



# 2025-2027 STRATEGIC PLAN

CONTRACTORS STATE LICENSE BOARD

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# Message from the Board Chair



**MICHAEL MARK, BOARD CHAIR  
LABOR ORGANIZATION MEMBER**

On behalf of the Contractors State License Board (CSLB or Board), it is my privilege to present CSLB's Strategic Plan 2025-2027. I want to thank board members, staff, the public, and the construction industry for developing this strategic plan to help guide the Board's work during the next two years.

During the planning session, the Board added diversity, equity, and inclusion among its values, which also include being responsive, providing education, embracing technology, and supporting the development of staff. These values are all key to the Board's consumer protection mission.

The plan establishes objectives in the areas of licensing and testing, enforcement, legislation, public affairs, and executive, with the Board's consumer protection mission at the forefront. A prominent theme among the objectives is education, whether that is of licensees, consumers, and other stakeholders, and includes educating consumers about the need to hire licensed contractors for any home improvement projects.

The Board's strategic goals and objectives reflect an ongoing commitment to continue improving its policies and performance to better serve consumers, licensees, and other stakeholders.

We invite stakeholders to review this Strategic Plan and to monitor and support the Board's progress toward its goals and objectives by participating in Board meetings and other activities. Information can be found on the Board's website, [cslb.ca.gov](https://www.cslb.ca.gov), and by pressing "Subscribe" to receive the latest news and meeting updates from the Board.

# CSLB Board Members & Registrar



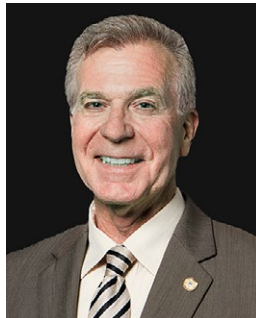
**MICHAEL MARK**  
Board Chair  
Governor Appointee  
Labor Organization Member



**MIGUEL GALARZA**  
Board Vice Chair  
Governor Appointee  
"B" General Contractor Member



**ALAN GUY**  
Board Secretary  
Governor Appointee  
"B" Contractor Member



**JOËL BARTON**  
Senate Appointee  
Public Member



**RODNEY M. COBOS**  
Assembly Appointee  
Public Member



**AMANDA GALLO**  
Governor Appointee  
Public Member



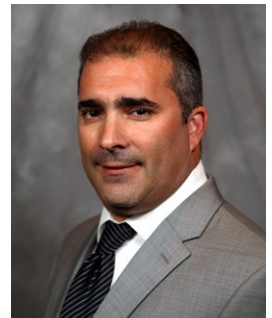
**JACOB LOPEZ**  
Senate Appointee  
Public Member



**DIANA LOVE**  
Governor Appointee  
Senior Citizen Organization Member



**HENRY NUTT III**  
Governor Appointee  
"C" Specialty Contractor Member



**STEVEN PANELLI**  
Senate Appointee  
Building Official Member



**JAMES RUANE**  
Governor Appointee  
"C" Specialty Contractor Member



**THOMAS J. RUIZ**  
Assembly Appointee  
Public Member



**MARY TEICHERT**  
Governor Appointee  
"A" General Engineering  
Contractor Member



**DAVID R. FOGT**  
Registrar of Contractors

# Overview: About The Board



The Contractors State License Board (CSLB or Board) was established in 1929 as the Contractors License Bureau under the Department of Professional and Vocational Standards. Today, CSLB is part of the Department of Consumer Affairs.

CSLB's 15-member Board appoints the executive officer, or Registrar of Contractors, and directs administrative policy for the agency's operations. Per Business & Professions Code 7002, the Board includes 10 public members (including one labor representative, one local building official, and one representative of a statewide senior citizen organization), and five contractors. Appointments are made by the governor and the state legislature.

CSLB licenses and regulates contractors in 45 classifications that constitute the construction industry. There are approximately 285,000 licensed contractors in the state. CSLB also registers home improvement salespersons.

The Registrar oversees more than 400 employees who work at the headquarters office in Sacramento and field offices throughout the state.

CSLB's headquarters office receives and processes applications for new licenses, additional classifications, changes of license records, and license renewals. Headquarters staff reviews and maintains records of disciplinary actions initiated by the regional offices and provides other support services. This office also provides information about the status of a license as well as the verified certificates of licensure used in court or other actions. Headquarters directs the activities of the field offices and initiates all disciplinary actions resulting from their investigations. Field office staff investigates consumer complaints against licensed and unlicensed contractors.

CSLB's Statewide Investigative Fraud Team (SWIFT) focuses on the underground economy and on unlicensed contractors. This unit conducts proactive stings and sweeps to help curtail illegal contracting and cites those who are not licensed.

CSLB holds regularly scheduled public meetings throughout the state. These meetings provide the public an opportunity to testify on agenda items and other issues.





# Mission, Vision and Values



## MISSION

CSLB protects consumers by regulating the construction industry through policies that promote the health, safety, and general welfare of the public in matters relating to construction, including home improvement.

The Board accomplishes this by:

- Ensuring that construction, including home improvement, is performed in a safe, competent, and professional manner;
- Licensing contractors and enforcing licensing laws;
- Requiring licensure for any person practicing or offering to practice construction contracting;
- Enforcing the laws, regulations, and standards governing construction contracting in a fair and uniform manner;
- Providing resolution to disputes that arise from construction activities; and
- Educating consumers so they can make informed choices.

## VISION

CSLB is a model consumer protection agency, integrating regulatory oversight of the construction and home improvement industry for the protection of consumers and licensed contractors.

## VALUES

- Embracing and providing Diversity, Equity, and Inclusion;
- Being responsive and treating all consumers and contractors fairly;
- Focusing on prevention of unlicensed contracting and providing educational information to consumers and contractors;
- Embracing technology and innovative methods to provide services; and
- Supporting a team concept and the professional development of staff.

# Board Structure and Functions



CSLB's 15-member Board directs administrative policy for the agency's operations. The Board includes 10 public members (including one labor representative, one local building official, and one representative of a statewide senior citizen organization), and five contractors. Appointments are made by the governor and the state legislature.

## GUBERNATORIAL APPOINTMENTS

- Three Public Members
- One Public Member – Senior Citizen Organization
- One Public Member – Building Official
- One Public Member – Labor Representative
- One (A) Engineering Contractor Member
- Two (B) General Contractor Members
- Two (C) Specialty Contractor Members

## SENATE APPOINTMENTS

- Two Public Members

## ASSEMBLY APPOINTMENTS

- Two Public Members

The Board appoints, with the approval of the director of the Department of Consumer Affairs, the Registrar of Contractors, who directs administrative policy for CSLB's statewide operations.

## COMMITTEES

CSLB currently has five standing board committees that perform various functions.

- **Licensing Committee**  
Ensures that all applicants and licensees meet minimum qualifications to provide construction services.
- **Enforcement Committee**  
Helps reduce, eliminate, or prevent unlicensed activity and unprofessional conduct that pose a threat to public health, safety, and welfare.
- **Public Affairs Committee**  
Educates the public and licensed contractors about contracting rules and regulations to increase awareness and improve construction and home improvement outcomes.
- **Legislative Committee**  
Ensures that statutes, regulations, policies, and procedures strengthen and support CSLB operations.
- **Executive Committee**  
Drives organizational effectiveness and improves the quality of service in all programs.

## LICENSING CONTRACTORS

CSLB licenses and regulates contractors in 45 license classifications and two certifications under which members of the construction industry practice their trades and crafts. As of August 1, 2024, there were 285,665 contractor licenses in California: 239,424 active and 46,241 inactive.

Licenses are categorized into four basic branches of contracting business, as defined by statute and by CSLB rules and regulations:

- **Class “A” General Engineering**  
The principal business is in connection with fixed works requiring specialized engineering knowledge and skill.
- **Class “B” General Building**  
The principal business is in connection with any structure built, being built, or to be built, requiring in its construction the use of at least two unrelated building trades or crafts.
- **Class “B-2” Residential Remodeling Contractor**  
The principal business is in connection with any existing residential wood frame structure with nonstructural projects requiring at least three unrelated building trades or crafts.
- **Class “C” Specialty**  
There are 42 separate “C” license classifications for contractors whose construction work requires special skill and whose principal contracting business involves the use of specialized building trades or crafts.

CSLB may issue a license to a sole owner, partnership, corporation, limited liability company, or joint venture. All licenses must have a “qualifier,” who is the person listed in CSLB records who satisfies the experience and exam requirements for a license. Depending on the type of license, the qualifier must be designated as an owner, responsible managing employee, responsible managing officer, responsible managing manager, responsible managing member, or qualifying partner in the license records. A qualifier is required for every classification and on each license CSLB issues; the same person may serve as the qualifier for more than one classification. CSLB also registers home improvement salespersons (HIS) who are engaged in the sale of home improvement goods and services. As of August 1, 2024, there were 31,075 active HIS registrants.

## ENFORCING CONTRACTORS STATE LICENSE LAW

CSLB's responsibility to enforce California's contractors state license law includes investigating complaints against licensed and unlicensed contractors; issuing citations and suspending or revoking licenses; seeking administrative, criminal, and civil sanctions against violators; and informing consumers, contractors, and the industry about CSLB actions.

CSLB receives complaints from members of the public, licensees, professional groups, government agencies, and others concerning all aspects of the construction industry. However, the majority of these complaints come from owners of residential property involved in remodeling or repair work.

## CSLB'S COMPLAINT PROCESS

CSLB's enforcement process consists of a number of steps through which complaints and/or cases may pass:

- **Complaint Initiation**  
Complaint receipt, screening, and mediation to establish jurisdiction and attempt resolution when field investigation is not warranted.
- **Complaint Investigation**  
Field investigations performed by CSLB Special Investigators.
- **Arbitration**  
Resolution of disputes for complaint cases meeting defined criteria.
- **Minor Cases**  
Issuance of an advisory notice or letter of admonishment for less egregious violations of law.
- **Citation**  
Official notice containing alleged violations that include a civil penalty and may include an order of correction or abatement; citations may be issued for unlicensed activity cases or for other violations of contractors state license law.
- **Accusation**  
A legal document formally charging a licensed contractor with serious violations that warrant suspension or revocation of a license and providing notice that a disciplinary action may be imposed.

- **Criminal Referral**  
Cases involving alleged criminal violations are referred to local prosecutors for the possible filing of criminal charges.
- **Appeal Hearing**  
After a citation or accusation is issued, evidentiary hearings are held before an administrative law judge (ALJ) from the Office of Administrative Hearings to hear a licensee’s appeal.
- **Proposed Decision**  
Submission of the ALJ’s proposed decision to the Registrar of Contractors for final agency decision.
- **Reconsideration**  
Requests to the registrar or the Board to reconsider the decision.
- **Judicial Review**  
Licensee may file a petition for a Writ of Mandate in superior court, seeking to overturn the registrar’s or the Board’s decision.

## THE UNDERGROUND ECONOMY

California’s underground economy harms law-abiding businesses, consumers, and workers. The problem is particularly prevalent in the construction industry, where businesses that cheat underbid those that follow the rules by:

- Failing to obtain required licenses and building permits.
- Failing to pay payroll or other taxes.
- Failing to obtain required workers’ compensation insurance.
- Failing to report worker injuries to keep insurance premiums artificially low.
- Failing to report accurate payroll to obtain a lower workers’ compensation insurance premium.

CSLB estimates that on any given day, tens of thousands of licensed contractors and unlicensed operators are breaking the law and contributing to the state’s underground economy.

Since no one state agency has the resources or the information to tackle this enforcement problem alone, state agencies with overlapping jurisdiction in the areas of labor law enforcement have joined forces to make a concerted and consistent effort in California's underground economy. CSLB is a member of multiple task forces.

### **JOINT ENFORCEMENT TASK FORCE (JESF)**

The Joint Enforcement Task Force (JESF), which was created by an executive order signed by Governor Pete Wilson in October 1993, is responsible for enhancing the development and sharing of information necessary to combat the underground economy, to improve the coordination of enforcement activities, and to develop methods to pool, focus, and target enforcement resources. JESF is empowered and authorized to form joint enforcement teams when appropriate to utilize the collective investigative and enforcement capabilities of JESF members.

### **LABOR ENFORCEMENT TASK FORCE (LETF)**

The Labor Enforcement Task Force (LETF), which was launched in January 2012, is comprised of investigators from CSLB, the Department of Industrial Relations, and the Employment Development Department. LETF performs weekly inspections at active construction sites to investigate license, wage, tax, and workplace safety compliance.

### **UNLICENSED ACTIVITY**

CSLB's Statewide Investigative Fraud Team (SWIFT) proactively combats illegal contractors that operate in the underground economy by failing to obtain a required contractor license and/or workers' compensation insurance. SWIFT routinely partners with other state and local regulatory and law enforcement agencies to conduct undercover sting and sweep operations, targeting egregious offenders who pose a threat to consumers, employees, businesses, and licensed contractors.



# 2022-2024 Significant Accomplishments



Over the last three years, the Board achieved many 2022-2024 Strategic Plan goals. Highlights include:

- The automated phone system used for CSLB's Public Information Center and Intake and Mediation Center was replaced with the Amazon Web Services (AWS) Connect software in June 2024.
- Senator Bill Dodd introduced CSLB-sponsored Senate Bill 216, which was signed into law in 2022, and when fully implemented will require workers' compensation insurance for all contractors.
- Senator Dodd also introduced CSLB-sponsored SB 630, which was signed into law in 2023, and authorizes the Registrar to automatically revoke a license without an additional hearing when a licensee fails to complete probationary conditions placed upon their license.
- CSLB contracted with a private consultant to identify Enforcement process improvements and provide a public report with recommendations.
- The Enforcement Academy was reestablished to provide standardized training to achieve investigation and legal action efficiency and consistency.
- A Public Works Unit was established in 2022 to work with awarding agencies and private compliance groups and to confirm licensee compliance on public works projects with license, insurance and employer responsibilities.
- To reduce barriers to licensure, 10 of the most popular exams were translated into Spanish, including the Law and Business exam that all applicants are required to pass. The 48 applicant study guides were translated into Spanish and posted on the CSLB website.
- CSLB contracted with PSI Test Centers in 2022, to expand applicant testing locations from eight to 21. There are an additional 20 test centers nationwide where applicants can take the Law and Business exam.

- A CSLB-specific new board member orientation, which includes a video, was developed to educate board members about legislative processes, licensing and testing functions, and enforcement procedures.
- More than a dozen video tutorials on processes and procedures to help consumers, licensees, and applicants were developed and made publicly available on YouTube, which also included Spanish translations of the videos.

# Strategic Goal Areas



## 1. LICENSING & TESTING

Ensures that all applicants and licensees meet minimum qualifications to provide construction services.

## 2. ENFORCEMENT

Helps reduce, eliminate, or prevent unlicensed activity and unprofessional conduct that pose a threat to public health, safety, and welfare.

## 3. LEGISLATION

Ensures that statutes, regulations, policies, and procedures strengthen and support CSLB operations.

## 4. PUBLIC AFFAIRS

Educates the public and licensed contractors about contracting rules and regulations to increase awareness and improve construction and home improvement outcomes.

## 5. EXECUTIVE

Drives organizational effectiveness and improves the quality of service in all programs.



# Goal 1: Licensing & Testing



Ensures that all applicants and licensees meet minimum qualifications to provide construction services.

- 1.1 Explore and address language barriers to licensing and testing.

*Due Date: Quarter 2 | 2027*

- 1.2 Research options for provisional licensure and pursue legislation as necessary.

*Due Date: Quarter 2 | 2027*

- 1.3 Develop regulations to require licensed contractors to complete continuing education pursuant to existing complaint disciplinary authority. Inform licensees of voluntary continuing education opportunities.

*Due Date: Quarter 2 | 2025*

- 1.4 Implement online license applications and renewals to decrease processing times.

*Due Date: Quarter 3 | 2025*

- 1.5 Assess exam content, and update as necessary, to ensure exams are current with industry standards.

*Due Date: Quarter 1 | 2026*

- 1.6 Identify and educate licensees on the need to maintain current certifications to promote proper installations.

*Due Date: Quarter 3 | 2025*

## Goal 2: Enforcement



Helps reduce, eliminate, or prevent unlicensed activity and unprofessional conduct that pose a threat to public health, safety, and welfare.

- 2.1** Address false advertising online and on social media to increase proactive enforcement and consumer awareness.

*Due Date: Quarter 1 | 2026*

- 2.2** Assess the need for additional resources to address unlicensed activity and ensure sufficient staffing.

*Due Date: Quarter 4 | 2025*

- 2.3** Review and strengthen penalties as necessary to ensure they are adequate to deter violations.

*Due Date: Quarter 3 | 2025*

- 2.4** Leverage partnerships with external stakeholder groups to increase support for enforcement efforts and improve compliance.

*Due Date: Quarter 3 | 2025*

## Goal 3: Legislation



Ensures that statutes, regulations, policies, and procedures strengthen and support CSLB operations.

- 3.1** Improve communication to legislators to convey CSLB’s mission and stress the importance of licensure.

*Due Date: Quarter 3 | 2025*

- 3.2** Review and amend regulations for clarity and understanding and to ensure they are current.

*Due Date: Quarter 2 | 2025*

- 3.3** Identify and update regulations perceived as barriers by licensees.

*Due Date: Quarter 4 | 2026*

- 3.4** Provide timely notifications to licensees regarding statutory changes to improve understanding and accessibility.

*Due Date: Quarter 4 | 2024*

- 3.5** Create a three-year legislative roadmap to aid discussions of the Board’s priorities with board members and other stakeholders.

*Due Date: Quarter 2 | 2025*

## GOAL 4: Public Affairs



Educates the public and licensed contractors about contracting rules and regulations to increase awareness and improve construction and home improvement outcomes.

- 4.1 Improve the clarity and tone of board communications to increase understanding.

*Due Date: Quarter 3 | 2025*

- 4.2 Implement a CSLB phone app to increase accessibility to the Board's services and consumer education.

*Due Date: Quarter 2 | 2026*

- 4.3 Conduct outreach and build partnerships with building departments, state agencies, and industry groups to educate consumers about hiring licensed contractors and students about construction-related fields.

*Due Date: Quarter 4 | 2025*

- 4.4 Update the CSLB website to make it more accessible and user friendly.

*Due Date: Quarter 1 | 2026*

- 4.5 Update the CSLB logo to increase consumer awareness.

*Due Date: Quarter 1 | 2027*



# Goal 5: Executive, Administration and Information Technology



Drives organizational effectiveness and improves the quality of service in all programs.

- 5.1** Review and update the recruitment process as necessary to increase efficiency and candidate pools.

*Due Date: Quarter 1 | 2025*

- 5.2** Reinstate the training unit to improve new employee onboarding and provide formal, structured training for all employees.

*Due Date: Quarter 3 | 2025*

- 5.3** Explore and implement process efficiencies to reduce processing times in licensing and enforcement and to increase transparency.

*Due Date: Quarter 1 | 2026*

- 5.4** Create focus groups to gain input from staff on procedures and increase staff engagement.

*Due Date: Quarter 4 | 2025*



# Strategic Planning Process



To understand the environment in which the Board operates as well as identify factors that could impact the Board’s success in carrying out its regulatory duties, the Department of Consumer Affairs’ SOLID Planning Unit (SOLID) conducted an environmental scan of the Board’s internal and external environments by collecting information through the following methods:

- Phone interviews were conducted with board members during the months of January and February 2024.
- Online one-on-one meetings were held with CSLB executive leadership and managers during January 2024.
- Online surveys were sent to external stakeholders and board staff on January 3, 2024, and closed on January 31, 2024.

The most significant themes and trends identified from the environmental scan were discussed by board members and board leadership during a strategic planning session facilitated by SOLID on April 17, 2024. This information guided the Board in the development of its strategic objectives outlined in this 2025-2027 strategic plan.



**STAY CONNECTED** *with CSLB*



**CONTRACTORS STATE LICENSE BOARD**

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