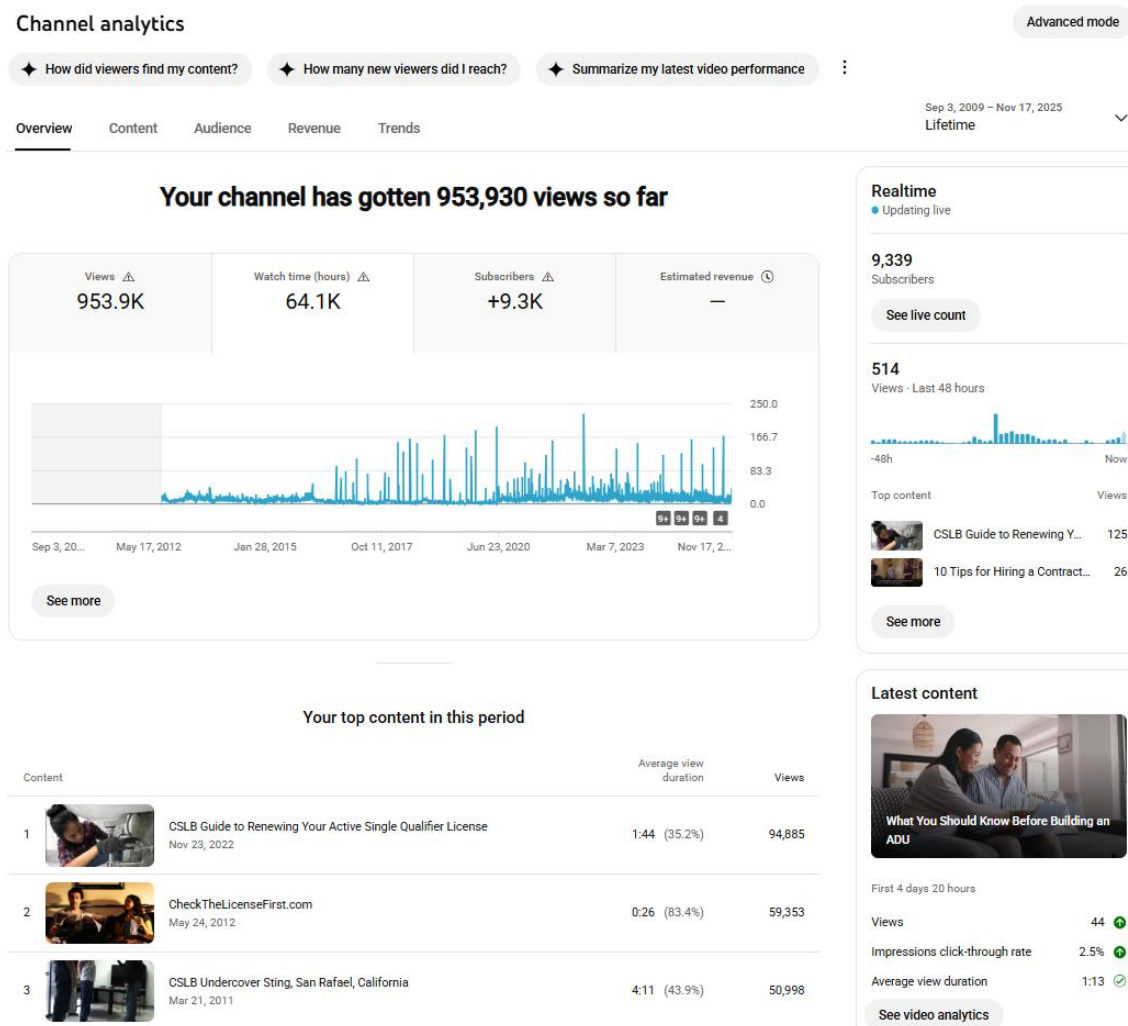
### X Growth

This platform requires payment to collect analytics. CSLB continues to post content to 3,141 followers.

### YouTube Channel Growth

CSLB's YouTube channel continues to grow, with an increase of approximately 520 subscribers, 1,235 hours of watch time, and 18,715 more views since January 2024. The channel has a total of 953,930 views (64,056 hours watched) and 9,339 subscribers since the page was created in 2009.





LinkedIn Growth

PAO actively posts current job vacancies to LinkedIn, a business-oriented social networking site primarily used for professional networking. LinkedIn can increase exposure and act as an effective recruiting tool to attract quality employees for CSLB positions. CSLB has 1,326 followers. It received 165 page views from August 1, 2025, through October 31, 2025.

Email Alert Feature

CSLB has a website feature that allows people to subscribe to various email alerts. The total subscriber database currently is 192,356, which includes the Licensee Information database.





These include:

- Industry Bulletins
- CSLB Job Openings
- Public Meeting Notices/Agendas
- *California Licensed Contractor* Newsletters
- News Releases/Consumer Alerts
- Licensee Information

## **Media Relations**

### **Media Calls**

Between August 1, 2025, and October 31, 2025, PAO responded to 12 media inquiries, providing information and/or interviews to a variety of media outlets. Inquiries were related to consumer complaints related to contractors, many involving either accessory dwelling units (ADUs), and the mechanics lien process.

## **Consumer/Community Outreach**

### **Senior Scam Stopper<sup>SM</sup> Seminars**

CSLB's Senior Scam Stopper<sup>SM</sup> seminars have been offered throughout the state since 1999, in cooperation with legislators, state and local agencies, law enforcement, district attorneys, and community-based organizations. Seminars provide information about construction-related scams and how seniors, who are often preyed upon by unlicensed or unscrupulous contractors, can protect themselves when hiring a contractor. Sessions feature expert speakers from local, state, and federal agencies, who present broader topics on consumer and financial scams. CSLB remains committed to consumer protection by offering Senior Scam Stopper<sup>SM</sup> seminars virtually and in-person.

The following outreach events were conducted from August 1, 2025, through October 31, 2025:

<b>Date</b>	<b>Location</b>	<b>Legislative/Community Partner(s)</b>
August 8, 2025	South El Monte	Senator Susan Rubio
August 12, 2025	Corona	Assemblymember Leticia Castillo
August 13, 2025	Palm Desert	Assemblymember Greg Wallis
August 15-17, 2025	Roseville	Tri-County Home and Garden Show
August 20, 2025	Ventura	Ventura Marina Mobile Home Park
August 23, 2025	Union City	Assemblymember Liz Ortega
August 27-28, 2025	Los Angeles	LA Build Expo
September 4, 2025	Irvine	City of Irvine



Date	Location	Legislative/Community Partner(s)
September 9, 2025	Morgan Hill	SPARC, Inc.
September 10, 2025	Sacramento	Senator Angelique Ashby
September 16, 2025	Lemoore	Senator Melissa Hurtado
September 17, 2025	Lamont	Senator Melissa Hurtado
September 18, 2025	Farmersville	Senator Melissa Hurtado
September 20-21, 2025	Dixon	Solano County Home and Garden Show
September 25, 2025	San Diego	Assemblymember Dr. Darshana Patel
October 1, 2025	Oceanside	Senator Catherine Blakespear
October 2, 2025	Laguna Hills	Senator Catherine Blakespear
October 3, 2025	Costa Mesa	Assemblymember Cottie Petrie-Norris
October 8, 2025	Irvine	Assemblymember Cottie Petrie-Norris
October 9, 2025	Tustin	Assemblymember Cottie Petrie-Norris
October 15, 2025	Yucca Valley	Assemblymember Greg Wallis
October 18, 2025	Fremont	Assemblymember Alex Lee
October 22, 2025	Arroyo Grande	Assemblymember Dawn Addis
October 23, 2025	Pinole	City of Pinole
October 28, 2025	Virtual	Assemblymember Marc Berman
October 29, 2025	Newark	Senator Dr. Aisha Wahab
October 30, 2025	San Francisco	Assemblymember Catherine Stefani

### **Publication/Graphic Design Services**

Between August 1, 2025, through October 31, 2025, PAO's Graphic Design Unit completed the following publications and reports.

<b>Publications &amp; Reports</b>
September 5, 2025 CSLB Quarterly Board Meeting & CSLB/NSCB Meeting Packet
California Licensed Contractor Newsletter (Summer 2025)
Owner-Builder Beware! — Know Your Responsibilities as an Owner-Builder (English & Spanish)
What is a Stop Order? — A Guide for Consumers and Contractors (English & Spanish)

**Publications & Reports**[Steps to Becoming a Licensed Contractor \(English & Spanish\)](#)[It Pays to Get Licensed \(English & Spanish\)](#)[How CSLB Protects the Public in Disaster Areas](#)**Intranet/Employee Relations**

*CSLBin* is the employee-only intranet site. Stories and photos highlight employee and organizational accomplishments. The site also contains the latest forms, policies, reports, and other information used by CSLB staff around the state. Between August 1, 2025, and October 31, 2025, PAO published 15 employee intranet articles.

Date Published	Title
8/4/2025	California Invests \$26 Million to Boost Women in Construction
8/8/2025	CSLB Celebrates the Retirements of Longtime Enforcement Manager, Investigators
8/15/2025	Easier Access to Training Opportunities with New Intranet Button
8/27/2025	SWIFT Operations Help Keep Consumers Safe
9/3/2025	Tune In! CSLB Board Meetings – September 5
9/8/2025	Breaking Barriers and Building Solutions: CSLB Staff Recognized
9/12/2025	Summer 2025 California Licensed Contractor Newsletter Now Available
9/15/2025	Game Day Brings Licensing Division Together
9/23/2025	CSLB Welcomes New Chief Deputy Registrar
9/29/2025	CSLB Halloween Contests
10/10/2025	CSLB Recognizes National Disability Employment Awareness Month
10/13/2025	Licensing Team Helps Reduce Application Backlog
10/21/2025	Pumpkin Decorating Contest Winners Have Been Announced



Date Published	Title
10/23/2025	CSLB Chili Cook-Off: Calling All Chefs!
10/30/2025	Women in Construction Conference Inspires the Next Generation

### Public Information Center Statistics

The Public Information Center includes both the Call Center and Public Counter. The two tables below show the statistical updates for the Call Center through October 31, 2025 and call data compared to prior years.

	Apr. 2025	May 2025	June 2025	July 2025	Aug. 2025	Sep. 2025	Oct. 2025
<b>Calls Received</b>	15,495	13,956	13,621	13,758	13,395	13,598	13,100
<b>Calls Answered</b>	13,168	12,242	11,628	12,425	12,118	12,209	12,231
<b>Calls Abandoned</b>	2,327	1,714	1,993	1,333	1,277	1,389	869
<b>Longest Wait Time</b>	0:36:21	0:24:12	0:26:04	0:22:05	0:11:29	0:26:19	0:11:48
<b>Shortest Wait Time</b>	0:02:12	0:01:27	0:01:35	0:00:44	0:01:31	0:01:37	0:00:33
<b>Avg. Wait Time</b>	0:07:35	0:06:09	0:07:34	0:05:09	0:05:01	0:05:34	0:03:34

### Public Information Center Call Data – Prior Calendar Years

Inbound Activity	CY 2018	CY 2019	CY 2020	CY 2021	CY 2022	CY 2023	CY 2024
<b>Calls Received</b>	152,845	149,462	149,462	140,589	140,409	129,601	143,634
<b>Calls Answered</b>	137,270	136,776	98,044	116,304	119,693	99,706	132,753
<b>Caller Abandoned</b>	9,426	7,859	35,865	23,983	20,496	27,590	10,664
<b>Avg. Longest Wait Time</b>	0:10:48	0:08:33	0:46:23	0:33:56	0:34:45	0:37:13	0:13:42
<b>Avg. Shortest Wait Time</b>	0:01:04	0:00:48	0:04:23	0:03:11	0:01:24	0:06:49	0:01:06
<b>Avg. Wait Time</b>	0:04:21	0:03:34	0:25:27	0:14:38	0:11:06	0:18:26	0:03:43

## AGENDA ITEM H-2

# Review and Discussion Regarding Information Available for Justice-Involved Individuals







# CONTRACTORS STATE LICENSE BOARD

## INFORMATION FOR JUSTICE-INVOLVED INDIVIDUALS

### Review and Discussion Regarding Information Available for Justice-Involved Individuals

The item was discussed at the Public Affairs Committee's meeting on November 17, 2025. Justice-involved individuals refers to people who have had interactions with the criminal justice system as a defendant. This item looks at how CSLB can assist these individuals seeking employment once their sentence has been completed but before they are eligible to apply for licensure.

During this time, justice-involved individuals can work toward getting the required work experience to eventually apply for licensure once eligible. CSLB staff will look at an applicant's consistent work history after release. There are a variety of pre-apprenticeship programs that both board and committee members have noted at past meetings.

Public Affairs is posting links to these organizations on CSLB's website under the Important Links page with a new header noting, "Justice-Involved Individuals Information."

Here are some of the links that are included:

- [California Prison Industry Authority \(CALPIA\)](#): The California Prison Industry Authority provides training and employment opportunities to incarcerated and formerly incarcerated individuals. CALPIA offers a range of career technical education programs, including construction pre-apprenticeships and hands-on job training that help prepare participants for careers in the trades after release.
- [State Building and Construction Trades Council of California – Pre-Apprenticeship Programs](#): It uses the Multi-Craft Core Curriculum (MC3) that provides an overview of what each trade does and the qualifications and skills needed for each trade. The programs offer training on working safely, tool identification and use, blueprint reading, labor history, and construction-related math.
- [Second Call, Second Chance Program](#): Second Call is a nonprofit organization offering life skills, mentoring, and workforce readiness training for justice-involved individuals. Its Second Chance program helps participants transition into careers, including opportunities in union apprenticeships and the construction trades.
- [Laborers' Training & Retraining Trust of Southern California](#): The Laborers' Training School provides hands-on construction training, certifications, and re-entry programs designed to help individuals build successful careers in the



trades. The school partners with correctional facilities and community programs to support career development and long-term employment success.

- [CDCR Career Technical Education \(CTE\)](#): The California Department of Corrections and Rehabilitation (CDCR) provides Career Technical Education programs that teach marketable skills, including construction, plumbing, and carpentry. These programs help individuals build a foundation for successful re-entry and employment after release.

Public Affairs is also reaching out to the CDCR regarding how to amplify these resources further.

The item is informational only.



# AGENDA ITEM I

## Closed Session

Closed Session: Pursuant to Government Code section 11126(e)(1), the Board will move into closed session to confer with, and receive advice from, its legal counsel regarding the following pending litigation: CA Solar Energy Industries Assn v. CSLB, San Diego County Superior Court, Case No. 37-2024-00029818.





## AGENDA ITEM J

Adjournment

