



CONTRACTORS STATE LICENSE BOARD

BOARD MEETING MINUTES

June 3, 2021 Board Meeting Minutes

A. CALL TO ORDER, ROLL CALL, ESTABLISHMENT OF QUORUM, AND CHAIR'S INTRODUCTION AND APPOINTMENT OF NOMINATION COMMITTEE MEMBERS

Board Chair David De La Torre called the meeting of the Contractors State License Board (CSLB) to order at 9:00 a.m., Thursday, June 3, 2021, via teleconference.

A quorum was established. Chair De La Torre led the Board in the Pledge of Allegiance.

Board Members Present

David De La Torre, Chair
Kevin Albanese
Frank Altamura, Jr.
Augie Beltran
Rodney Cobos
Miguel Galarza
Don Giarratano

Susan Granzella
Diana Love
Michael Mark
Jim Ruane
Johnny Simpson
Mary Teichert*

*Mary Teichert was not present during the quorum but joined shortly thereafter. Board Member Nancy Springer had an approved absence.

CSLB Staff Present

David Fogt, Registrar
Tonya Corcoran, Chief Deputy Registrar
Jessie Flores, Deputy Chief of Enforcement
Michael Jamnetski, Chief of Legislation
Phyliz Jones, Executive Staff
Mike Melliza, Chief of Administration
Justin Paddock, Chief of Licensing
Stacey Paul, Budget Manager
Jason Perez, Chief of Information Technology

Department of Consumer Affairs (DCA) Staff Present

Jason Hurtado, Legal Counsel
Shelly Jones, WebEx Host

B. PUBLIC COMMENT SESSION FOR ITEMS NOT ON THE AGENDA AND FUTURE AGENDA ITEM REQUESTS

**Public Comment**

David Rodriguez commented regarding a pending complaint about unlicensed contractors. He stated a government agency is hiring unlicensed contractors and wanted to get the status of his complaint as he has not heard from the Board. Board Chair De Le Torre stated the Board cannot discuss the details of a pending enforcement matter but that he can provide his information to the moderator and CSLB will contact him.

C. PRESENTATION OF CERTIFICATES OF RECOGNITION – MAY INCLUDE ORAL PRESENTATIONS COMMEMORATING BOARD MEMBER ACHIEVEMENTS AND SERVICE OF CSLB STAFF

Chair DeLaTorre presented certificates of recognition to Board members Nancy Springer and Kevin Albanese.

Chair DeLaTorre noted that Nancy was appointed to the Building Official position in 2013. As a CSLB board member she was a conduit between building officials and CSLB staff. Nancy reported on CSLB activities at numerous building officials' meetings and served as a resource to staff on code compliance and permit issues. She advocated and starred in the CSLB developed Building Permit Compliance Course which is used today as an educational tool for contractors.

Chair DeLaTorre noted that Kevin was appointed in 2013 to the position of General Building Contractor. Kevin was a strong resource on the Balcony Bill that resulted from the tragic Berkeley Balcony collapse. Kevin's input ensured that it provided enhanced consumer protection without putting unnecessary burdens on industry. Also, while serving on the worker's compensation advisory committee, Kevin was instrumental in obtaining industry support and finding a balanced approach in crafting a legislative proposal to achieve greater workers compensation compliance. Today, legislation is pending to mandate worker's compensation.

Chair DeLaTorre thanked Kevin for stepping in at the Board's last Sunset Review Hearing and providing key testimony.

Board Member and Staff Comments:

Board Member Augie Beltran thanked both Ms. Springer and Mr. Albanese for their time on the Board and their Service. He stated that their wisdom is valued in every aspect and every decision that was made and they will be missed.

Board Member Mary Teichert echoed Augie's comment on the value of both Board Members. She highlighted what a great representative and liaison Mr. Albanese is to the contracting community during his time on the Board and what a great resource he has been for contractors in the contracting community.



Board Member Susan Granzella thanked both Ms. Springer and Mr. Albanese. She noted what a great resource Ms. Springer was for her when she joined the Board. She also thanked Mr. Albanese for his approach on decision making.

Board Member Miguel Galarza thanked Ms. Springer for all her hard work and Mr. Albanese for making him feel comfortable with his decision to serve on the Board.

CSLB Registrar David Fogt thanked both Ms. Springer and Mr. Albanese. He said Ms. Springer was instrumental in opening the doors and creating a better working relationship with building officials throughout the State. He added she was very valuable to the Board. Registrar Fogt acknowledged Mr. Albanese's support for Board operations providing numerous leads relating to unlicensed practice that helped to protect consumers. He said he was always willing to help with public outreach and made himself available to staff and attended Senior Staff meetings. He noted that he did a lot over the last eight years to help Staff review licensing operations and CSLB is more effective because of this effort.

Board Member Kevin Albanese commented that he wished Ms. Springer was able to be at the meeting as she has been a fantastic addition to the Board and her advocacy for the building officials has been instrumental and shows the importance of having another qualified building official fill her shoes. He thanked previous Board Members Joan Hancock, Bob Lamb, Ed Lang, David Diaz, and Paul Schifino for their mentorship. He recognized staff members Jesse Flores, Missy Vickrey and Becky Lyke for their support on the Enforcement Committee. He recognized Tonya Corcoran for everything she does going above and beyond. He recognized Registrar Fogt for his work and as Chief of Enforcement. He recognized former CSLB investigator Jeff Miller for his proactive enforcement work and for providing a legislative idea to improve workers compensation enforcement. He thanked everyone for their support.

Chair De Le Torre thanked both Ms. Springer and Mr. Albanese for their work and commitment to the Board.

Public Comment:

Richard Markuson echoes the comments from the Board Members and thanked Ms. Springer and Mr. Albanese for their work protecting consumers.

D. EXECUTIVE

1. Review and Possible Approval of the March 25, 2021, Board Meeting Minutes

MOTION: To approve the March 25, 2021, Board Meeting Minutes. Augie Beltran moved; Susan Granzella seconded. The motion carried, 13–0.

YEA: David De La Torre, Kevin Albanese, Frank Altamura, Augie Beltran, Rodney Cobos, Miguel Galarza, Don Giarratano, Susan Granzella, Diana Love, Michael Mark, Jim Ruane, Johnny Simpson, Mary Teichert



ABSENT: Nancy Springer

2. Registrar's Report

b. Update on B-2 Residential Remodeling Classification (taken out of order)

Registrar Fogt began by acknowledging the fine work by CSLB Testing and Examination staff led by manager Carol Gagnon. He provided an update on staff activities to develop a residential remodeling trade exam which included creating the exam item bank by surveying industry, conducting workshops and item writing, all performed in record time.

Registrar Fogt reported that Public Affairs, Licensing, Enforcement, and Information Technology staff are coordinating to publicize this new classification on the CSLB website by issuing industry bulletins, conducting monthly applicant workshops and through proactive enforcement sweeps and stings. The industry bulletin is included in the Board packet on Page 44. In addition, staff are seeking opportunities to work with license schools and industry partners to encourage qualified persons to make application to obtain the new license.

Registrar Fogt reported the licensing division will begin accepting B-2 applications on the June 21, and the trade exam testing will commence in August. He ended his update showing the new B-2 residential remodeling classification video.

a. Tentative Board Meeting Schedule (taken out of order)

Board members were updated regarding the upcoming September meeting. The plan is for a two-day in person meeting in Orange County. The first afternoon will be a joint meeting with the Nevada State License Board. The next day will be primarily on development of the Board's strategic plan.

3. Status Update on Contract with Consultant to Study Which CSLB License Classifications Should Install Battery Energy Storage Systems

Registrar Fogt provided background on the study. Specifically, in December 2020 CSLB entered contract with UC Berkeley to 1) Consider BESS risk, hazard, size, and complexity. Is there an existing or prospective harm to public safety, and if so, what is the likelihood of the existing or prospective harm occurring and/or will that harm be fixed by enacting a regulation? 2) Whether the solar contractor classification should be authorized in regulation to install a BESS and if so to what extent/in what way? 3) Applicability of state and national standards and codes to these inquiries. 4) Economic impact analysis of a restriction on the CSLB Solar Contractor regulation and 5) provide an analysis of applicable knowledge, skills, and training as it relates to the installation of BESS.



The consultant has confirmed that they will complete their study within June 30, 2021, contract parameter. He stated that it will be up the next Chair to determine if the study will be presented at the next scheduled board meeting in September or if a stand-alone meeting to discuss this issue in July is preferable.

4. Strategic Planning Process Overview

Board Chair David De La Torre explained the upcoming plan to develop the Board's 2022 to 2025 strategic plan in which Shelly Jones, moderator for the board meeting, will be the strategic planning facilitator. He noted that Shelly is working closely with Registrar Fogt and Deputy Registrar Tonya Corcoran on the preliminary aspects of gathering information and developing the plan schedule which will include surveying staff, industry members, interested parties, and licensees to identify the strengths, weaknesses, opportunities, and threats. He also noted that Moderator Shelly Jones will conduct one-on-one interviews with Board Members.

At the September 2021 Board Meeting, Board members' and senior staff's primary goal will be to develop strategic objectives. Then at the December 2021 Board Meeting, the strategic plan will be presented for Board review and adoption.

Board Chair De La Torre explained that he has appointed himself and Board Member Miguel Galarza as a two-person advisory committee to review Licensing Reciprocity and will discuss their findings and recommendations as part of CSLB's strategic planning discussion in September.

Moderator Jones provided a roadmap and explained the next steps in the process. She explained that she will be contacting board members by email to schedule a phone interview for some time in June.

Deputy Registrar Corcoran explained that staff will continue to work with Ms. Jones and looked forward to engaging in the strategic planning process with board members in September.

5. Budget Update and Statistical Summary

Budget Manager Stacey Paul provided an update on the Board's budget. She reported for expenditures through March of fiscal year (FY) 2020-21, the Board is continuing to meet its goal of reducing expenses to ensure that the Board has enough cash flow to ensure operations until the fee increase is secured. To date, the Board has spent approximately 69 percent of the budget authority, projecting to spend about the same amount as last year, \$66 million, in Board expenses. Revenue through March is up about 14.8 percent from the prior year; this is largely due to the emergency fee increase on renewals implemented in February 2020; however, there is also a steady increase in licensees paying delinquent fees.



Ms. Paul reported that there is still a decline in license applications and licenses issued, likely due to the pandemic and backlog in examinations from having to close test sites. However, renewals have remained consistent with a four percent increase over two years.

MOTION: To approve the Fiscal year 2021-2022 expenditure reduction plan outlining \$5 million in savings which projects that the fund would be solvent at the end of Fiscal Year 2021-2022, with \$1.2 million in the reserve. Augie Beltran moved; Michael Mark seconded. The motion carried 13-0.

Board Member Comment:

Board Member Kevin Albanese supported the motion and encouraged the board members to continue to look for ways to find review to support positions.

YEA: David De La Torre, Kevin Albanese, Frank Altamura, Augie Beltran, Rodney Cobos, Miguel Galarza, Don Giarratano, Susan Granzella, Diana Love, Michael Mark, Jim Ruane, Johnny Simpson, Mary Teichert

NAY: None

ABSENT: Nancy Springer

6. Administration Update Regarding Personnel and Facilities (Update given after agenda item 8)

7. Information Technology Update

IT Chief Jason Perez highlighted that the Board is processing almost 40 percent of the renewals online. Chief Perez noted that this average will continue to grow as staff continue to make modifications to the online renewal to allow for additional business entities with a single qualifier to renew online. With this modification he anticipates that by this summer 95 percent of the current licensees will have the opportunity to renew online.

Chief Perez reported that there continues to be a monthly increase with Online Citation Payment Application in which he thanked the Enforcement Division for their work and seamless transition of the addition of online transactions into their processes.

Chief Perez noted that the number of visits to CSLB's website and license check features continues to grow year over year. He predicts that the number of website visits will increase as CSLB IT releases additional online services and as the Public Affairs office continues promotion through social media and outreach.

Chief Perez explained that with more online services, it is crucial for the Division to protect data and make recovery data available when needed. He mentioned that about two years ago, CSLB lost critical web services hosted at the Department of Technology.



This allowed CSLB's infrastructure team to make significant changes and improvements for online reliability and data protection, which they will continue to do.

Chief Perez added CSLB has moved the entire website over to an environment managed by both Department of Consumer Affairs and CSLB, but the website will continue to be hosted at the state data center which allows CSLB to maintain the critical IT infrastructure in a tier three data center. He explained the new design enables CSLB to replicate data virtually in real time to DCA in case of a disaster, while also having the latest backups in their secondary recovery site in Fresno. He added that with the data protected and available in multiple locations, staff is concentrating their efforts to ensure all servers – whether they are hosted at CSLB Headquarters or the state data center – are updated with the latest security patches and are running current application and operating system software.

Chief Perez gave an update on Item 5.13 of the IT Strategic plan and stated that DCA's Office of Information Services has provided CSLB with the requirements for e-signatures, which aligns with Item 5.14 of the IT strategic plan where staff will continue to evaluate online products to assist with authentication, authorization, and licensee user management. Chief Perez added that for Item 5.16, CSLB IT continues its online accessibility and has updated over 5,100 online documents to make them ADA compliant and will continue to make all future documents ADA compliant. For objective Item 5.21, he noted that CSLB developers are enhancing the SCORE application which is the system used by CSLB exam development unit to develop and store test data.

Board Member Comment:

Board Member Susan Granzella mentioned that she and Board member Frank Altamura were part of the IT committee and met with Chief Perez. She thanked Chief Perez and his Staff for the presentation which gave her a better understanding of where information is stored and how that information is managed.

8. Election of 2021-2022 Board Officers

The 2021 Nomination Committee was comprised of Board Members Kevin Albanese and Johnny Simpson. Board Member Kevin Albanese presented the recommendations for the Board Officers:

- Board Chair: Susan Granzella
- Board Vice Chair: Mary Teichert
- Secretary: Diana Love and Michael Mark

MOTION: To approve the Nomination Committee's recommendation to elect Board member Susan Granzella as Board Chair. The motion carried 12-0

YEA: David De La Torre, Kevin Albanese, Frank Altamura, Augie Beltran, Rodney Cobos, Miguel Galarza, Don Giarratano, Diana Love, Michael Mark, Jim Ruane, Johnny Simpson, Mary Teichert



ABSTAIN: Susan Granzella

ABSENT: Nancy Springer

MOTION: To approve the Nomination Committee's recommendation to elect Board member Mary Teichert as Board Vice Chair. The motion carried 12-0.

YEA: David De La Torre, Kevin Albanese, Frank Altamura, Augie Beltran, Rodney Cobos, Miguel Galarza, Don Giarratano, Susan Granzella, Diana Love, Michael Mark, Jim Ruane, Johnny Simpson

ABSTAIN: Mary Teichert

ABSENT: Nancy Springer

MOTION: To approve the Nomination Committee's recommendation to have both Diana Love and Michael Mark to be considered for Board Secretary. The Board voted to elect Diana Love.

Diana Love: Kevin Albanese, Frank Altamura, Miguel Galarza, Don Giarratano, Susan Granzella, Diana Love, Michael Mark, Jim Ruane, Mary Teichert

Michael Mark: Augie Beltran, Rodney Cobos, David De La Torre, Johnny Simpson

Abstain: Michael Mark

Absent: Nancy Springer

6. Administration Update Regarding Personnel and Facilities (taken out of order)

CSLB Chief of Administration Mike Melliza highlighted that the average number of monthly vacancies are trending down.

He reported that CSLB conducted a Training Interest Survey regarding staff training needs in mid-April 2021. The purpose was to obtain feedback directly from employees on areas they were interested in learning more about and give employees an opportunity to identify other areas of interest that management may not be aware of.

Of CSLB's 430 employees statewide, 92 completed the survey, a response rate of 21 percent.

The top three employee training requests were for accessing information from CSLB's internal databases (TEALE), solar code requirements, and how federal OSHA and Cal/OSHA regulations impact California contractors.

He explained the next steps include creating, coordinating, and providing these training classes to CSLB staff that address these training needs. CSLB will provide these



training classes to all staff throughout the state while considering social distancing requirements and protocols, as required, and use tools such as online training when needed. He added the survey and its results assisted CSLB in prioritizing and identifying staffs training needs.

E. PUBLIC AFFAIRS

Public Affairs Committee Chair Diana Love, who also represents a statewide senior citizen organization, announced that Joyia Emard had joined CSLB as the new public affairs manager. Ms. Emard is a former journalist, and marketing and communications professional. She comes to us from the Department of Water Resources where she was a communications manager. Previously, she was an information officer in the Department of Consumer Affairs' Office of Public Affairs and at the Board of Pharmacy.

Chair Love mentioned she met with Ms. Emard and executive leadership and discussed a possible social media campaign on the importance of using licensed contractors featuring seniors sharing personal stories. She added that she discussed conducting a licensee survey and revamping the newsletter.

Chair Love highlighted that Disaster Response is top of mind with CSLB especially after Governor Newsom's recent drought emergency declaration in two counties. She added that CSLB's post-disaster mission is to help ensure that home and business owners are not harmed by unlicensed or unscrupulous contractors who might try to take advantage of them during the rebuilding process. Chair Love reported from July 2020 to March 31, 2021, CSLB staff participated in 23 Local Assistance Centers or Disaster Recovery Centers.

Chair Love added CSLB continues to serve on two Office of Emergency Services multi-agency task forces and in February Public Affairs staff presented information for disaster survivors along with an invitation to partner with CSLB on disaster rebuilding workshops.

Chair Love reported CSLB's social media has played an important role in keeping licensees and consumers up to date on the changing availability of CSLB services during the pandemic and reported that CSLB social media followers have been increasing regularly. Chair Love added that social media has also helped share disaster-related information and the importance of checking a license and reported that during the 2020 wildfires, CSLB's NextDoor posts in declared disaster areas were seen by more than 415,000 people.

Chair Love said that CSLB Staff has presented five virtual Senior Scam Stoppers from January through March with an average attendance of 25-50 people and will continue to present seminars.

Chair Love also highlighted that Public Affairs has released five consumer and licensee videos in the first quarter of 2021 which included a Quick Tips Complaint Form,



Spring Home Project Tips, How to File a Complaint, and a Get Licensed to Build public service announcement video, and the Landscaper vs. Gardner. She mentioned she found these videos are great for sharing important information in an easy-to-understand manner. The Landscaper vs. Gardner video was then shared with staff.

a. Review, Discussion, and Possible Action on the Public Affairs 2019-21 Strategic Plan

Chair Love mentioned Item 4.5 requires researching the feasibility of creating a text alert program to communicate with licensees and consumers. She reported that currently, mobile phone numbers are being voluntarily collected through online renewal and Home Improvement Salesperson registration in which IT is taking the lead on this effort and is researching Identity Management Systems to allow licensees to update their licensing records with the added ability to send licensees notifications and reminders.

Chair Love provided an update for Item 4.6 which is to expand website content to keep industry and licensees up to date on relevant information. She reported that colored banners and a new alert section were added to the CSLB website homepage, and the page layout was updated. In addition, she said a new webpage was created for posting and viewing videos and the Public Affairs Office is currently working with IT to develop a “news” webpage to post articles.

Chair Love said that item 4.8 noted that Public Affairs would develop orientation videos and that a new orientation video for new staff, managers, and Board members has been completed.

Chair Love mentioned item 4.9 which is in partnership with IT to review and update the website to ensure information presented to the public is accurate and accessible. She reported since January 2021, Public Affairs has updated the homepage, clarified information on the Senior Scam Stoppers and consumer complaint webpages, and added a new webpage for licensing refugees.

Lastly, Chair Love said Item 4.10 requires that online courses and content be created in partnership with Enforcement and Licensing. She stated that the Public Affairs team helped develop an online building permit compliance training course for licensees who fail to comply with local building department permit requirements and the training course was posted in May 2020 on CSLB’s YouTube channel and promoted through social media. Chair Love reported that in 2021, six industry bulletins to educate licensees have also been developed.

F. ENFORCEMENT

1. Enforcement Overview Program Update and Statistical Summary

Enforcement Committee Chair Kevin Albanese highlighted the investigation into George Safanov. Mr. Safanov has operated behind the scenes, assisted by multiple licensed contractors. Chair Albanese noted that in February 2020, multiple CSLB investigations



aided in the filing of 22 criminal counts in San Diego County.

The charges included theft by false pretense, diversion of construction funds, identity theft, and elder financial abuse. Chair Albanese reported that on May 17, 2021, Mr. Safanov was arraigned for additional felony charges. The judge presiding over the case ordered that Safanov be incarcerated and set bail at \$175,000. The bail requirement included a stipulation that it not be paid from ill-gotten gains. After approximately one-week, Safanov posted bail; however, as of May 28, 2021, was still being held until his passport is confiscated as he is considered a flight risk. Mr. Safanov's next court date is today, June 3.

Chair Albanese highlighted another investigation where the CSLB Investigation Center was able to settle a complaint that involved a 92-year-old WWII veteran who entered in a contract with a licensed roofing contractor to complete \$1,800 worth of repairs to a failing roof. When the workmanship proved to be below standards, a CSLB Investigator contacted the licensee who provided full restitution to the homeowner.

Chair Albanese reported that CSLB initiated 11,479 investigations during FY July 2020 to March 2021 which is over 2,500 fewer than the same timeframe in FY 2019-2020. He noted that the decrease in incoming complaints has resulted in lower caseloads in the Investigation Centers and will provide an opportunity for investigative center staff to increase pro-active enforcement by educating non-compliant contractors on contract and business requirements.

Chair Albanese noted that SWIFT expects the return of the Special Investigators who had been previously assigned to Contact Tracing by the end of June 2021.

In anticipation of adequate staffing, SWIFT leadership is creating a sting calendar that will allow for the scheduling of one sting each month in the southern, central, and northern areas for the remainder of 2021. He encouraged Board Members to attend.

Chair Albanese highlighted the results of a sting operation that was conducted in Bakersfield, CA on March 16-17, and those of a second sting operation in the city of Clovis (Fresno County) which was conducted on April 27-28.

a. Review, Discussion, and Possible Action on the Enforcement 2019-21 Strategic Plan

Chair Albanese provided an update on strategic plan objective Item 2.7; Provide training opportunities to improve morale and staff knowledge. Chair Albanese was happy to report that CSLB has identified two new dedicated trainers, Joshua Eisenberg, and Christine Lee, CSLB's Attorney General liaisons who designed a training program that has been approved by the Supervising Assistant Attorney General Carl Sonne.



Chair Albanese updated the Board on strategic plan objective Item 2.9; Encourage the recruitment of individuals for available positions at CSLB in addition to providing information on the path to licensure. He mentioned that in recent months, Geraldine Middleton, a Special Investigator based in the Orange County Investigative Center, has conducted outreach to provide information about CSLB, the contracting field, and the licensing process to members of underserved communities in Southern California. Chair Albanese thanked Geraldine for taking the lead and making an impact.

2. Intake Mediation Center Overview and Highlights

Intake and Mediation Manager Cynthia Moore highlighted the hard work of the Intake and Mediation (IMC) staff. Ms. Moore provided an overview on the processes by which complaints are received, reviewed, and investigated in the IMC.

3. Solar Taskforce Update

Chair Albanese highlighted the solar complaint form and the valuable information that can be obtained for both tracking purposes and the handling of the complaints.

Chair Albanese provided an update on the two decisions proposed by the Public Utility Commission (PUC) voted on at the March 2021 meeting of the Board. He noted that the following updates were made to the decisions:

As it relates to the “Recovery Fund” proposal:

- The title of the proposal was changed from “Recovery Fund” to “Assistance Fund.”
- The proposal previously did not consider solar consumers using PACE financing to be eligible for the fund; the updated decision includes PACE users for Assistance Fund payout.

As it relates to the “Enhanced Audits” proposal:

- It directs IOUs to establish a web-based search engine that allows agencies like CSLB to retrieve NEW interconnection application data and documents.
- It requires IOUs to share its semi-annual spot audit of NEM interconnection applications with the solar task force agencies.
- It requires IOUs to maintain a public list of solar providers who have violated CSLB, Public Utility Commission, or Department of Financial Protection and Innovation, as well as establish a procedure for those names to be removed from that list.



- It requires IOUs to collect two additional pieces of information for the interconnection packets: The Home Improvement Salesperson registration number and the name of any entities financing the solar project.

Chair Albanese stated that the Board voted to support these proposals at its March meeting and CSLB staff continues to work with PUC staff to ensure CSLB can assist in the administration of these proposals. CSLB staff would have a meeting with PUC staff the following week to discuss next steps and will be actively engaged in workshops in the coming weeks to establish the procedures and protocols for implementation of these new programs.

Chair Albanese mentioned that the night before, he received news that the legislature will allocate \$5 million to provide restitution to financially injured solar consumers. He stated on May 24, 2021, that proposal included \$4 million for victims and \$1 million for administration. On June 2, 2021, the proposal was passed, and it is likely though not certain that the proposal will be passed in the next fiscal year budget. CSLB will meet with PUC to establish protocols for the implementation.

Board Question:

Susan Granzella asked if the Solar Complaint form is available now and if it is available in other languages.

Chair Albanese stated the form is available.

Registrar David Fogt stated that at this time it is not available in other languages, but it is something CSLB hopes to do in the future.

G. LICENSING AND TESTING

1. Licensing and Testing Program Update and Statistical Summary

Licensing and Testing Committee Board Chair Jim Ruane had Chief of Licensing Justin Paddock provide an overview of the Licensing Division's functions and statistics.

Licensing Committee Chair Jim Ruane gave an update on the testing backlog and stated they are currently operating at 50 percent due to the social distancing requirements. Chair Ruane noted that the goal is to conduct 5,500 exams per month to reduce the now 3,000 exam backlogs by the end of summer and if the social distancing restrictions are loosened, this backlog could be eliminated in a matter of weeks.

a. Review, Discussion, and Possible Action on the Licensing & Testing 2019-21 Strategic Plan



Chief Paddock updated the board on the status of all outstanding strategic plan items and noted he sought no alterations to the plan.

2. Update on Outsourcing Exam Administration

Chair Ruane noted the board voted in December 2019 to outsource its exam administration. In 2020, the Board pursued and received needed legislative approval to outsource exams, and now the exam units are working to transition to an outside vendor. He stated that staff is working with DCA to set up supplies and booklets, developing and refining procedures for PSI exams, and developing a portal for PSI and CSLB's ITS systems to communicate for scheduling, results, and statistical purposes. He noted that staff anticipates Bay Area candidates testing at PSI test centers January 2, 2022, and in spring 2022 and fully transitioning applicants statewide to PSI for examinations.

3. Advisory Committee Update on Women in Construction

Chair Ruane mentioned that in fall of last year the Board president appointed Mary Teichert and himself to oversee staff outreach efforts to promote women's participation in the construction industry. Chair Ruane said CSLB partnered with the California Capital Women's Business Center and the North State Building Industry Association to put on a three-part seminar designed to assist women and minorities in entering the construction industry. That initial effort successfully wrapped up last night. Chair Ruane stated Board member Teichert did a wonderful job moderating all three sessions and they both hope it will lead to many new licensees.

Board Comment:

Board Member Mary Teichert stated that the next step would be to do more research on barriers and obstacles for individuals who want to get licensed. Ms. Teichert thanked Chief of Licensing Justin Paddock for all his work.

H. LEGISLATION

Legislation Committee Chair Augie Beltran explained that he had a conflict on item 4 – D, SB 727 and explained that he would refer discussion of that item to Board Chair De La Torre.

1. Review, Discussion, and Possible Action to Amend Legislative 2019-21 Strategic Plan

Chair Beltran had Chief of Legislation Michael Jamnetski provide an update on the Legislative Division Strategic Plan



Chief Jamnetski explained that the May 2021 meeting described as “tentatively scheduled” in the packet was not ultimately held. Chief Jamnetski explained that there are no new target dates for the strategic plan items, just updates, as follows.

Item 3.1: The Division’s goal to collaborate annually with stakeholders on legislative ideas, the goal has been met in 2019 and 2020 and there is another stakeholder meeting to discuss legislative ideas planned for late summer.

Item 3.5 (home improvement contract requirements) and Item 3.7 (license experience requirements) are appropriate topics for the late summer stakeholder meeting.

Item 3.2 (Mandatory Workers’ Compensation for Additional Classifications): The update on SB 216 will be provided in the next agenda item.

Item 3.3 (Review Hazardous Substances and Disaster Related Consumer Protections): The item is half complete, as disaster protections were included in SB 1189 last year. The review of hazardous substances certification requirements can be a discussion topic at the late summer legislative stakeholder meeting.

Item 3.4 (Multiple Qualifier Responsibilities): The item is half complete, the qualifier bond issue is addressed in a bill that will be discussed in the next agenda item, and the multiple qualifier responsibilities can be a discussion topic at the late summer legislative stakeholder meeting.

Item 3.6 (Updating CSLB Civil Penalties): The item is complete, because of AB 569 which will be discussed in the next agenda item.

Item 3.8 (Exploring Feasibility of Graduated Fee Increase): The item is complete, because of the fee bill which will be discussed next section.

2. Update on CSLB-Sponsored Bills

Chief Jamnetski provided an update on the following CSLB-Sponsored Bills:

- a. AB 246 (Quirk) Contractors: Disciplinary actions.** Update on unlawful dumping of construction debris a cause of disciplinary action against a contractor. The bill is scheduled for hearing in Senate Business and Professions at the time of this update.
- b. AB 569 (Grayson) Contractors: Civil penalties:** Letters of admonishment. Increases to \$8,000 the maximum civil penalty and to \$30,000 for the most serious violations. The bill is scheduled for hearing in Senate Business and Professions at the time of this update. Chief Jamnetski notified the Board that regulations may be required to implement the bill if it is enacted.



- c. **SB 216 (Dodd) Contractors: Workers' compensation insurance:** Mandatory coverage. Exemption from workers' compensation insurance from licensed C-8 Concrete, C-20 HVAC. And D-49 Tree Service Contractors by 2025. Chief Jamnetski informed the Board that the bill did not qualify for the author's list of 12 bills that could be moved to the second house under the Legislature's rules for this year, and the bill is inactive as a result. All indications are the bill will move forward next year.

Board Comment:

Board Member Kevin Albanese hopes the legislature takes the workers' compensation bill up the next year and that the Board continues to support it, as it is very important issue for consumers and for contractors who are trying to comply with the law.

Chair Beltran invited Chief Jamnetski to provide updates on the bills listed in this portion of the agenda. Chief Jamnetski provided the following updates.

3. Update on Previously Considered Pending 2021-2022 Legislation

- a. **AB 484 (Medina) Alarm company operators: Advertisements.** The bill was amended to address CSLB concerns and there is nothing more to report to what is in the Board packet.
- b. **AB 646 (Low) Department of Consumer Affairs: Boards: Expunged convictions.** The Board voted to support the bill to collect a \$50 fee for the cost of removing information about a conviction from its website, but the bill did not move out of appropriations.
- c. **AB 899 (Cunningham) Contractors: Unlicensed work: Inflation adjustment.** CSLB is in opposition to this bill to raise the \$500 exemption, which did not move out of committee and is now a two-year bill.
- d. **AB 1026 (Smith) Business Licenses: Veterans.** The Board does not have a position on this bill which involves reductions of fees for armed forces / veterans, but the bill did not move out of appropriations.
- e. **AB 1124 (Friedman) Solar energy systems.** Nothing to add to what is in the packet. CSLB's concern about the bill was addressed, no further action needed.
- f. **AB 1129 (Frazier) Home Inspectors License Law.** Nothing to add to what is in the packet, it is now a two-year bill.
- g. **AB 1136 (Rivas) Property Assessed Clean Energy Program:** The Board does not have a position on this bill which makes PACE solicitors financially responsible to harmed consumers. The bill was held in appropriations.
- h. **AB 1386 (Cunningham) License fees:** The Board does not have a position; the bill is here for informational purposes for the Board as it relates to fee reductions for armed forces / veterans. The bill did not move out appropriations.



- i. **SB 304 (Archuleta) Contractors:** CSLB is in opposition to this bill to raise the \$500 exemption, which did not move out of committee and is now a two-year bill.
- j. **SB 430 (Borgeas) Small business:** This bill and SB 772 are very similar, relating to removing civil penalty burdens on small business. SB 430 remains in appropriations; SB 772 was held in the initial policy committee.
- k. **SB 772 (Ochoa Bogh) Professions and vocations: Citations: Minor violations.** This bill and SB 430 are very similar, relating to removing civil penalty burdens on small business. SB 430 remains in appropriations and SB 772 was held in the initial policy committee.

4. Review, Discussion, and Possible Action on 2021-2022 Pending Legislation

Chair Beltran invited Chief Jamnetski to provide updates on the bills listed in this portion of the agenda. Chief Jamnetski provided the updates, as follows:

- a. **AB 830 (Flora) Business: Department of Consumer Affairs:** The bill as written does not affect CSLB, it was placed on the agenda as a “placeholder” because information was received that the bill may be amended to clarify the responsibility of license qualifiers on a CSLB license. The bill has not been amended to this effect, but if it does ultimately get amended, then staff will update the Board as appropriate.
- b. **SB 607 (Roth) Professions and vocations.** Chair Beltran updated the Board on this bill and expressed excitement and appreciation to staff that this bill was able to be amended to include CSLB’s necessary statutory fee increase. The bill authorizes CSLB to raise renewal, applicant, license maintenance and transaction fees as necessary to support CSLB’s special fund. It gives CSLB the ability to meet its approved budgetary spending authority and develop a four-month spending reserve over the next four or five years. The bill also includes consumer protections, such as an increase of the contractor license bond from \$15,000 to \$25,000.

Chief Jamnetski publicly expressed appreciation to Senate Business and Professions Committee staff and Senator Roth’s office for helping CSLB locate a vehicle for its fee increase during a difficult year.

Board Question:

Board Member Susan Granzella asked when this Bill may be implemented.

Chief Jamnetski stated that if the Bill is approved by the Governor, then it can be implemented in January 2022.

Board Comment:

Board Member Augie Beltran encouraged letters of support to Business and Professions.



MOTION: To support SB 607 (Roth). Kevin Albanese moved; David De La Torre seconded. The motion carried, 13–0.

YEA: David De La Torre, Kevin Albanese, Frank Altamura, Augie Beltran, Rodney Cobos, Miguel Galarza, Don Giarratano, Susan Granzella, Diana Love, Michael Mark, Jim Ruane, Johnny Simpson, Mary Teichert

ABSENT: Nancy Springer

c. SB 727 (Leyva) Labor-related liabilities: direct contractor

Chair Beltran recused himself from discussion of this bill. Board Chair De La Torre invited Chief Jamnetski to update the Board. Chief Jamnetski explained that the bill relates to the liability of direct contractors in private works construction contracts (as opposed to public works), for payment of wages and other contributions if a subcontractor fails to make those payments. A prior version of the bill included CSLB in the tracking and monitoring of direct contractor liability for these issues. But CSLB was recently amended out of the bill, and as written, CSLB is no longer impacted by the bill. Prior to the amendment, CSLB sent the letter on page 211 of the packet that shares technical information with the author's office regarding CSLB's jurisdiction and its ability to enforce the provisions that would have affected CSLB. Chief Jamnetski thanked Chair De La Torre for assistance with the letter.

This matter was an update only.

d. SB 757 (Limon) Solar energy system improvements: consumer protection.

Chair Beltran explained that this bill provides additional protections for consumers who contract for the installation of solar energy systems. It clarifies that solar energy systems are considered "home improvements", and that home improvement salespersons must identify themselves as registered to the contractor for whom they are making a sale. It also clarifies the restriction on accepting payment in advance of work performed on a home improvement contract extends to such payments from lenders or financiers.

MOTION: To support SB 757 (Limon). David De La Torre moved; Diana Love seconded. The motion carried, 13–0.

YEA: David De La Torre, Kevin Albanese, Frank Altamura, Augie Beltran, Rodney Cobos, Miguel Galarza, Don Giarratano, Susan Granzella, Diana Love, Michael Mark, Jim Ruane, Johnny Simpson, Mary Teichert

ABSENT: Nancy Springer

e. SB 826 (Committee on Business, Professions and Economic Development)



Chief Jamnetski explained the four changes that are described in the packet which reflect CSLB’s requests for “omnibus” (technical/nonsubstantive changes) to the law. One clarifies that CSLB no longer employs enforcement representatives but instead special investigators. Another clarifies that the C-22 Asbestos Abatement Contractor is appropriate to perform asbestos work in California. The third and fourth changes to the law are both technical fixes that correct mistaken references in the law.

MOTION: To support SB 826 (Omnibus Bill). Jim Ruane moved; David De La Torre seconded. The motion carried, 13–0.

YEA: David De La Torre, Kevin Albanese, Frank Altamura, Augie Beltran, Rodney Cobos, Miguel Galarza, Don Giarratano, Susan Granzella, Diana Love, Michael Mark, Jim Ruane, Johnny Simpson, Mary Teichert

ABSENT: Nancy Springer

I. ADJOURNMENT

Board Chair David De La Torre adjourned the meeting at approximately 11:27 a.m.

David De La Torre
David De La Torre, Chair

6/3/2021
Date

David Fogt
David Fogt, Registrar

6/3/2021
Date