

CONTRACTORS STATE LICENSE BOARD

SUNSET REVIEW

DECEMBER 2018





MEMBERS OF THE CONTRACTORS STATE LICENSE BOARD

MARLO RICHARDSON, *Chair, Public Member*

JOHNNY SIMPSON, *Vice Chair, Public Member*

LINDA CLIFFORD, *Secretary, (A) Engineering Contractor Member*

KEVIN J. ALBANESE, *(B) General Contractor Member*

AGUSTIN "AUGIE" BELTRAN, *Public Member*

DAVID DE LA TORRE, *Public Member*

DAVID DIAS, *Labor Organization Member*

SUSAN GRANZELLA, *Public Member*

JOAN HANCOCK, *(B) General Contractor Member*

MICHAEL A. LAYTON, *Public Member*

FRANK SCHETTER, *(C) Specialty Contractor Member*

NANCY SPRINGER, *Building Official Member*

VACANT, *Public Member, Senior Citizen Organization*

VACANT, *Public Member*

VACANT, *(C) Specialty Contractor Member*

EDMUND G. BROWN JR.

Governor

ALEXIS PODESTA

Secretary, Business, Consumer Services and Housing Agency

DEAN R. GRAFILO

Director, Department of Consumer Affairs

DAVID R. FOGT

Registrar, Contractors State License Board



CONTRACTORS STATE LICENSE BOARD

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STATE OF CALIFORNIA

Governor Edmund G. Brown Jr.

December 1, 2018

The Honorable Jerry Hill, Chair
Senate Committee on Business, Professions and Economic Development
State Capitol
Sacramento, CA 95814

The Honorable Evan Low, Chair
Assembly Committee on Business and Professions
State Capitol
Sacramento, CA 95814

Dear Senator Hill and Assembly Member Low:

The Contractors State License Board (CSLB) is pleased to submit its Sunset Review Report to the Legislature. The Legislature most recently conducted a sunset review of CSLB in 2015, and SB 467 (Hill, Statutes of 2015) extended CSLB's sunset date from January 1, 2016 to January 1, 2020.

CSLB has continued to effectively use its resources to provide a high level of consumer protection for California residents, as illustrated in the following highlights and accomplishments.

Disaster Response

The devastating wildfires and mudslides in California that occurred between fall 2017 and summer 2018, prompted one of the largest coordinated disaster responses in CSLB's history. This commitment included staffing more than two dozen local assistance centers and disaster relief centers, conducting enforcement actions in the disaster zones, performing extensive media and public outreach, and establishing a two-part workshop program in the disaster areas for homeowners and contractors seeking work in these areas.

Report to Legislature on Construction Settlements (SB 465)

Senate Bill 465 (Hill, Statutes 2016) required that CSLB study six specified criteria to determine if the board's ability to protect the public would be enhanced by regulations requiring licensees to report construction-related judgments for rental residential units to CSLB and report the results to the Legislature by January 1, 2018.

On December 15, 2017, CSLB presented its study to the Legislature. The study concluded that CSLB's ability to protect the public would be enhanced by regulations requiring licensees to report judgments, arbitration awards, or settlement payments of construction defect claims for rental residential units. In February 2018, Senator Hill introduced SB 1465, which Governor Brown signed September 18, 2018, to require such reporting to CSLB for judgments, settlements, or awards that are \$1,000,000 or greater.

Veterans Assistance

CSLB offers a Veterans Application Assistance Program for those transitioning from military service to civilian employment. In many cases, veterans possess transferable skills to help meet the minimum experience and training requirements for a state contractor license. This program offers priority service to veteran applicants, using specially trained technicians who

evaluate transferable military training and experience, as well as education. In fiscal year 2017-18, CSLB expedited 885 applications under this program.

“Find My Licensed Contractor”

To meet the mandate of AB 2486 (Baker, Statutes 2016), in January 2018, CSLB launched a new “Find My Licensed Contractor” online tool. This feature allows users to search for licensed contractors by classification within a specific geographic area using either a city or zip code. Randomly displayed results, which include a link to the licensee information page, are based on a licensee’s address of record. All or part of the results can be downloaded to either a PDF or Excel File. This tool helps consumers search for a licensed contractor, contractors search for possible subcontractors, and awarding agencies look for licensed bidders for public works contracts.

Licensing Workshops

To address the underground economy and unlicensed practice, CSLB launched monthly licensing workshops, conducted in both English and Spanish, at CSLB’s Sacramento headquarters in November 2017, and in the Norwalk field office beginning in January 2018. Staff also participated in two Spanish-language licensing workshops hosted by the Consulate General of Mexico in Los Angeles for nearly 450 attendees combined and have conducted licensing workshops at day labor centers in northern and southern California.

Online Smart Forms and Workers’ Compensation Recertification

Since 2016, to streamline the application process and reduce processing times CSLB has launched 21 “smart forms,” including the original license application, that can be filled-out online. CSLB also created a fully automated online submission option for workers’ compensation certificates, which immediately updates the license record.

Creation of Solar Task Force

In 2015, CSLB created the Solar Task Force to address the growing number of solar-related consumer complaints. The task force works with industry, allied government agencies, and other stakeholders to educate consumers about solar installations and financing; works with solar industry practitioners willing to adopt better business practices; takes enforcement against others; and seeks to identify strategies to reduce exploitative or predatory business practices in the solar industry.

Consumer Education

CSLB continues to expand its consumer outreach. Senior Scam Stoppers, intended to provide information to senior citizens, are conducted throughout California in conjunction with state and local elected officials and agencies, as well as law enforcement and community-based organizations. Since its inception, CSLB has conducted nearly 700 Senior Scam Stoppers. CSLB also coordinates numerous Consumer Scam Stoppers and other outreach events geared toward the general public. In fiscal year 2017-18, CSLB conducted 90 Senior Scam Stoppers and 67 other outreach events.

New C-22 Asbestos Abatement License Classification

In 2015, CSLB began to offer a new Asbestos Abatement (C-22) license for those qualified to perform abatement and disposal work involving construction that contains specified levels of asbestos. C-22 license holders must meet designated experience requirements and maintain a current and valid registration with the Department of Industrial Relations’ Division of Occupational Safety and Health (DOSH). As of July 1, 2018, there were 269 Asbestos Abatement licensees.

Social Media

CSLB continues to expand its presence on social media as a means to reach consumers, licensees, the news media, and other stakeholders. CSLB has seen continued growth in the number of followers on Facebook, Twitter, YouTube, LinkedIn, and Instagram. In addition, in October 2017, CSLB became just the second state agency (after the Governor's office of Emergency Services) to partner with NextDoor, a private social networking service for neighborhoods. NextDoor allows CSLB to target outreach messages to specific neighborhoods and has facilitated getting important consumer protection information to people in declared disaster areas throughout California.

Staff Training

In 2014, CSLB created an Enforcement Academy in conjunction with the Office of the Attorney General to equip staff with strong investigative skills. Offered twice a year at CSLB headquarters in Sacramento or in the Norwalk field office, the five-day Academy provides staff with instruction on investigative techniques, interview techniques, report writing, Business & Professions Code training, time management skills, Statewide Investigative Fraud Team (SWIFT) training, public speaking, and other job-related modules.

In 2015, the Personnel unit developed a Career Consulting course for CSLB staff, versions of which were offered six times between 2015 and 2017, in Sacramento and Norwalk. This course included tips on navigating the state's job website, information on the hiring process, how to maximize opportunities within CSLB, and one-on-one meetings to review applications and resumes. The course is offered on an ongoing basis.

In 2016, CSLB developed a Safety and Security Training course to proactively address potential threats to employee safety. The course teaches employees how to be alert and safe and how to react in the unlikely event of an active shooter incident. The class has been offered annually in both Norwalk and Sacramento.

In 2017, DCA's SOLID training office offered a "Comprehensive Approach to Customer Service," in both Sacramento and at the Norwalk field office that all staff were encouraged to attend.

Letter of Admonishment

CSLB began to use letters of admonishment (LOA) after July 1, 2018. Authorized by SB 486 (Monning), LOAs are a new, intermediate level of corrective action, between an advisory notice and a citation, used with licensed contractors who have engaged in less egregious violations. Recipients may appeal a letter of admonishment, which are handled internally by CSLB without a formal hearing. Letters of admonishment are intended to enhance public protection by both requiring prompt corrective action by the recipient and disclosing the violation to the public for one year (compared to a five-year disclosure for a citation).

In addition to highlighting various CSLB achievements, the board has identified "new issues" that will help ensure that CSLB continues to meet its consumer protection mandate.

These new issues include, legislatively mandating worker's compensation insurance for certain license classifications to protect workers who may be injured on the job, extending the pending license suspension periods for LLC liability policies and Secretary of State compliance to allow complaint licensees sufficient time to submit the required paperwork to CSLB, reauthorization of the board's 999 positions to ensure adequate staffing to fulfill CSLB's consumer protection mission, and charging an additional \$20 fee for C-10 (Electrical) contractors to fund increased enforcement of the electrician certification requirement to enhance consumer protection.

The Contractors State License Board looks forward to working with the Legislature, the Administration, and other interested parties as we complete the sunset review process.

Respectfully,

A handwritten signature in blue ink, appearing to read 'Marlo Richardson', with a large, stylized flourish at the end.

Marlo Richardson, Chair
Contractors State License Board



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SECTION 1: BACKGROUND AND DESCRIPTION OF THE BOARD AND REGULATED PROFESSION

Provide a short explanation of the history and function of the board. Describe the occupations/professions that are licensed and/or regulated by the board (Practice Acts vs. Title Acts).

HISTORY AND FUNCTION

The California Contractors State License Board (CSLB) was established in 1929, by the Legislature as the Contractors' License Bureau, under the Department of Professional and Vocational Standards. It was formed to regulate the state's construction industry and protect the public from irresponsible contractors. In 1935, the agency's mission and duties were placed under the auspices of a seven-member board.

In 1938, the Legislature mandated that contractor license applicants be examined for competence in their designated field. By 1947, the board had been given authority to establish experience standards and to adopt rules and regulations for the classification of contractors in a manner consistent with established practice and procedure in the construction business.

Now classified as a board within the California Department of Consumer Affairs (DCA), CSLB operates with a 15-member board and upholds its mission to protect consumers by regulating the construction industry through licensure, enforcement, and education.

CSLB regulates contractors in 44 license classifications and two certifications under which members of the construction industry practice their trades. CSLB issues three license types: 1) general engineering; 2) general building; and 3) specialty contractor. The latter designation contains 42 different classifications, ranging from painting and well drilling to blasting. As of July 2018, there were approximately 285,000 licensed contracting entities in California.

CSLB's responsibility to enforce California state contractors' 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.

To support its consumer protection and education objectives, CSLB provides 24/7 access to licensee information, construction guides and pamphlets, forms and applications, and a host of pertinent information about contracting and construction-related topics through

its website (www.cslb.ca.gov) and its automated toll-free phone number (800-321-CSLB). CSLB's call center staff are available Monday-Friday from 8:00 a.m. to 5:00 p.m. A toll-free number for disaster survivors also operates during these times.

BOARD COMPOSITION

The Governor appoints 11 board members that require Senate confirmation and the Assembly Speaker and Senate Rules Committee each appoint two public members. The board is comprised of:

- One "A" General Engineering contractor
- Two "B" General Building contractors
- Two "C" Specialty contractors
- One labor organization representative
- One local building official
- Eight public members, one of whom must represent a statewide senior citizen organization

1. Describe the make-up and functions of each of the board's committees (cf., Section 12, Attachment B).

CSLB currently has five standing committees: Enforcement, Executive, Legislative, Licensing, and Public Affairs. (Current committee membership is shown in the attachments.)

The Enforcement Committee helps reduce, eliminate, or prevent unlicensed activity and unprofessional conduct that pose a threat to public health, safety, and welfare. The Executive Committee, comprised of the board chair, vice chair, secretary, and most recent past chair, helps enhance organizational effectiveness and improves the quality of service in all programs. The Legislative Committee helps ensure that statutes, regulations, policies, and procedures strengthen and support CSLB operations. The Licensing Committee helps ensure that all applicants and licensees meet minimum qualifications to provide construction services. The Public Affairs Committee educates consumers about making informed choices related to construction services and provides information to licensed contractors so they can improve their technical, management, and service skills.

Committees discuss various policy matters and formulate recommendations for consideration by the full board. The board reviews and takes formal action at publicly noticed board and committee meetings, where the public has an opportunity to comment. These meetings are routinely webcast.

CSLB BOARD MEMBERS

Table 1a – Attendance (By Member, Alphabetically)

KEVIN J. ALBANESE		Date Appointed: July 11, 2013 Reappointed July 25, 2017	
Meeting Type	Meeting Date	Meeting Location	Attended
Board Meeting	2/19/14	Burlingame	Y
Board Meeting	4/23-24/14	San Diego	N
Board Meeting	6/6/14	Newport Beach	N
Licensing Committee Meeting	8/18/14	Sacramento	Y
Enforcement Committee Meeting	8/18/14	Sacramento	Y
Board Meeting	9/23/14	Monterey	Y
Board Meeting	12/11/14	Berkeley	Y
Board Meeting	12/16/14	Sacramento	Y
Enforcement Committee Meeting	2/20/15	Sacramento	Y
Board Meeting	3/16/15	Glendale	Y
Licensing Committee Meeting	4/27/15	Sacramento	Y
Enforcement Committee Meeting	4/27/15	Sacramento	Y
Board Meeting	6/18-19/15	Fairfield	Y
Board Meeting	7/29/15	Sacramento	Y
Board Meeting	9/3/15	San Diego	Y
Licensing Committee Meeting	10/30/15	Sacramento	Y
Enforcement Committee Meeting	10/30/15	Sacramento	Y
Board Meeting	12/10/15	Brisbane	Y
Board Meeting	3/14-15/16	San Diego	Y
Board Meeting	4/6/16	Sacramento	Y
Enforcement Committee Meeting	5/10/16	Sacramento	Y
Licensing Committee Meeting	5/10/16	Sacramento	Y
Board Meeting	6/23-24/16	Garden Grove	Y
Board Meeting	9/19-20/16	Monterey	Y
Enforcement Committee Meeting	10/28/16	Sacramento	N
Public Affairs Committee Meeting	11/3/16	Sacramento	Y
Board Meeting	12/8/16	San Jose	Y
Enforcement Committee Meeting	2/10/17	Sacramento	N
Public Affairs Committee Meeting	2/17/17	Sacramento	Y
Board Meeting*	3/13-14/17	Sacramento	Y
Board Meeting	3/30/17	Sacramento	Y
Board Meeting	6/15-16/17	Garden Grove	Y
Board Meeting	9/29/17	Monterey	Y
Board Meeting	12/7/17	Brisbane	Y
Board Meeting	4/12-13/18	San Diego	Y
Board Meeting	6/7-8/18	Las Vegas / Sacramento	Y
Enforcement Committee Meeting	8/3/18	Sacramento	Y
Legislative Committee Meeting	8/3/18	Sacramento	Y

CSLB BOARD MEMBERS (CONTINUED)

Table 1a – Attendance (By Member, Alphabetically)

KEVIN J. ALBANESE		Date Appointed: July 11, 2013 Reappointed July 25, 2017	
Meeting Type	Meeting Date	Meeting Location	Attended
Executive Committee Meeting	8/3/18	Sacramento	Y
48-Hour Advance Teleconference Board Meeting	8/14/18	Various	Y
Board Meeting	9/20/18	Sacramento	Y

*Attended on 3/14/17

Table 1a – Attendance (By Member, Alphabetically)

AGUSTIN "AUGIE" BELTRAN		Date Appointed: January 18, 2014 Reappointed May 10, 2017	
Meeting Type	Meeting Date	Meeting Location	Attended
Board Meeting	2/19/14	Burlingame	Y
Legislative Committee Meeting	4/16/14	Sacramento	Y
Board Meeting	4/23-24/14	San Diego	Y
Board Meeting	6/6/14	Newport Beach	Y
Executive Committee Meeting	7/30/14	Fairfield	Y
Legislative Committee Meeting	9/11/14	Sacramento	N
Board Meeting	9/23/14	Monterey	Y
Legislative Committee Meeting	11/6/14	Sacramento	Y
Board Meeting	12/11/14	Berkeley	Y
Board Meeting	12/16/14	Sacramento	Y
Legislative Committee Meeting	2/20/15	Sacramento	Y
Board Meeting	3/16/15	Glendale	Y
Legislative Committee Meeting	4/27/15	Sacramento	Y
Board Meeting	6/18-19/15	Fairfield	Y
Board Meeting	7/29/15	Sacramento	Y
Board Meeting	9/3/15	San Diego	Y
Board Meeting	12/10/15	Brisbane	Y
Executive Committee Meeting	2/4/16	Sacramento	Y
Board Meeting	3/14-15/16	San Diego	Y
Board Meeting	4/6/16	Sacramento	Y
Board Meeting	6/23-24/16	Garden Grove	Y
Board Meeting	9/19-20/16	Monterey	Y
Board Meeting	12/8/16	San Jose	Y
Board Meeting	3/13-14/17	Sacramento	Y
Board Meeting	3/30/17	Sacramento	Y
Board Meeting	6/15-16/17	Garden Grove	Y
Board Meeting	9/29/17	Monterey	Y
Legislative Committee Meeting	11/8/17	Sacramento	Y

CSLB BOARD MEMBERS (CONTINUED)

Table 1a – Attendance (By Member, Alphabetically)

AGUSTIN "AUGIE" BELTRAN		Date Appointed: January 18, 2014 Reappointed May 10, 2017	
Meeting Type	Meeting Date	Meeting Location	Attended
Board Meeting	12/7/17	Brisbane	Y
Public Affairs Committee Meeting	3/2/18	Sacramento	Y
Legislative Committee Meeting	3/2/18	Sacramento	Y
Board Meeting	4/12-13/18	San Diego	Y
Board Meeting	6/7-8/18	Las Vegas / Sacramento	Y
Legislative Committee Meeting	8/3/18	Sacramento	Y
Enforcement Committee Meeting	8/3/18	Sacramento	Y
48-Hour Advance Teleconference Board Meeting	8/14/18	Various	Y
Board Meeting	9/20/18	Sacramento	Y

Table 1a – Attendance (By Member, Alphabetically)

LINDA CLIFFORD		Date Appointed: July 12, 2013 Reappointed June 5, 2014 & June 15, 2018	
Meeting Type	Meeting Date	Meeting Location	Attended
Board Meeting	2/19/14	Burlingame	Y
Enforcement Committee Meeting	4/1/14	Sacramento	N
Legislative Committee Meeting	4/16/14	Sacramento	Y
Board Meeting	4/23-24/14	San Diego	N
Board Meeting	6/6/14	Newport Beach	Y
Licensing Committee Meeting	8/18/14	Sacramento	Y
Legislative Committee Meeting	9/11/14	Sacramento	Y
Board Meeting	9/23/14	Monterey	Y
Legislative Committee Meeting	11/6/14	Sacramento	Y
Board Meeting	12/11/14	Berkeley	Y
Board Meeting	12/16/14	Sacramento	N
Legislative Committee Meeting	2/20/15	Sacramento	Y
Board Meeting	3/16/15	Glendale	Y
Licensing Committee Meeting	4/27/15	Sacramento	Y
Legislative Committee Meeting	4/27/15	Sacramento	Y
Board Meeting	6/18-19/15	Fairfield	Y
Board Meeting	7/29/15	Sacramento	Y
Board Meeting	9/3/15	San Diego	Y
Licensing Committee Meeting	10/30/15	Sacramento	Y
Board Meeting	12/10/15	Brisbane	N
Executive Committee Meeting	2/4/16	Sacramento	Y
Board Meeting	3/14-15/16	San Diego	Y
Board Meeting	4/6/16	Sacramento	N

CSLB BOARD MEMBERS (CONTINUED)

Table 1a – Attendance (By Member, Alphabetically)

LINDA CLIFFORD		Date Appointed: July 12, 2013 Reappointed June 5, 2014 & June 15, 2018	
Meeting Type	Meeting Date	Meeting Location	Attended
Licensing Committee Meeting	5/10/16	Sacramento	Y
Board Meeting	6/23-24/16	Garden Grove	Y
Board Meeting	9/19-20/16	Monterey	Y
Licensing Committee Meeting	10/28/16	Sacramento	Y
Board Meeting	12/8/16	San Jose	Y
Licensing Committee Meeting	2/10/17	Sacramento	Y
Board Meeting	3/13-14/17	Sacramento	Y
Board Meeting	3/30/17	Sacramento	Y
Board Meeting	6/15-16/17	Garden Grove	Y
Board Meeting	9/29/17	Monterey	Y
Legislative Committee Meeting	11/8/17	Sacramento	Y
Board Meeting	12/7/17	Brisbane	Y
Public Affairs Committee Meeting	3/2/18	Sacramento	Y
Legislative Committee Meeting	3/2/18	Sacramento	Y
Board Meeting	4/12-13/18	San Diego	Y
Board Meeting	6/7-8/18	Las Vegas / Sacramento	Y
Executive Committee Meeting	8/3/18	Sacramento	Y
Enforcement Committee Meeting	8/3/18	Sacramento	Y
Legislative Committee Meeting	8/3/18	Sacramento	Y
48-Hour Advance Teleconference Board Meeting	8/14/18	Various	Y
Board Meeting	9/20/18	Sacramento	Y

Table 1a – Attendance (By Member, Alphabetically)

DAVID DE LA TORRE		Date Appointed: May 6, 2015 Reappointed September 16, 2016	
Meeting Type	Meeting Date	Meeting Location	Attended
Board Meeting	6/18-19/15	Fairfield	Y
Board Meeting	7/29/15	Sacramento	Y
Board Meeting	9/3/15	San Diego	Y
Licensing Committee Meeting	10/30/15	Sacramento	Y
Legislative Committee Meeting	10/30/15	Sacramento	Y
Board Meeting	12/10/15	Brisbane	Y
Board Meeting	3/14-15/16	San Diego	N
Board Meeting	4/6/16	Sacramento	Y
Licensing Committee Meeting	5/10/16	Sacramento	Y
Board Meeting	6/23-24/16	Garden Grove	Y
Board Meeting	9/19-20/16	Monterey	N

CSLB BOARD MEMBERS (CONTINUED)

Table 1a – Attendance (By Member, Alphabetically)

DAVID DE LA TORRE		Date Appointed: May 6, 2015 Reappointed September 16, 2016	
Meeting Type	Meeting Date	Meeting Location	Attended
Licensing Committee Meeting	10/28/16	Sacramento	Y
Public Affairs Committee Meeting	11/3/16	Sacramento	N
Board Meeting	12/8/16	San Jose	N
Licensing Committee Meeting	2/10/17	Sacramento	Y
Public Affairs Committee Meeting	2/17/17	Sacramento	Y
Board Meeting	3/13-14/17	Sacramento	Y
Board Meeting	3/30/17	Sacramento	Y
Board Meeting	6/15-16/17	Garden Grove	Y
Board Meeting	9/29/17	Monterey	Y
Legislative Committee Meeting	11/8/17	Sacramento	N
Board Meeting	12/7/17	Brisbane	Y
Public Affairs Committee Meeting	3/2/18	Sacramento	Y
Legislative Committee Meeting	3/2/18	Sacramento	Y
Board Meeting	4/12-13/18	San Diego	Y
Board Meeting	6/7-8/18	Las Vegas / Sacramento	Y
Licensing Committee Meeting	8/3/18	Sacramento	Y
Public Affairs Committee Meeting	8/3/18	Sacramento	Y
48-Hour Advance Teleconference Board Meeting	8/14/18	Various	N
Board Meeting	9/20/18	Sacramento	Y

Table 1a – Attendance (By Member, Alphabetically)

DAVID DIAS		Date Appointed: April 1, 2011 Reappointed June 7, 2012 & June 2, 2016	
Meeting Type	Meeting Date	Meeting Location	Attended
Board Meeting	2/19/14	Burlingame	Y
Board Meeting	4/23-24/14	San Diego	Y
Board Meeting	6/6/14	Newport Beach	Y
Executive Committee Meeting	7/30/14	Fairfield	Y
Board Meeting	9/23/14	Monterey	Y
Board Meeting	12/11/14	Berkeley	Y
Board Meeting	12/16/14	Sacramento	Y
Board Meeting	3/16/15	Glendale	Y
Board Meeting	6/18-19/15	Fairfield	Y
Board Meeting	7/29/15	Sacramento	Y
Board Meeting	9/3/15	San Diego	Y
Enforcement Committee Meeting	10/30/15	Sacramento	N
Public Affairs Committee Meeting	10/30/15	Sacramento	N

CSLB BOARD MEMBERS (CONTINUED)

Table 1a – Attendance (By Member, Alphabetically)

DAVID DIAS		Date Appointed: April 1, 2011 Reappointed June 7, 2012 & June 2, 2016	
Meeting Type	Meeting Date	Meeting Location	Attended
Board Meeting	12/10/15	Brisbane	Y
Executive Committee Meeting	2/4/16	Sacramento	Y
Board Meeting	3/14-15/16	San Diego	Y
Board Meeting	4/6/16	Sacramento	Y
Enforcement Committee Meeting	5/10/16	Sacramento	Y
Board Meeting	6/23-24/16	Garden Grove	Y
Board Meeting	9/19-20/16	Monterey	Y
Public Affairs Committee Meeting	11/3/16	Sacramento	Y
Legislative Committee Meeting	11/3/16	Sacramento	Y
Board Meeting	12/8/16	San Jose	Y
Legislative Committee Meeting	2/17/17	Sacramento	Y
Public Affairs Committee Meeting	2/17/17	Sacramento	Y
Board Meeting	3/13-14/17	Sacramento	Y
Board Meeting	3/30/17	Sacramento	Y
Legislative Committee Meeting	5/19/17	Sacramento	Y
Board Meeting	6/15-16/17	Garden Grove	N
Board Meeting	9/29/17	Monterey	Y
Enforcement Committee Meeting	11/3/17	Sacramento	Y
Licensing Committee Meeting	11/3/17	Sacramento	Y
Board Meeting	12/7/17	Brisbane	Y
Licensing Committee Meeting	2/23/18	Sacramento	Y
Enforcement Committee Meeting	2/23/18	Sacramento	Y
Board Meeting	4/12-13/18	San Diego	Y
Board Meeting	6/7-8/18	Las Vegas / Sacramento	Y
Enforcement Committee Meeting	8/3/18	Sacramento	Y
Legislative Committee Meeting	8/3/18	Sacramento	Y
48-Hour Advance Teleconference Board Meeting	8/14/18	Various	Y
Board Meeting	9/20/18	Sacramento	Y

CSLB BOARD MEMBERS (CONTINUED)

Table 1a – Attendance (By Member, Alphabetically)

SUSAN GRANZELLA		Date Appointed: October 13, 2014 Reappointed June 2, 2016	
Meeting Type	Meeting Date	Meeting Location	Attended
Board Meeting	12/11/14	Berkeley	Y
Board Meeting	12/16/14	Sacramento	Y
Board Meeting	3/16/15	Glendale	Y
Board Meeting	6/18-19/15	Fairfield	Y
Board Meeting	7/29/15	Sacramento	Y
Board Meeting	9/3/15	San Diego	Y
Licensing Committee Meeting	10/30/15	Sacramento	Y
Board Meeting	12/10/15	Brisbane	Y
Board Meeting	3/14-15/16	San Diego	N
Board Meeting	4/6/16	Sacramento	Y
Licensing Committee Meeting	5/10/16	Sacramento	Y
Board Meeting	6/23-24/16	Garden Grove	Y
Board Meeting	9/19-20/16	Monterey	Y
Licensing Committee Meeting	10/28/16	Sacramento	Y
Enforcement Committee Meeting	10/28/16	Sacramento	Y
Board Meeting	12/8/16	San Jose	Y
Licensing Committee Meeting	2/10/17	Sacramento	Y
Enforcement Committee Meeting	2/10/17	Sacramento	Y
Board Meeting	3/13-14/17	Sacramento	Y
Board Meeting	3/30/17	Sacramento	Y
Board Meeting	6/15-16/17	Garden Grove	Y
Board Meeting	9/29/17	Monterey	Y
Legislative Committee Meeting	11/8/17	Sacramento	Y
Board Meeting	12/7/17	Brisbane	Y
Public Affairs Committee Meeting	3/2/18	Sacramento	Y
Legislative Committee Meeting	3/2/18	Sacramento	Y
Board Meeting	4/12-13/18	San Diego	Y
Board Meeting	6/7-8/18	Las Vegas / Sacramento	Y
Enforcement Committee Meeting	8/3/18	Sacramento	Y
Legislative Committee Meeting	8/3/18	Sacramento	Y
48-Hour Advance Teleconference Board Meeting	8/14/18	Various	Y
Board Meeting	9/20/18	Sacramento	Y

CSLB BOARD MEMBERS (CONTINUED)

Table 1a – Attendance (By Member, Alphabetically)

JOAN HANCOCK		Date Appointed: November 14, 2007 Reappointed July 29, 2011 & June 2, 2015	
Meeting Type	Meeting Date	Meeting Location	Attended
Board Meeting	2/19/14	Burlingame	Y
Board Meeting	4/23-24/14	San Diego	Y
Board Meeting	6/6/14	Newport Beach	Y
Executive Committee Meeting	7/30/14	Fairfield	Y
Public Affairs Committee Meeting	8/18/14	Sacramento	Y
Legislative Committee Meeting	9/11/14	Sacramento	Y
Board Meeting	9/23/14	Monterey	Y
Legislative Committee Meeting	11/6/14	Sacramento	Y
Board Meeting	12/11/14	Berkeley	Y
Board Meeting	12/16/14	Sacramento	Y
Legislative Committee Meeting	2/20/15	Sacramento	Y
Board Meeting	3/16/15	Glendale	Y
Legislative Committee Meeting	4/27/15	Sacramento	Y
Public Affairs Committee Meeting	4/27/15	Sacramento	Y
Board Meeting	6/18-19/15	Fairfield	Y
Board Meeting	7/29/15	Sacramento	Y
Board Meeting	9/3/15	San Diego	Y
Legislative Committee Meeting	10/30/15	Sacramento	Y
Public Affairs Committee Meeting	10/30/15	Sacramento	Y
Board Meeting	12/10/15	Brisbane	Y
Board Meeting	3/14-15/16	San Diego	Y
Board Meeting	4/6/16	Sacramento	Y
Board Meeting	6/23-24/16	Garden Grove	Y
Board Meeting	9/19-20/16	Monterey	Y
Enforcement Committee Meeting	10/28/16	Sacramento	Y
Legislative Committee Meeting	11/3/16	Sacramento	N
Board Meeting	12/8/16	San Jose	Y
Enforcement Committee Meeting	2/10/17	Sacramento	Y
Legislative Committee Meeting	2/17/17	Sacramento	Y
Board Meeting	3/13-14/17	Sacramento	Y
Board Meeting	3/30/17	Sacramento	Y
Legislative Committee Meeting	5/19/17	Sacramento	Y
Board Meeting	6/15-16/17	Garden Grove	N
Board Meeting	9/29/17	Monterey	Y
Legislative Committee Meeting	11/8/17	Sacramento	Y
Board Meeting	12/7/17	Brisbane	Y
Public Affairs Committee Meeting	3/2/18	Sacramento	Y
Legislative Committee Meeting	3/2/18	Sacramento	Y

CSLB BOARD MEMBERS (CONTINUED)

Table 1a – Attendance (By Member, Alphabetically)

JOAN HANCOCK		Date Appointed: November 14, 2007 Reappointed July 29, 2011 & June 2, 2015	
Meeting Type	Meeting Date	Meeting Location	Attended
Board Meeting	4/12-13/18	San Diego	Y
Board Meeting	6/7-8/18	Las Vegas / Sacramento	Y
Licensing Committee Meeting	8/3/18	Sacramento	Y
Public Affairs Committee Meeting	8/3/18	Sacramento	Y
48-Hour Advance Teleconference Board Meeting	8/14/18	Various	Y
Board Meeting	9/20/18	Sacramento	Y

Table 1a – Attendance (By Member, Alphabetically)

MICHAEL LAYTON		Date Appointed: September 16, 2016	
Meeting Type	Meeting Date	Meeting Location	Attended
Board Meeting*	9/19-20/16	Monterey	Y
Licensing Committee Meeting	10/28/16	Sacramento	Y
Public Affairs Committee Meeting	11/3/16	Sacramento	Y
Legislative Committee Meeting	11/3/16	Sacramento	Y
Board Meeting	12/8/16	San Jose	Y
Licensing Committee Meeting	2/10/17	Sacramento	N
Legislative Committee Meeting	2/17/17	Sacramento	N
Board Meeting	3/13-14/17	Sacramento	Y
Board Meeting	3/30/17	Sacramento	N
Legislative Committee Meeting	5/19/17	Sacramento	N
Board Meeting	6/15-16/17	Garden Grove	Y
Board Meeting	9/29/17	Monterey	N
Legislative Committee Meeting	11/8/17	Sacramento	N
Board Meeting	12/7/17	Brisbane	Y
Public Affairs Committee Meeting	3/2/18	Sacramento	Y
Legislative Committee Meeting	3/2/18	Sacramento	Y
Board Meeting	4/12-13/18	San Diego	Y
Board Meeting	6/7-8/18	Las Vegas / Sacramento	Y
Licensing Committee Meeting	8/3/18	Sacramento	Y
Public Affairs Committee Meeting	8/3/18	Sacramento	Y
48-Hour Advance Teleconference Board Meeting	8/14/18	Various	N
Board Meeting	9/20/18	Sacramento	Y
Board Meeting	9/6/13	Sacramento	Y
Enforcement Committee Meeting	10/21/13	Sacramento	Y
Board Meeting	12/10/13	Norwalk	Y
Board Meeting	2/19/14	Burlingame	Y

CSLB BOARD MEMBERS (CONTINUED)

Table 1a – Attendance (By Member, Alphabetically)

MICHAEL LAYTON		Date Appointed: September 16, 2016	
Meeting Type	Meeting Date	Meeting Location	Attended
Enforcement Committee Meeting	4/3/14	Sacramento	N
Board Meeting	4/23-24/14	San Diego	Y
Board Meeting	6/6-7/14	Newport Beach	Y
Enforcement Committee Meeting	8/18/14	Sacramento	Y
Public Affairs Committee Meeting	8/18/14	Sacramento	Y
Board Meeting	9/23/14	Monterey	N

*Attended on 9/19/16

Table 1a – Attendance (By Member, Alphabetically)

MARLO RICHARDSON		Date Appointed: May 21, 2015 Reappointed June 2, 2016	
Meeting Type	Meeting Date	Meeting Location	Attended
Board Meeting	2/19/14	Burlingame	Y
Enforcement Committee Meeting	4/3/14	Sacramento	Y
Board Meeting	4/23-24/14	San Diego	Y
Board Meeting	6/6-7/14	Newport Beach	Y
Executive Committee Meeting	7/30/14	Fairfield	Y
Public Affairs Committee Meeting	8/18/14	Sacramento	N
Board Meeting	9/23/14	Monterey	Y
Board Meeting	6/18-19/15	Fairfield	Y
Board Meeting	7/29/15	Sacramento	Y
Board Meeting	9/3/15	San Diego	Y
Enforcement Committee Meeting	10/30/15	Sacramento	Y
Public Affairs Committee Meeting	10/30/15	Sacramento	Y
Board Meeting	12/10/15	Brisbane	Y
Board Meeting	3/14-15/16	San Diego	Y
Board Meeting	4/6/16	Sacramento	Y
Enforcement Committee Meeting	5/10/16	Sacramento	N
Board Meeting	6/23-24/16	Garden Grove	Y
Board Meeting	9/19-20/16	Monterey	Y
Enforcement Committee Meeting	10/28/16	Sacramento	Y
Board Meeting	12/8/16	San Jose	N
Enforcement Committee Meeting	2/10/17	Sacramento	Y
Board Meeting	3/13-14/17	Sacramento	Y
Board Meeting	3/30/17	Sacramento	N
Board Meeting	6/15-16/17	Garden Grove	Y
Board Meeting	9/29/17	Monterey	Y
Enforcement Committee Meeting	11/3/17	Sacramento	N

CSLB BOARD MEMBERS (CONTINUED)

Table 1a – Attendance (By Member, Alphabetically)

MARLO RICHARDSON		Date Appointed: May 21, 2015 Reappointed June 2, 2016	
Meeting Type	Meeting Date	Meeting Location	Attended
Licensing Committee Meeting	11/3/17	Sacramento	N
Board Meeting	12/7/17	Brisbane	Y
Licensing Committee Meeting	2/23/18	Sacramento	Y
Enforcement Committee Meeting	2/23/18	Sacramento	Y
Board Meeting	4/12-13/18	San Diego	Y
Board Meeting	6/7-8/18	Las Vegas / Sacramento	Y
Executive Committee Meeting	8/3/18	Sacramento	Y
48-Hour Advance Teleconference Board Meeting	8/14/18	Various	Y
Board Meeting	9/20/18	Sacramento	Y

Table 1a – Attendance (By Member, Alphabetically)

FRANK SCHETTER		Date Appointed: August 12, 2011 Reappointed June 2, 2015	
Meeting Type	Meeting Date	Meeting Location	Attended
Board Meeting	2/19/14	Burlingame	Y
Enforcement Committee Meeting	4/1/14	Sacramento	Y
Board Meeting	4/23-24/14	San Diego	Y
Board Meeting	6/6/14	Newport Beach	N
Licensing Committee Meeting	8/18/14	Sacramento	Y
Enforcement Committee Meeting	8/18/14	Sacramento	Y
Board Meeting	9/23/14	Monterey	Y
Board Meeting	12/11/14	Berkeley	Y
Board Meeting	12/16/14	Sacramento	Y
Enforcement Committee Meeting	2/20/15	Sacramento	Y
Board Meeting	3/16/15	Glendale	Y
Licensing Committee Meeting	4/27/15	Sacramento	Y
Enforcement Committee Meeting	4/27/15	Sacramento	Y
Board Meeting	6/18-19/15	Fairfield	Y
Board Meeting	7/29/15	Sacramento	Y
Board Meeting	9/3/15	San Diego	Y
Licensing Committee Meeting	10/30/15	Sacramento	N
Enforcement Committee Meeting	10/30/15	Sacramento	N
Board Meeting	12/10/15	Brisbane	Y
Board Meeting	3/14-15/16	San Diego	Y
Board Meeting	4/6/16	Sacramento	Y
Enforcement Committee Meeting	5/10/16	Sacramento	Y

CSLB BOARD MEMBERS (CONTINUED)

Table 1a – Attendance *(By Member, Alphabetically)*

FRANK SCHETTER		Date Appointed: August 12, 2011 Reappointed June 2, 2015	
Meeting Type	Meeting Date	Meeting Location	Attended
Licensing Committee Meeting	5/10/16	Sacramento	Y
Board Meeting	6/23-24/16	Garden Grove	Y
Board Meeting	9/19-20/16	Monterey	Y
Licensing Committee Meeting	10/28/16	Sacramento	Y
Enforcement Committee Meeting	10/28/16	Sacramento	Y
Board Meeting	12/8/16	San Jose	Y
Licensing Committee Meeting	2/10/17	Sacramento	Y
Enforcement Committee Meeting	2/10/17	Sacramento	Y
Board Meeting	3/13-14/17	Sacramento	Y
Board Meeting	3/30/17	Sacramento	Y
Board Meeting	6/15-16/17	Garden Grove	N
Board Meeting	9/29/17	Monterey	N
Enforcement Committee Meeting	11/3/17	Sacramento	N
Licensing Committee Meeting	11/3/17	Sacramento	N
Board Meeting	12/7/17	Brisbane	Y
Licensing Committee Meeting	2/23/18	Sacramento	Y
Enforcement Committee Meeting	2/23/18	Sacramento	Y
Board Meeting	4/12-13/18	San Diego	Y
Board Meeting	6/7-6/8/18	Las Vegas / Sacramento	Y
Licensing Committee Meeting	8/3/18	Sacramento	Y
Public Affairs Committee Meeting	8/3/18	Sacramento	Y
48-Hour Advance Teleconference Board Meeting	8/14/18	Various	Y
Board Meeting	9/20/18	Sacramento	Y

CSLB BOARD MEMBERS (CONTINUED)

Table 1a – Attendance (By Member, Alphabetically)

JOHNNY SIMPSON		Date Appointed: February 25, 2015 Reappointed July 8, 2015	
Meeting Type	Meeting Date	Meeting Location	Attended
Board Meeting	3/16/15	Glendale	Y
Enforcement Committee Meeting	4/27/15	Sacramento	N
Board Meeting	6/18-19/15	Fairfield	Y
Board Meeting	7/29/15	Sacramento	Y
Board Meeting	9/3/15	San Diego	Y
Licensing Committee Meeting	10/30/15	Sacramento	N
Enforcement Committee Meeting	10/30/15	Sacramento	N
Board Meeting	12/10/15	Brisbane	Y
Board Meeting	3/14-15/16	San Diego	Y
Board Meeting	4/6/16	Sacramento	N
Enforcement Committee Meeting	5/10/16	Sacramento	Y
Licensing Committee Meeting	5/10/16	Sacramento	Y
Board Meeting	6/23-24/16	Garden Grove	Y
Board Meeting	9/19-20/16	Monterey	N
Licensing Committee Meeting	10/28/16	Sacramento	Y
Legislative Committee Meeting	11/3/16	Sacramento	N
Board Meeting	12/8/16	San Jose	N
Licensing Committee Meeting	2/10/17	Sacramento	Y
Legislative Committee Meeting	2/17/17	Sacramento	Y
Board Meeting	3/13-14/17	Sacramento	Y
Board Meeting	3/30/17	Sacramento	N
Legislative Committee Meeting	5/19/17	Sacramento	N
Board Meeting	6/15-16/17	Garden Grove	Y
Board Meeting	9/29/17	Monterey	Y
Enforcement Committee Meeting	11/3/17	Sacramento	Y
Licensing Committee Meeting	11/3/17	Sacramento	Y
Board Meeting	12/7/17	Brisbane	Y
Licensing Committee Meeting	2/23/18	Sacramento	Y
Enforcement Committee Meeting	2/23/18	Sacramento	Y
Board Meeting	4/12-13/18	San Diego	N
Board Meeting	6/7-8/18	Las Vegas / Sacramento	Y
Executive Committee Meeting	8/3/18	Sacramento	Y
Enforcement Committee Meeting	8/3/18	Sacramento	Y
Legislative Committee Meeting	8/3/18	Sacramento	Y
48-Hour Advance Teleconference Board Meeting	8/14/18	Various	Y
Board Meeting	9/20/18	Sacramento	Y

CSLB BOARD MEMBERS (CONTINUED)

Table 1a – Attendance (By Member, Alphabetically)

NANCY SPRINGER		Date Appointed: September 19, 2013 Reappointed July 25, 2017	
Meeting Type	Meeting Date	Meeting Location	Attended
Board Meeting	2/19/14	Burlingame	Y
Legislative Committee Meeting	4/16/14	Sacramento	Y
Board Meeting	4/23-24/14	San Diego	Y
Board Meeting	6/6/14	Newport Beach	Y
Public Affairs Committee Meeting	8/18/14	Sacramento	N
Legislative Committee Meeting	9/11/14	Sacramento	Y
Board Meeting	9/23/14	Monterey	N
Legislative Committee Meeting	11/6/14	Sacramento	Y
Board Meeting	12/11/14	Berkeley	Y
Board Meeting	12/16/14	Sacramento	Y
Legislative Committee Meeting	2/20/15	Sacramento	Y
Board Meeting	3/16/15	Glendale	Y
Legislative Committee Meeting	4/27/15	Sacramento	Y
Public Affairs Committee Meeting	4/27/15	Sacramento	Y
Board Meeting	6/18-19/15	Fairfield	Y
Board Meeting	7/29/15	Sacramento	N
Board Meeting	9/3/15	San Diego	Y
Enforcement Committee Meeting	10/30/15	Sacramento	Y
Public Affairs Committee Meeting	10/30/15	Sacramento	Y
Board Meeting	12/10/15	Brisbane	Y
Board Meeting	3/14-15/16	San Diego	Y
Board Meeting	4/6/16	Sacramento	Y
Enforcement Committee Meeting	5/10/16	Sacramento	N
Board Meeting	6/23-24/16	Garden Grove	Y
Board Meeting	9/19-20/16	Monterey	Y
Public Affairs Committee Meeting	11/3/16	Sacramento	Y
Legislative Committee Meeting	11/3/16	Sacramento	Y
Board Meeting	12/8/16	San Jose	Y
Legislative Committee Meeting	2/17/17	Sacramento	Y
Public Affairs Committee Meeting	2/17/17	Sacramento	Y
Board Meeting*	3/13-14/17	Sacramento	Y
Board Meeting	3/30/17	Sacramento	Y
Legislative Committee Meeting	5/19/17	Sacramento	N
Board Meeting	6/15-16/17	Garden Grove	Y
Board Meeting	9/29/17	Monterey	Y
Enforcement Committee Meeting	11/3/17	Sacramento	Y
Licensing Committee Meeting	11/3/17	Sacramento	Y

*Attended on 3/14/17

CSLB BOARD MEMBERS (CONTINUED)

Table 1a – Attendance (By Member, Alphabetically)

NANCY SPRINGER		Date Appointed: September 19, 2013 Reappointed July 25, 2017	
Meeting Type	Meeting Date	Meeting Location	Attended
Board Meeting	12/7/17	Brisbane	Y
Licensing Committee Meeting	2/23/18	Sacramento	Y
Enforcement Committee Meeting	2/23/18	Sacramento	Y
Board Meeting	4/12-13/18	San Diego	Y
Board Meeting	6/7-8/18	Las Vegas / Sacramento	Y
Licensing Committee Meeting	8/3/18	Sacramento	Y
Public Affairs Committee Meeting	8/3/18	Sacramento	Y
48-Hour Advance Teleconference Board Meeting	8/14/18	Various	Y
Board Meeting	9/20/18	Sacramento	Y

Table 1b – Board/Committee Member Roster (Includes Vacancies)

Member Name	Date First Appointed	Date Re-appointed	Date Term Expires	Appointing Authority	Type (Public or Professional)
Kevin J. Albanese	7/11/2013	7/25/2017	6/1/2021	Governor	Professional ("B" License)
Agustin Beltran	1/18/2014	5/10/2017	6/1/2021	Senate	Public
Linda Clifford	7/12/2013	6/5/2014; 6/15/2018	6/1/2022	Governor	Professional ("A" License)
David De La Torre	5/6/2015	9/16/16	6/1/2020	Assembly	Public
David Dias	4/1/2011	6/7/2012; 6/2/2016	6/1/2020	Governor	Public (Laborer)
Susan Granzella	10/13/2014	6/2/16	6/1/2020	Governor	Public
Joan Hancock	11/14/2007	7/29/2011; 6/2/2015	6/1/2019	Governor	Professional ("B" License)
Michael Layton	9/16/2016	n/a	6/1/2020	Assembly	Public
Marlo Richardson	5/21/2015	6/2/2016	6/1/2020	Governor	Public
Frank Schetter	8/12/2011	6/2/2015	6/1/2019	Governor	Professional ("C" License)
Johnny Simpson	2/25/2015	7/8/2015	6/1/2019	Senate	Public
Nancy Springer	9/19/2013	7/25/2017	6/1/2021	Governor	Public (Building Official)
Vacant – (Last Held by Paul Schifino)			6/1/2017	Governor	Professional ("C" License)
Vacant – (Last Held by Pastor Herrera, Jr.)			6/1/2018	Governor	Public
Vacant – (Last Held by Ed Lang)			6/1/2018	Governor	Public (Senior Citizen)

2. In the past four years, was the board unable to hold any meetings due to lack of quorum? If so, please describe. Why? When? How did it impact operations?

CSLB has had a quorum at all meetings.

3. Describe any major changes to the board since the last Sunset Review, including, but not limited to:

- **Internal changes (i.e., reorganization, relocation, change in leadership, strategic planning)**

Since CSLB’s last Sunset Review in 2015, there have been several leadership changes among its executive team. CSLB’s current executive leadership consists of:

Incumbent	Position	Appointment Date
David Fogt	Registrar of Contractors	May 2, 2017
Tonya Corcoran	Chief Deputy Registrar	July 14, 2017
Michael Melliza	Chief of Administration	July 15, 2016
Missy Vickrey	Chief of Enforcement	September 1, 2017
John Cleveland	Chief of Information Technology	December 1, 2017
Michael Jamnetski	Chief of Legislation	October 2, 2017
Justin Paddock	Chief of Licensing	October 1, 2018
Rick Lopes	Chief of Public Affairs	November 19, 2007

The board annually elects a chair, vice chair, and secretary at publicly noticed board meetings. Board members serve a one-year term as officers at the start of each fiscal year. For July 1, 2018 through June 30, 2019, Marlo Richardson serves as the Board Chair. The chart below reflects board officers from FY 2014-15 through FY 2018-19.

BOARD OFFICERS

Date	Title	Name	Member Type
FY 2014-2015	Chair	Dave Dias	Labor Representative
	Vice Chair	Ed Lang	Public Member (Senior Citizen Organization)
	Secretary	Augie Beltran	Public Member
FY 2015-2016	Chair	Ed Lang	Public Member (Senior Citizen Organization)
	Vice Chair	Augie Beltran	Public Member
	Secretary	Linda Clifford	"A" General Engineering Contractor
FY 2016-2017	Chair	Augie Beltran	Public Member
	Vice Chair	Kevin J. Albanese	"B" General Building Contractor
	Secretary	Marlo Richardson	Public Member
FY 2017-2018	Chair	Kevin J. Albanese	"B" General Building Contractor
	Vice Chair	Marlo Richardson	Public Member
	Secretary	Johnny Simpson	Public Member
FY 2018-2019	Chair	Marlo Richardson	Public Member
	Vice Chair	Johnny Simpson	Public Member
	Secretary	Linda Clifford	"A" General Engineering Contractor

STRATEGIC PLANNING

In 2018, the board completed development of its new 2019-21 strategic plan, which was formally approved at its September 20, 2018 meeting. The plan was a joint effort between board members and staff and included public input. As part of the strategic review process a survey of board members, staff, and stakeholders was conducted. Objectives were developed in the areas of Enforcement, Executive, Legislative, Licensing and Testing, and Public Affairs. Strategic plan objectives are reviewed, and progress is reported at all board and committee meetings. Copies of strategic plans since the last Sunset Review are included in the attachments. In addition, the board annually prepares and distributes an Accomplishments & Activities Report, copies of which are available on the CSLB website.

- **All legislation sponsored by the board and affecting the board since the last Sunset Review.**

In addition to sponsoring legislation on behalf of CSLB, the board's Legislative division screens all bills introduced by the Legislature to determine if they affect CSLB, consumers, or the construction industry. Over the last four years, the following bills were either sponsored or closely monitored by CSLB. CSLB-sponsored legislation is indicated with an asterisk (*). While the legislation below may have amended many California state codes, the summaries reference only the code sections related to CSLB operations.

2015 LEGISLATION

SB 467 (Hill, Chapter 656, Statutes of 2015) Extends the sunset date of CSLB for four years, until January 1, 2020. Eliminates the requirement that applicants possess \$2,500 in operating capital, and increases the amount of the required contractor bond by \$2,500—from \$12,500 to \$15,000. *Amends section 7071.6 and repeals section 7067.5 of the Business and Professions Code (BPC).*

SB 560 (Monning, Chapter 389, Statutes of 2015)* Authorizes CSLB Enforcement Representatives to issue a written notice to appear (NTA) to individuals who fail to secure workers' compensation insurance. (An NTA is a court order mandating an individual's presence at a hearing to answer to a misdemeanor charge.) *Amends BPC sections 7011.4 and 7125.4.*

SB 561 (Monning, Chapter 281, Statutes of 2015)* Eliminates the requirement that a home improvement salesperson (HIS) separately register to work for each contractor and, instead, allows a registered HIS to use his or her individual registration with one or more licensed contractors. *Amends sections 7067.6, 7152, 7153, 7153.2, 7153.3, 7154, 7155.5, and 7156 of, and adds section 7156.6, to the BPC.*

2016 LEGISLATION

AB 1793 (Holden, Chapter 244, Statutes of 2016) Revises the criteria for the court to consider when determining if a contractor substantially complied with licensing law pursuant to a disgorgement action in civil court. Replaces the requirement that a contractor did not know, or reasonably should not have known, that he or she was not duly licensed, with a requirement that the contractor acted promptly and in good faith to remedy the failure to comply with licensure requirements upon learning of that failure. *Amends BPC section 7031.*

AB 2486 (Baker, Chapter 270, Statutes of 2016) Requires that CSLB add a feature to its online license lookup feature to allow for a search by either zip code or geographic location. *Adds BPC section 7018.*

AB 2859 (Low, Chapter 473, Statutes of 2016) Authorizes boards within the Department of Consumer Affairs to create a retired license category. *Adds BPC section 464.*

SB 66 (Leyva, Chapter 770, Statutes of 2016) Requires the Department of Consumer Affairs, upon request from the Chancellor's Office of the California Community Colleges, to collect identifying information on all licensees in order to measure outcomes of career technical training programs. *Amends BPC section 30.*

SB 465 (Hill, Chapter 372, Statutes of 2016) Requires the Division of Occupational Safety and Health (DOSH), after consultation with CSLB, to forward to CSLB copies of any citations or other actions taken by DOSH against a contractor involving a serious illness or injury. Also requires a licensee to report to CSLB any criminal conviction. Further requires CSLB to conduct a study to determine if requiring licensees to report settlement information to CSLB would enhance its public protection mission. *Amends BPC sections 7021 and 7071.18.*

SB 661 (Hill, Chapter 809, Statutes of 2016) Enacts the “Dig Safe Act of 2016” and makes several changes to existing requirements for excavation procedures. Also establishes the California Underground Facilities Safe Excavation Advisory Board within the Office of the State Fire Marshall to investigate violations of the state’s excavation and subsurface installation laws, coordinate education and outreach, and develop standards. *Amends sections 4216 through 4216.24 of the Government Code and section 955.5 of the Public Utilities Code.*

SB 1039 (Hill, Chapter 799, Statutes of 2016)* Raises by 15 percent most fees CSLB is authorized to charge applicants and licensees (also amends numerous other sections of law unrelated to CSLB). *Amends BPC sections 7137 and 7153.3.*

SB 1209 (Morrell, Chapter 152, Statutes of 2016)* Provides that citations issued against a licensed contractor follow the contractor if he or she is issued another license, and authorizes the disclosure of these citations according to existing disclosure timeframes. *Amends BPC section 7124.6.*

SB 1479 (Business, Professions and Economic Development Committee, Chapter 634, Statutes of 2016)* Eliminates an existing law that voided an application for a license after an applicant failed to reschedule an exam within 90 days of cancellation, or twice failed to appear for an exam. The bill also revises requirements for a blanket performance and payment bond. *Amends BPC sections 7074 and 7159.5.*

2017 LEGISLATION

AB 1070 (Gonzalez Fletcher, Chapter 662, Statutes of 2017) Requires CSLB, in collaboration with the Public Utilities Commission, to develop and make available on its website a “solar energy system disclosure document” for solar energy customers (by July 1, 2018), compile an annual report documenting consumer complaints related to solar contractors (by July 1, 2019), and develop standardized inputs and assumptions to be used in the calculation and presentation of electric utility bill savings to a consumer (by July 1, 2019). *Adds BPC sections 7169 and 7170.*

AB 1278 (Low, Chapter 506, Statutes of 2017) Clarifies that if a judgment is entered against a licensed contractor, the qualifier or personnel of record at the time of the activities on which the judgment is based, rather than when the judgment is entered, is prohibited from serving on another license, and makes other clarifying changes. *Amends BPC section 7071.17.*

AB 1284 (Dababneh, Chapter 475, Statutes of 2017) Establishes requirements for Property Assessed Clean Energy (PACE) program administrators before PACE assessment contracts may be funded and recorded by a public agency; renames the California Finance Lenders Law the California Financing Law (CFL); requires that PACE program administrators be licensed under the CFL; and establishes a regulatory scheme for the oversight of PACE solicitors and PACE solicitor agents. *Significant amendments to various sections of the Financial Code.*

AB 1357 (Chu, Chapter 508, Statutes of 2017) Exempts a licensed roofing contractor, if certain conditions are met, from provisions that prohibit repairs to a structure on which the inspector, or the inspector's company, prepared a home inspection report in the past 12 months. *Amends BPC section 7197.*

SB 242 (Skinner, Chapter 484, Statutes of 2017) Establishes requirements for third-party program administrators of Property Assessed Clean Energy (PACE) programs. Also makes it unlawful to begin work under a home improvement contract and makes the contract unenforceable if the property owner entered into the contract based on the reasonable belief that the PACE program would cover the costs of the work and applies for, accepts, and cancels PACE financing within the three-day right to cancel period established in existing law. *Significant amendments to the Streets and Highways Code.*

SB 486 (Monning, Chapter 308, Statutes of 2017)* Authorizes CSLB to issue letters of admonishment to an applicant, licensee, or registrant rather than a citation, and sets specific conditions for issuing letters. The bill also establishes a process for recipients to contest the letter. *Amends BPC sections 7099.2 and 7124.6.*

SB 800 (Committee on Business, Professions and Economic Development, Chapter 573, Statutes 2017)* Clarifies that a contractor license cannot be acquired in an "asset sale," and requires that CSLB provide licensees' federal employee identification numbers or Social Security numbers to the Franchise Tax Board. *Amends BPC sections 7075.1, 7145.5, and 7197.*

2018 LEGISLATION

SB 721 (Hill, Chapter 445, Statutes of 2018) This bill establishes requirements for inspecting and repairing “exterior elevated elements,” which includes decks and balconies, for buildings with three or more multi-family dwelling units. Establishes reporting and repair requirements, including timeframes, if it is found repairs are needed. Specifies who can complete the inspections and repairs, including licensed “A” General Engineering, “B” General Building, and C-5 (Framing and Rough Carpentry) contractors, if specified experience requirements are met. Provides for civil penalties if building owners violate the requirements. *Amends the Civil Code and Health and Safety Code.*

SB 981 (Dodd, Chapter 932, Statutes of 2018) This bill removes the prohibition against delivering or installing a water treatment device sold through a home solicitation contract during the consumer’s “three-day right to rescind” from the date the contract is signed. If the consumer subsequently rescinds the contract within the three-day period, the seller is responsible for the costs to remove the device or any material and to return the property to its same condition prior to the contract. *Amends BPC section 17577.3.*

SB 1042 (Monning, Chapter 110, Statutes of 2018)* Authorizes the CSLB registrar to “settle” less egregious administrative citations prior to an administrative hearing, using an informal citation resolution process. The informal process is not subject to the Administrative Procedure Act and the person cited would not surrender the right to request an administrative hearing. *Adds BPC section 7099.8.*

SB 1087 (Roth, Chapter 798, Statutes of 2018) A “clean-up” to AB 1284 (Dababneh, Statutes of 2017), which required the licensing and regulation of Property Assessed Clean Energy (PACE) program administrators by the Department of Business Oversight (DBO). Allows both CSLB and DBO to take enforcement action against PACE solicitors and solicitor agents. *Amends the Financial Code and the Streets and Highways Code.*

SB 1465 (Hill, Chapter 514, Statutes of 2018) In response to the June 2015 Berkeley balcony collapse, this bill requires contractors and insurers to report to CSLB any final civil judgments, settlements, or arbitration awards involving damage claims over \$1,000,000 for construction defects in multi-family residential structures that meet specified criteria. *Adds BPC sections 7071.20, 7071.21, and 7071.22.*

AB 2138 (Chiu, Chapter 995, Statutes of 2018) Effective July 1, 2020, prohibits an applicant from being denied a license solely because he or she has been convicted of specified crimes. Authorizes a board to deny a license on the basis of a conviction if it occurred within seven years from the date of application, regardless of incarceration status, if the crime is substantially related to the qualifications, functions, or duties of the license, or if the conviction requires California sex offender registration, or, for certain agencies, including CSLB, if the conviction is a financial felony directly and adversely related to the qualifications, functions, or duties of the license. Prohibits license denial if the applicant was pardoned, shows rehabilitation, or if the conviction was dismissed, and prohibits denial on the basis of an arrest that resulted in anything other than a conviction. Prohibits boards from requiring an applicant to provide his or her criminal history and requires boards to produce annual reports about applicants with a criminal background to the Legislature and for public posting. *Amends, repeals, and adds BPC sections 7.5, 480, 480.2, 481, 482, 488, 493, and 11345.2.*

AB 2371 (Carrillo, Chapter 867, Statutes of 2018) Provides that before CSLB revises a landscaping contractor examination, it must confer with specified entities to determine if any updates or revisions to the exam are needed to reflect new and emerging landscape irrigation efficiency practices. *Adds BPC sections 7065.06 and 7195.5.*

AB 2705 (Holden, Chapter 323, Statutes of 2018)* Increases from one year to two years the statute of limitations during which an unlicensed contractor can be prosecuted for failing to obtain workers' compensation insurance for employees. *Amends BPC section 7126.*

AB 3126 (Brough, Chapter 925, Statutes of 2018)* Eliminates the option of a cash deposit with CSLB in lieu of a contractor license bond, bond of qualifying individual, or disciplinary bond to prevent contractors from removing bond funds from their private accounts and leaving no funds payable to a consumer following a valid claim against a bond. *Amends sections 7071.17, 7074, 7091, and 7137 of, adds section 7071.4 to, and repeals section 7071.12 of the BPC.*

- **All regulation changes approved by the board since the last Sunset Review. Include the status of each regulatory change approved by the board.**

Effective January 1, 2015, Title 16, California Code of Regulations (16 CCR) sections:

- 832.22 Asbestos Abatement Contractor License Classification
- 833 Asbestos Classification and Certification Limitations and Examination Requirement

On November 15, 2016, the board approved non-substantive amendments to regulatory language of the following 16 CCR sections:

- 816 Application Form for Original License
- 817 Operating Capital Defined
- 832 Specialty Contractors Classified
- 832.16 Fire Protection Contractor
- 864 Continuance of License Under Business and Professions Code section 7068.2
- 865 Continuance of License Under Business and Professions Code section 7076
- 867 Procedure to Reactivate an Inactive License
- 869.1 Applicant Defined
- 869.5 Inquiry into Criminal Convictions
- 870 Factors to Apply When Determining Earliest Date a Revoked Licensee May Apply for Licensure

On June 15, 2017, the board approved initiation of the rulemaking process to amend the following 16 CCR sections. As of July 2018, the regulatory package was under review by the Department of Consumer Affairs prior to filing with the Office of Administrative Law.

- 853 Renewal Application Form
- 858.1 Blanket Performance and Payment Bond Requirements
- 858.2 Application for Approval of Blanket Performance and Payment Bond
- 869 Criteria for Rehabilitation
- 869.9 Criteria to Aid in Determining Earliest Date a Denied Applicant May Reapply for Licensure
- 872 Disclosure of General Liability Insurance

4. Describe any major studies conducted by the board (cf. Section 12, Attachment C).

Since the last Sunset Review, CSLB prepared one major study required by Senate Bill 465 (Hill, Statutes 2016) to determine if the board's ability to protect the public would be enhanced by regulations requiring licensees to report construction-related judgments for rental residential units to CSLB, much like other professionals must report civil settlements to their licensing bodies, and report the results to the Legislature by January 1, 2018.

The measure arose out of the collapse of an apartment complex balcony in Berkeley on June 16, 2015, that killed six people and seriously injured seven others. On May 22, 2017, CSLB formally revoked the contractor license of Segue Construction, Inc., the general contractor responsible for building the apartment complex. Unrelated to CSLB's administrative action against Segue Construction was the finding that the contractor had paid over \$20 million in construction defect-related civil settlements prior to the collapse. No existing law required reporting such information to CSLB.

On December 15, 2017, CSLB presented its study to the Legislature, a copy of which is included in the attachments. The study concluded that CSLB's ability to protect the public would be enhanced by regulations requiring licensees to report judgments, arbitration awards, or settlement payments of construction defect claims for rental residential units.

In February 2018, Senator Hill introduced SB 1465, which Governor Brown signed September 18, 2018, to require a licensee to report to the CSLB registrar within 90 days any civil action resulting in a final judgment, executed settlement agreement, or final arbitration award against a licensee involving construction defects in multifamily rental residential structures. The reporting requirement would be triggered if the judgment, settlement, or award is \$1,000,000 or greater, not including the costs of investigation or prior repairs. The bill also requires that both licensees and insurers report to CSLB the payment of such claims.

5. List the status of all national associations to which the board belongs.

CSLB is a member of the National Association of State Contractors Licensing Agencies (NASCLA), which is dedicated to the mutual assistance of its members in striving for better construction industry regulation to protect the health, welfare, and safety of the general public. The association's membership consists of state and local contractor licensing agencies, construction firms, construction trade associations, and others associated with the construction industry.

- **Does the board’s membership include voting privileges?**

CSLB’s registrar currently serves on the NASCLA Board of Directors and has voting privileges.

- **List committees, workshops, working groups, task forces, etc., on which the board participates.**

The current CSLB registrar serves on the NASCLA Board of Directors and as Secretary, as well as on the NASCLA Accredited Examination Program Committee; the previous registrar served on the NASCLA Resources, Executive, and Fiscal Policy and Procedures committees, and chaired the Ad Hoc Solar Energy Committee.

- **How many meetings did board representative(s) attend? When and where?**

Over the last four years, CSLB registrars have attended eight NASCLA meetings, including all mid-year meetings and annual conferences, as noted below. Seven of the eight meetings required approval for out-of-state travel.

NASCLA Annual Conference	Date	Location
2018	August 27-30, 2018	Nashville, Tennessee
2017	August 28-31, 2017	Denver, Colorado
2016	August 30-Sept. 2, 2016	Minneapolis, Minnesota
2015	August 31-Sept. 3, 2015	San Diego, California

NASCLA Mid-Year Meeting	Date	Location
2018	March 6-8, 2018	Phoenix, Arizona
2017	March 9-10, 2017	Houston, Texas
2016	March 9-11, 2016	Destin, Florida
2015	March 11-13, 2015	Huntsville, Alabama

- **If the board is using a national exam, how is the board involved in its development, scoring, analysis, and administration?**

CSLB does not use a national exam.



State of California
Department of Consumer Affairs
Contractors State License Board

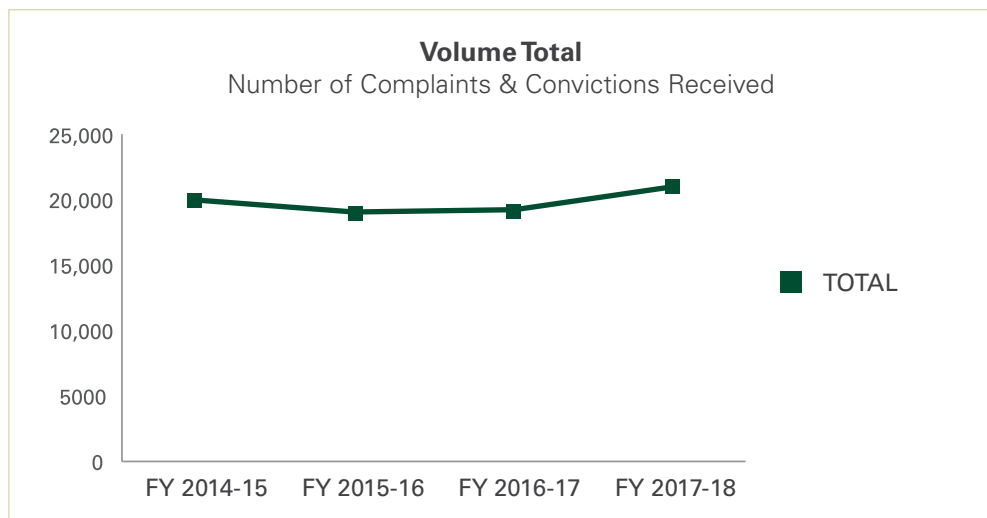
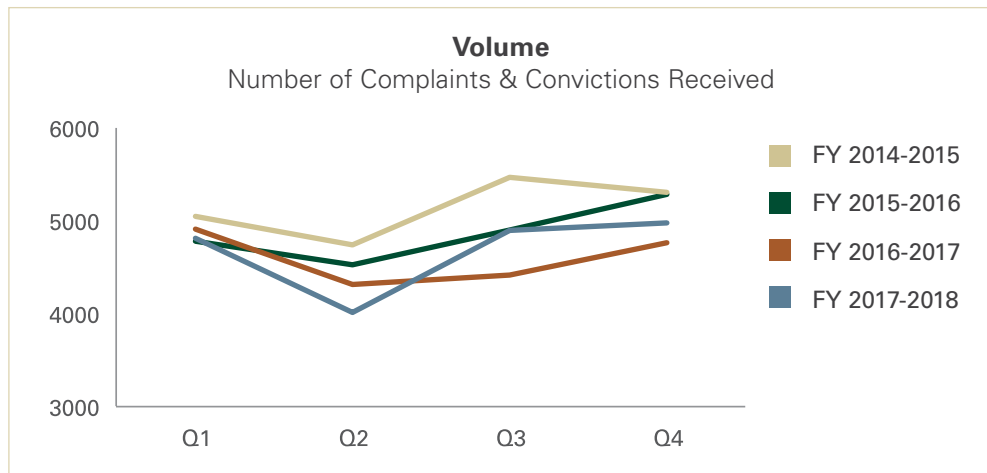


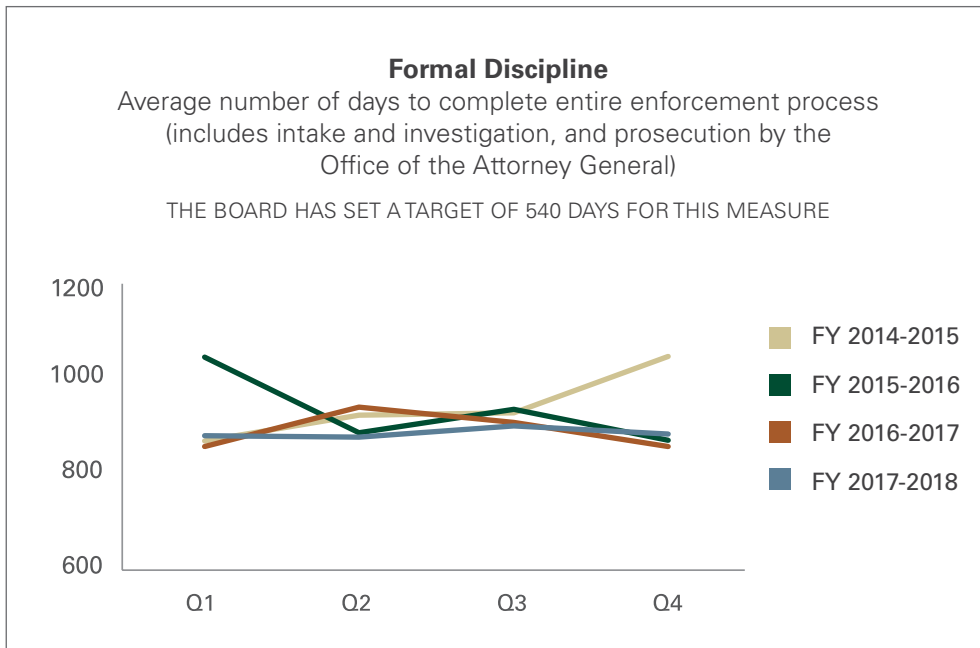
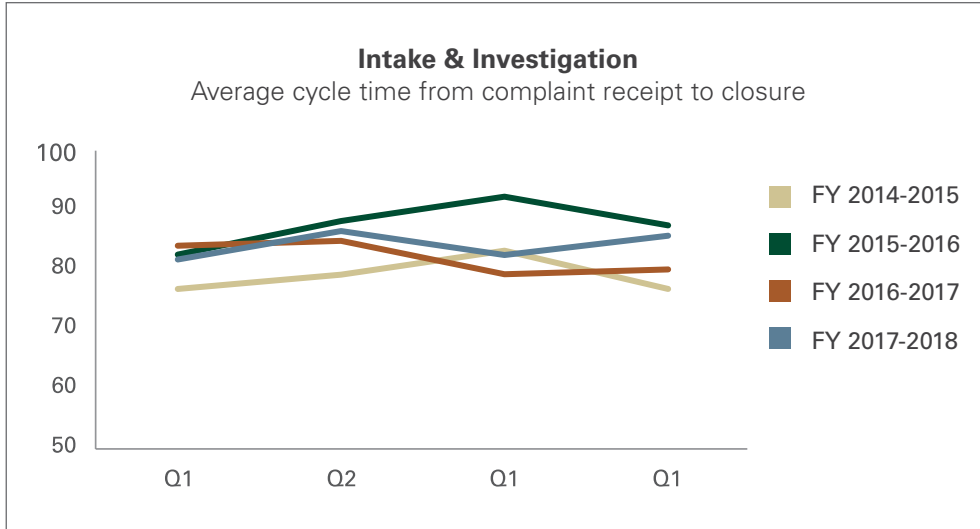
SECTION 2: PERFORMANCE MEASURES AND CUSTOMER SATISFACTION SURVEYS

6. Provide each quarterly and annual performance measure report for the board as published on the DCA website.

Below are the cumulative annual performance measures for the last four fiscal years for the Enforcement division.

Please see the attachments for the quarterly performance measure reports as published on the DCA website. DCA discontinued publishing annual performance measures reports after the 2013-14 fiscal year.





7. Provide results for each question in the board’s customer satisfaction survey broken down by fiscal year. Discuss the results of the customer satisfaction surveys.

The CSLB consumer satisfaction survey is delivered through an online survey service. Surveys are sent monthly to all complainants who provide an email address, with an average response rate of 20 percent over the last four years. The eight questions employ a seven-point agreement scale.

The ratings have remained fairly constant over the years. Consistently, the highest ratings are received in response to the question about courteous treatment and the lowest ratings for the question about the action CSLB ultimately took in response to the complaint.

CSLB collects and reports consumer satisfaction data by calendar year. The table below displays data from 2014 through 2017.

QUESTIONNAIRE STATEMENTS	Percent Agreement by Calendar Year			
	2014	2015	2016	2017
1. The CSLB contacted me promptly after I filed my complaint.	80%	77%	77%	78%
2. The procedures for investigating my complaint were clearly explained to me.	75%	74%	76%	75%
3. The CSLB kept me informed of my case’s progress during the investigation.	66%	66%	68%	68%
4. I was treated courteously by the CSLB’s representative(s).	83%	84%	87%	85%
5. My complaint was processed in a timely manner.	65%	66%	65%	66%
6. I understand the outcome of the investigation (whether or not I agree with the action taken).	69%	70%	70%	69%
7. The action taken in my case was appropriate.	58%	56%	58%	57%
8. I am satisfied with the service provided by the CSLB.	63%	62%	62%	64%



State of California
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SECTION 3: FISCAL AND STAFF

FISCAL ISSUES

8. Is the board's fund continuously appropriated? If yes, please cite the statute outlining this continuous appropriation.

Business and Professions Code (BPC) section 205 establishes a Professions and Vocations Fund within the State Treasury, which consists of several special funds, including the Contractors' License Fund.

For accounting purposes, the Professions and Vocations Fund is deemed a single "special fund" and each of the funds within it are deemed separate accounts. Expenditures from each account are available only for purposes as authorized by existing law. Business and Professions Code section 7135 provides that the fees and civil penalties collected by CSLB be deposited into the Contractors' License Fund and all monies in this fund be appropriated for the purposes of administering contractors' state license law.

9. Describe the board's current reserve level, spending, and if a statutory reserve level exists.

CSLB maintains an analysis of the Contractors' License Fund, including reserves, revenue, transfers, and expenditures. CSLB is statutorily authorized (BPC §7138.1) to maintain no more than six months in reserve of its annual authorized board expenditures. As of June 30, 2018, CSLB had a reserve of approximately \$15.4 million, which represents approximately three months of operating expenditures.

10. Describe if/when a deficit is projected to occur and if/when fee increase or reduction is anticipated. Describe the fee changes (increases or decreases) anticipated by the board.

In 2016, the board proposed a fee increase. Passage of SB 1039 (Hill, Statutes of 2016) granted CSLB authority to implement an increase on all fees, except for the additional classification original application with waiver and the re-exam fee. The fee increase became effective July 1, 2017. If the board needs an additional increase, regulations would be required to raise fees to an amount within the statutory maximum. There are no current plans to increase fees.

Table 2 – Fund Condition (Dollars in Thousands)

FUND CONDITION	ACTUAL				PROJECTED	
	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18*	FY 2018-19	FY 2019-20
Adjusted Beginning Balance	\$26,944	\$24,051	\$18,971	\$16,182	\$15,431	\$13,067
Revenues and Transfers	\$57,120	\$56,030	\$60,078	\$65,637	\$67,884	\$67,507
Total Revenue	\$84,064	\$80,081	\$79,049	\$81,819	\$83,315	\$80,574
Budget Authority ¹	\$62,858	\$64,965	\$63,635	\$66,363	\$65,665	\$66,978
Expenditures ²	\$60,265	\$61,041	\$62,867	\$66,388	\$70,248	\$70,576
Loans to General Fund						
Accrued Interest, Loans to General Fund						
Loans Repaid from General Fund						
Fund Balance	\$23,799	\$19,040	\$16,182	\$15,431	\$13,067	\$9,998
Months in Reserve	4.7	3.6	2.9	2.6	2.2	1.9

¹ Budget authority beginning in January 2017 statewide pro rata changed from budgeted line item to a direct fund charge.

² Expenditures include direct fund assessments for SCO, Fi\$cal, and statewide pro rata.

* FY 2017-18 revenue and expenditure totals current through fiscal month 12.

11. Describe the history of general fund loans. When were the loans made? When have payments been made to the board? Has interest been paid? What is the remaining balance?

In fiscal year 2008-09, the Contractor’s License Fund issued a loan of \$10 million to the California General Fund. In FY 2011-12, the Fund received final repayment, along with \$737,000 in interest. There are no outstanding general fund loans.

12. Describe the amounts and percentages of expenditures by program component. Use Table 3 – Expenditures by Program Component to provide a breakdown of the expenditures by the board in each program area. Expenditures by each component (except for pro rata) should be broken out by personnel expenditures and other expenditures.

The detailed breakdown of expenditures by program component is listed in table 3:

Table 3 – Expenditures by Program Component (*Dollars in Thousands*)

EXPENDITURES	FY 2014-15		FY 2015-16		FY 2016-17		FY 2017-18*	
	Personnel Services	OE&E	Personnel Services	OE&E	Personnel Services	OE&E	Personnel Services	OE&E
Enforcement	\$19,613	\$13,023	\$19,764	\$14,028	\$20,163	\$13,739	\$21,589	\$13,188
Examination	\$2,042	\$1,410	\$2,078	\$1,309	\$2,242	\$1,348	\$2,289	\$1,080
Licensing	\$7,452	\$1,686	\$7,549	\$1,692	\$7,758	\$1,773	\$8,246	\$1,688
Administration **	\$3,876	\$5,460	\$3,864	\$4,659	\$4,071	\$2,263	\$4,095	\$3,930
DCA Pro Rata	n/a	\$6,211	n/a	\$6,476	n/a	\$6,911	n/a	\$6,095
Diversion (if applicable)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
TOTALS	\$32,983	\$27,790	\$33,255	\$28,164	\$34,234	\$26,034	\$36,219	\$25,981

* FY 2017-18 expenditures current through fiscal month 12.

** Administration includes costs for executive staff, board members, administrative support, and fiscal services.

13. Describe the amount the board has contributed to the BreZE program. What are the anticipated BreZE costs the board has received from DCA?

CSLB BREEZE CONTRIBUTIONS		
ACTUAL FY 2009-10 through FY 2016-17	PROJECTED FY 2017-18	TOTAL
\$3,443,555	\$812,000	\$4,255,555

14. Describe license renewal cycles and history of fee changes in the last 10 years. Give the fee authority (Business and Professions Code and California Code of Regulations citation) for each fee charged by the board.

CSLB receives no General Fund support, relying solely on fees set by statute and collected from licensees and applicants. Renewal fees constitute the main source of revenue and are collected every two years from contractors with active licenses. Active contractor licenses expire two years from the last day of the month in which the license was issued. Inactive licenses need to be renewed every for four years.

In July 2011, the board increased all fees to the statutory limits (with the exception of the duplicate license/certification fee).

As noted in response to question 10, in 2016, the board proposed a fee increase, effective July 2017, through SB 1039. Passage of SB 1039 granted CSLB authority for an increase on all fees (with the exception of the additional classification original application with waiver and the re-exam fee). If the board needs an additional increase, regulations would be required to raise fees to an amount within the statutory maximum. There are no current plans to increase fees.

CSLB’s current fee structure and revenue are detailed in the tables below, and are contained in Business and Professions Code section 7137, and the California Code of Regulations, Title 16, Division 8, Section 811.

Table 4a. Fee Schedule

Transaction	Current Fee Amount	Statutory Limit
Original Application	\$330	\$375
Initial License Fee (active & inactive)	\$200	\$225
Additional Personnel/Officer	\$100	\$115
Additional Class (with waiver original application)	\$75	\$85
Additional Class (existing license)	\$150	\$175
Replacing the Qualifier (existing license)	\$150	\$175
Original Home Improvement Salesperson (HIS)	\$75	\$75
Application	\$83	\$95
HIS Renewal	\$83	\$95
Asbestos Certification Application	\$83	\$95
Hazardous Substance Removal Application	\$83	\$95
Reactivate Inactive License	\$400	\$450
Active Renewal (2 year cycle)	\$400	\$450
Inactive Renewal (4 year cycle)	\$200	\$225
Exam Rescheduling Fee	\$60	\$70
Delinquency Fee (Active contractor renewal)	\$200	\$225
Delinquency Fee (Inactive contractor renewal)	\$100	\$112.50
Delinquency Fee (HIS Renewal)	\$41.50	\$47.50
Duplicate License/Certificate	\$12	\$14

Table 4b details CSLB’s actual revenue for FY 2014-15 through FY 2017-18.

Table 4b. Revenue (Dollars in Thousands)

REVENUE	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18*	% OF TOTAL REVENUE
Duplicate License/ Certification Fees	\$105	\$116	\$116	\$136	0.2%
App Exam/License Fees	\$10,985	\$11,624	\$12,590	\$14,513	22.1%
Renewal Fees	\$41,170	\$39,697	\$42,432	\$46,002	70.1%
Delinquency Fees	\$2,793	\$2,484	\$2,510	\$2,676	4.1%
Fines & Penalties	\$1,861	\$1,933	\$2,176	\$2,067	3.1%
Other	\$143	\$127	\$137	\$127	0.2%
Interest	\$63	\$49	\$117	\$116	0.2%
TOTALS	\$57,120	\$56,030	\$60,078	\$65,637	

*FY 2017-18 revenue and expenditure totals current through fiscal month 12.

15. Describe Budget Change Proposals (BCPs) submitted by the board in the past four fiscal years.

Over the last four fiscal years, CSLB submitted five budget change proposals and received a total of 6.0 permanent staff and 2.0 limited term staff to address the additional workload required by newly implemented legislation. These BCPs include:

- Adding four permanent staff in the Enforcement division to address the increased workload generated by subsequent arrest and conviction records received by CSLB as a result of fingerprinting licensees.
- Adding two permanent staff to investigate accidents referred to CSLB by the California Department of Industrial Relations Division of Occupational Safety and Health (DOSH) for potential disciplinary action.
- Adding two three-year limited-term staff for anticipated workload related to safe excavation.

Table 5 details BCPs that CSLB submitted over the past four fiscal years.

Table 5. Budget Change Proposals (BCPs)

Budget Change Proposals (BCPs)								
BCP ID #	Fiscal Year	Description of Purpose of BCP	PERSONNEL SERVICES				OE&E	
			# Staff Requested (include classification*)	# Staff Approved (include classification*)	\$ Requested	\$ Approved	\$ Requested	\$ Approved
1110-15	2014-15	Subsequent Arrest Unit	4 (ERI & OT)	4 (ERI & OT)	0	0	0	0
1110-007	2015-16	Underground Economy	6 (ESI & ERI's)	0	0	0	0	0
1110-011	2016-17	SWIFT Remote Locations	3 (ERI)	0	\$259,000	0	\$120,000	0
1110-041	2017-18	SB 465 (Settlements)	2 (ERI & OT)	2 (ERI & OT)	\$164,000	\$164,000	\$346,000	\$346,000
1110-066	2018-19	Dig Safe Act of 2016 (SB 661)	2 (ERII & OT) LT	2 (ERII & OT) LT	\$173,000	\$173,000	\$376,000	\$376,000

* The acronyms above refer to the following classifications: Enforcement Representative I (ERI), Enforcement Representative II (ERII), Enforcement Supervisor I (ESI), and Office Technician (OT)

STAFFING ISSUES

16. Describe any board staffing issues/challenges, i.e., vacancy rates, efforts to reclassify positions, staff turnover, recruitment and retention efforts, succession planning.

CSLB is presently authorized to have 405 staff (PYs) throughout the state, dedicated to accomplishing its consumer protection mandate.

CSLB's Personnel office works closely with the DCA Office of Human Resources to successfully, effectively, and in a timely manner address any recruitment and/or retention challenges.

As noted in the response to question 15, in fiscal year 2014-15, CSLB received approval for an additional 4.0 PYs. Therefore, during fiscal years 2014-15 and 2016-17, CSLB had 403 PYs. Successful budget change proposals added 2.0 PYs in fiscal year 2017-18, bringing the total PYs to 405. The projection for FY 2018-19 is 407 PYs, as CSLB received approval for 2.0 three-year limited term PYs.

Vacancy Rates

At any given time during the previous fiscal years, CSLB had an average of 40 staff vacancies, or a 10 percent vacancy rate. Process improvements in CSLB's Personnel office and coordination with DCA have reduced the average number of vacancies. As of July 1, 2018, CSLB had 28.5 staff vacancies, which represents a 7 percent vacancy rate.

Efforts to Reclassify Positions

To meet operational needs, CSLB has successfully reclassified positions to ensure utilization of appropriate civil service classifications. In deciding to reclassify a position, careful consideration is given to changes in workload, lost duties and their absorption, as well as the added value to CSLB of the newly reclassified position.

Recruitment and Retention Efforts

The average annual vacancy rate of less than 10 percent illustrates CSLB's success in recruiting and retaining employees. To expand candidate pools, CSLB has increased the frequency of exams for the Consumer Services Representative and Enforcement Representative series. These exams have been developed in conjunction with DCA. In addition to the state's jobs website, CSLB posts job vacancies on its own website and LinkedIn, and sends out a weekly email announcement of job postings to more than 550 interested parties.

Staff Turnover

Historically, CSLB does not experience high rates of staff turnover. In cases where positions are occupied by incumbents who are retiring, CSLB is proactive about early recruiting and ensuring knowledge transfer for new employees.

Succession Planning

CSLB encourages all rank-and-file, as well as supervisory and managerial staff, to attend work-related trainings to prepare for upward mobility and to meet career goals. CSLB uses office desk procedure manuals as training tools for succession planning and institutional knowledge transfer.

17. Describe the board's staff development efforts and how much is spent annually on staff development (cf., Section 12, Attachment D).

CSLB employees receive training, as part of pro rata, through the Department of Consumer Affairs SOLID training office. Between FY 2014-15 and FY 2017-18, SOLID provided over 1,200 classroom training sessions for CSLB staff. Among the classes SOLID offers are basic-to-advanced computer courses, the Analyst Certification Training program, writing, and customer service skills. SOLID also conducts the DCA Leadership Academy, to comply with California Code section 19995.4(b), which requires that all managers and supervisors receive 80 hours of supervisory training within one year of appointment.

Additionally, SOLID staff facilitated two major CSLB trainings. All CSLB managers and supervisors were provided an opportunity to attend a "Performance Management" course in September 2015, and in October 2017, all CSLB staff were encouraged to attend a "Comprehensive Approach to Customer Service" course offered in Sacramento headquarters and at CSLB's Norwalk field office.

In 2016, CSLB developed a Safety and Security Training course to proactively address potential threats to employee safety. The course teaches employees how to be alert and safe and how to react in the unlikely event of an active shooter incident. The class has been offered annually in both Norwalk and Sacramento.

In 2015, the Personnel unit developed a Career Consulting course for CSLB staff, versions of which were offered six times between 2015 and 2017, in Sacramento and Norwalk. This course included tips on navigating the state's jobs website, information on the hiring process, how to maximize opportunities within CSLB, and one-on-one meetings to review applications and resumes. The course is offered on an ongoing basis.

In 2014, an Enforcement Academy was created in conjunction with the Office of the Attorney General to equip staff with strong investigative skills. This training assures

that CSLB investigations are effective and complete and that alleged violations recommended for administrative or criminal legal action are well supported.

The five-day Enforcement Academy provides staff with instruction on investigative techniques, interview techniques, report writing, Business and Professions Code training, time management skills, Statewide Investigative Fraud Team (SWIFT) training, public speaking, and other job-related modules. The CSLB Academy is offered twice a year at either CSLB headquarters in Sacramento or at the Norwalk field office, and all new Enforcement staff are encouraged to participate. Additionally, the Enforcement division offers several other specialized classes, including courses on investigative procedure, how to conduct stings and sweeps, and the laws of arrest, search, and seizure.

To further meet the training needs of employees CSLB, with approval from DCA, contracts with outside vendors, such as CalHR, the State Personnel Board, and the Department of Technology to provide training services not offered by SOLID. Between FY 2014-15 and FY 2017-18, employees attended 463 job-related training sessions conducted by outside vendors throughout the state. Among these trainings were Supervisor's Guide to Managing Poor Performance and various information technology courses.

COSTS FOR OUTSIDE TRAINING	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Training and Staff Development	\$24,836	\$16,366	\$9,231	\$32,415



SECTION 4: LICENSING PROGRAM

LICENSING PROGRAM OVERVIEW

CSLB's Licensing division reviews all applications and develops and administers all required exams to ensure that applicants meet minimum licensure or registration requirements before they provide contracting services. There are currently more than 283,000 licensed contractors and 17,000 registered home improvement salespersons in California.

For all contractor and home improvement salesperson applications, division staff review criminal background history. For contractor applications, staff also review license history and verify that applicants meet the experience requirements. Additionally, the division processes all documents related to compliance with bond and workers' compensation insurance requirements, as well as biennial renewals.

CSLB licenses, certifies, or registers the following:

- "A"—General Engineering contractors
- "B"—General Building contractors
- 42 "C" specialty contractors
- Asbestos certification
- Hazardous Substance Removal certification
- Home improvement salesperson (HIS) registrations

The Licensing division also processes requests to update licensee and registrant information, including address changes and replacing qualified individuals.

Passage of SB 561 (Monning) in 2015, changed the CSLB registration process for home improvement salespersons. Rather than registering separately to work for each contractor, a single HIS registration can now be used with one or more licensed contractors. This new process has helped CSLB to more effectively respond to the sharp rise in HIS applications in recent years, particularly from those working in the solar industry.

In fiscal year 2017-18, CSLB received 23,857 contractor applications and 9,780 HIS registration applications. Licensing division managers regularly monitor workload to ensure that applications and other materials are processed in a timely manner and that statutory timeframes are met.

The division also performs several other important functions:

- The Testing unit administers all CSLB examinations at eight test centers throughout the state and facilitates the use of translators when necessary. Staff also work with subject matter experts to develop new exams when required and to perform occupational analyses for each existing exam every five-to-seven years to ensure that California exams remain current and exceed test standards.
- The License Information Center is CSLB’s call center where staff answer questions from consumers, licensees, and applicants and assist in navigating several transactions, including filing complaints and completing applications.
- The Veterans Application Assistance program assists those transitioning from military service to civilian employment. The program offers expedited application processing to veteran applicants where specially trained staff evaluate transferable military experience and training, as well as education to meet experience requirements.
- The Judgment unit processes all outstanding judgments, bond payment of claims, and outstanding liabilities reported to CSLB by licensees, consumers, attorneys, credit recovery firms, bonding companies, CSLB’s Enforcement division, and other governmental agencies. In calendar year 2017, CSLB collected over \$20 million in final judgments, \$23 million in outstanding liabilities, and nearly \$9 million in payment of bond claims.

RECIPROCITY

CSLB has existing reciprocity agreements with Arizona, Louisiana, Nevada, and Utah, which allows an eligible applicant to waive the trade exam (the applicant must still pass the California law and business exam). Following direction by the board, CSLB is pursuing a licensing reciprocity agreement with North Carolina and is examining the appropriateness of agreements with Alabama, Georgia, and Oregon to further reduce barriers to licensure.

ONLINE AUTOMATION INITIATIVES

In 2017, CSLB launched a new online process for submitting workers’ compensation information that automatically updates the license record. CSLB also released online fillable PDF applications to make the process of completing applications easier and to reduce the number returned for correction. Currently, CSLB is developing a user-friendly online original contractor license application that will take applicants screen-by-screen through the application process and assist them in determining what documents need to be submitted. This new process should be available in the next year.

18. What are the board’s performance targets/expectations for its licensing¹ program? Is the board meeting those expectations? If not, what is the board doing to improve performance?

Pursuant to Title 16 of the California Code of Regulations section 827, CSLB informs an applicant within 60 days of receipt if the application is complete or deficient and in need of additional documentation or correction. The board currently meets these expectations for all of its applications. All processing times for licensing-related documents are posted on CSLB’s website weekly and documents are processed in the order of date received.

19. Describe any increase or decrease in the board’s average time to process applications, administer exams and/or issue licenses. Have pending applications grown at a rate that exceeds completed applications? If so, what has been done by the board to address them? What are the performance barriers and what improvement plans are in place? What has the board done and what is the board going to do to address any performance issues, i.e., process efficiencies, regulations, BCP, legislation?

Staff continually monitor processing times and shift resources as needed to maintain processing times of three weeks or less. As illustrated below, CSLB has seen an increase in the number of original contractor license applications received each of the last four fiscal years and submitted, on average, over 20,000 applications annually.

ORIGINAL CONTRACTOR LICENSE APPLICATIONS	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Number received	19,077	20,778	22,075	23,857

CSLB staff has made process improvements to streamline the application review process. CSLB returns for corrections a higher number of applications than is optimal, which can significantly delay processing. To address this, in 2017, CSLB implemented online fillable PDF applications to make the process of completing applications easier and to reduce the number returned for correction. Currently, the board is developing a fully online original application, which will include electronic signatures and payment and allow for automated submission, with a target completion date of December 2019. In addition, since 2016, CSLB has launched numerous online forms to assist licensees in completing their licensing transaction paperwork. Following is a list of all CSLB online forms.

¹ The term “license” in this document includes a license certificate or registration.

CSLB ONLINE FORMS			
Form Title	Type of Form	Licenses Affected	Implementation Date
Workers' Compensation Insurance Certificate	Online Service (bypasses requirement of physical forms; data entered and updated in real time)	Contractors	September 2017
Workers' Compensation Insurance Exemption Certificate	Online Service	Contractors	July 2018
General Liability Insurance Certificate	Online Service	Contractors	In process
Application for Registration as a Home Improvement Salesperson	Smart Form (auto-fill feature and user cannot proceed unless form is completed accurately, printed out, and mailed in)	Home Improvement Salespersons (HIS)	June 2016
Contractor Notification of Home Improvement Salesperson Employment	Smart Form	HIS and Contractors	June 2016
Contractor Notification of Home Improvement Salesperson Employment Cessation	Smart Form	HIS and Contractors	June 2016
Application for Original Contractor License	Smart Form	Contractors	January 2017
Certification of Work Experience	Smart Form	Contractors	January 2017
Owner-Builder B-General Building Construction Project Experience	Smart Form	Contractors	January 2017
Section 4-Additional Personnel	Smart Form	Contractors	January 2017
Disclosure Statement Regarding Criminal Plea/Conviction	Smart Form	HIS and Contractors	March 2017
Application for Original Contractor License – Examination Waiver (7065)	Smart Form	Contractors	February 2017
Request for License Number Reissuance	Smart Form	Contractors	February 2017
Application for Replacing the Qualifying Individual	Smart Form	Contractors	February 2017
Application for Additional Classification	Smart Form	Contractors	February 2017
Application for Joint Venture License	Smart Form	Contractors	February 2017
Application for Asbestos Certification	Smart Form	Contractors	March 2017
Application for Hazardous Substance Removal and Remedial Actions Certification	Smart Form	Contractors	March 2017
Application to Inactivate Contractor's License	Smart Form	Contractors	March 2017
Application to Add New Personnel to Existing Corporate or Limited Liability Company License	Smart Form	Contractors	March 2017
Application to Report Change of Title for Current Officer or Personnel of Existing Corporate or Limited Liability Company License	Smart Form	Contractors	March 2017
Application to Add a New Limited Partner to an Existing Partnership License	Smart Form	Contractors	March 2017
Application to Change Contractor Business Name or Address (No Fee) Order Wall Certificate or Pocket License (\$12 Each)	Smart Form	Contractors	March 2017
Application to Change Home Improvement Salesperson Address (No Fee) Order Pocket Registration Card (\$12 Each)	Smart Form	Contractors	March 2017

In 2017, CSLB experienced processing times of up to 30 days for workers' compensation insurance certificates for licensees with employees and certificates of exemption for those without employees. In response, CSLB created an online submission option for workers' compensation certificates to allow for an immediate update of the license record (see table above). Nearly 22 percent of certificates are now submitted electronically. As of July 2018, workers' compensation certificates submitted manually were processed in approximately one week. CSLB is expanding online submission to include general liability insurance certificates, which are required for LLC licenses.

20. How many licenses or registrations does the board issue each year? How many renewals does the board issue each year?

The following charts show the number of licenses and registrations CSLB issues each year, the number of licenses renewed annually, and related statistical information. The process to issue a license includes successful submission of the necessary paperwork demonstrating the required work experience, fingerprint and criminal background check, passing a trade and the business and law exams, submitting workers' compensation information, and submitting bond information.

LICENSES AND REGISTRATIONS ISSUED BY FISCAL YEAR				
License Type	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Contractor License	12,957	12,793	15,363	15,320
Home Improvement Registration	6,881	7,438	5,407	5,203
TOTALS	19,838	20,231	20,770	20,523

LICENSE AND REGISTRATION RENEWALS PROCESSED BY FISCAL YEAR				
License Type	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Contractor License	120,246	118,387	120,259	117,377
Home Improvement Registration	1,929	2,068	3,457	3,962
TOTALS	122,175	120,455	123,716	121,339

Table 6 – Licensee Population

LICENSEE POPULATION		FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Contractor License	Active	222,718	223,261	226,722	229,087
	Out-of-State (Active)	7,010	7,130	7,396	7,589
	Out-of-Country (Active)	27	28	30	29
	Delinquent	42,106	50,841	58,709	64,935
	Inactive	61,245	59,505	57,549	56,103
Home Improvement Salesperson Registration	Active	12,882	15,373	17,461	17,559
	Out-of-State (Active)	720	1,615	2,216	1,385
	Out-of-Country (Active)	0	0	0	0
	Delinquent	576	2,219	5,345	10,085

Table 7a – Licensing Data by Type

LICENSING DATA BY TYPE											
Application Type	Rec'd	Appr'd (Posted)	Closed (Voided)	Issued or Renewed	PENDING APPLICATIONS			CYCLE TIMES			
					Total Pending (Close of FY)	Outside Board control*	Within Board control*	Complete Apps	Incomplete Apps	Combined, IF unable to separate out	
FY 2014-2015	Original App Exams	11,062	9,100	4,030	6,426	552					183 days
	Waivers	8,015	7,258	1,420	6,531	412	n/a	n/a	n/a	n/a	80 days
	TOTAL	19,077	16,358	5,450	12,957	964					132 days (avg)
	Home Improvement Salesperson (HIS) Registration Application Total	12,557	10,500	5,185	6,881	1,571	n/a	n/a	n/a	n/a	51 days (avg)
	Contractor License Renewal	140,571			120,246						11 days
	HIS Registration Renewal	2,354	n/a	n/a	1,929	n/a	n/a	n/a	n/a	n/a	4 days
	TOTAL	142,925			122,175						8 days (avg)
FY 2015-2016	Original App Exams	12,565	10,214	4,389	6,228	680					194 days
	Waivers	8,213	7,557	1,558	6,565	505	n/a	n/a	n/a	n/a	87 days
	TOTAL	20,778	17,771	5,947	12,793	1,185					141 days
	Home Improvement Salesperson (HIS) Registration Application Total	12,421	12,613	6,327	7,438	176	n/a	n/a	n/a	n/a	42 days (avg)
	Contractor License Renewal	132,941			118,387						11 days
	HIS Registration Renewal	2,062	n/a	n/a	2,068	n/a	n/a	n/a	n/a	n/a	6 days
	TOTAL	135,003			120,455						9 days (avg)



Table 7a – Licensing Data by Type

LICENSING DATA BY TYPE											
Application Type	Rec'd	Appr'd (Posted)	Closed (Voided)	Issued or Renewed	PENDING APPLICATIONS			CYCLE TIMES			
					Total Pending (Close of FY)	Outside Board control*	Within Board control*	Complete Apps	Incomplete Apps	Combined, IF unable to separate out	
FY 2016-2017	Original App Exams	13,612	11,334	3,719	8,274	1,166					183 days
	Waivers	8,463	8,061	1,622	7,089	226	n/a	n/a	n/a	n/a	86 days
	TOTAL	22,075	19,395	5,341	15,363	1,392					135 days (avg)
	Home Improvement Salesperson (HIS) Registration Application Total	9,780	8,548	4,204	5,407	273	n/a	n/a	n/a	n/a	33 days (avg)
	Contractor License Renewal	132,668			120,259						15 days
	HIS Registration Renewal	4,157	n/a	n/a	3,457	n/a	n/a	n/a	n/a	n/a	12 days
	TOTAL	136,825			123,716						14 days (avg)
FY 2017-2018	Original App Exams	14,162	12,842	5,331	8,135	396	n/a	n/a	n/a	n/a	189 days
	Waivers	8,695	8,207	1,697	7,185	287					80 days
	TOTAL	23,857	21,049	7,028	15,320	683					135 days (avg)
	Home Improvement Salesperson (HIS) Registration Application Total	9,371	8,687	4,076	5,203	52	n/a	n/a	n/a	n/a	33 days (avg)
	Contractor License Renewal	126,831			177,377						17 days
	HIS Registration Renewal	3,703	n/a	n/a	3,962	n/a	n/a	n/a	n/a	n/a	14 days
	TOTAL	130,534			121,339						16 days (avg.)

* Optional. List if tracked by the board.

Table 7b – Total Licensing Data

TOTAL LICENSING DATA	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Initial Licensing Data:				
Original Applications Received	19,077	20,778	22,075	23,857
Home Improvement Salesperson Applications Received	12,557	12,421	9,780	9,371
Total	31,634	33,199	31,855	33,228
Initial License/Initial Exam Pending Application Data:				
Pending Original Applications (total at close of FY)	964	1,185	1,392	683
Pending Home Improvement Salesperson Applications	1,571	176	273	52
Total	1,598	1,361	1,665	735
Pending Original Applications (outside of board control)*	n/a	n/a	n/a	n/a
Pending Home Improvement Salesperson Applications (outside of board control)*	n/a	n/a	n/a	n/a
Pending Original Applications (within board control)*	n/a	n/a	n/a	n/a
Pending Home Improvement Salesperson Applications (within board control)*	n/a	n/a	n/a	n/a
Initial License/Initial Exam CycleTime Data (WEIGHTED AVERAGE):				
Average Days to Original Application Approval (All – Complete/Incomplete)	132	141	135	135
Average Days to Home Improvement Salesperson Application Approval (All – Complete/Incomplete)	51	42	33	33
Total	92	92	84	84
Average Days to Application Approval (incomplete applications)*	n/a	n/a	n/a	n/a
Average Days to Home Improvement Salesperson Application Approval (incomplete applications)*	n/a	n/a	n/a	n/a
Average Days to Original Application Approval (complete applications)*	n/a	n/a	n/a	n/a
Average Days to Home Improvement Salesperson Application Approval (complete applications)*	n/a	n/a	n/a	n/a
License Renewal Data:				
Contractor License Renewed	120,246	118,387	120,259	117,377
Home Improvement Salesperson Registration Renewed	1,929	2,068	3,457	3,962
Total	122,175	120,455	123,716	121,339

* Optional. List if tracked by the board.

21. How many licenses or registrations has the board denied over the past four years based on criminal history that is determined to be substantially related to the qualifications, functions, or duties of the profession, pursuant to BPC §480? Please provide a breakdown of each instance of denial and the acts the board determined were substantially related.

The charts that follow identify the number of original applications for licensure denied because of an applicant’s criminal history. They also provide a breakdown of the types of convictions that led to denial. In addition to the authority granted under BPC §480, CSLB operates under the authority of BPC sections 7073 and 7124 when denying licenses because of a criminal conviction.

CSLB must also consider the criteria contained in sections 868 and 869 of Title 16, Division 8 of the California Code of Regulations (CCR) relating to the substantial relationship of the crime(s) to the contracting business and the rehabilitation of the applicant.

This requires that CSLB, on a case-by-case basis, determine if the crime(s) are substantially related to the qualifications, functions, and duties of a contractor according to the criteria of CCR section 868. CSLB must then evaluate if the applicant has demonstrated sufficient rehabilitation based on various factors related to his or her conviction record as contained in CCR section 869, including the nature and severity of the crimes, the length of time that has passed since the conviction(s) or release from incarceration, and the applicant’s work history and compliance with the law since the conviction(s).

CSLB does not automatically deny a license because an applicant has been convicted of a crime. As the charts below demonstrate, it is extremely rare for CSLB to deny an application based on a criminal conviction.

APPLICATION DENIALS FOR CRIMINAL CONVICTION	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Original Contractor License Applications Received for Criminal Background*	11,062	12,565	13,612	14,162
Applicants with a Criminal History	4,672	5,628	6,926	5,900
Applications Denied	41	52	59	64
Percentage of Denials Per Total Applications Received	0.4%	0.4%	0.4%	0.4%
Percentage of Applicants with Criminal History Denied	0.9%	0.9%	0.9%	1.0%

**Does not include waiver applications because many do not require criminal background check.*

Application Denials for Criminal Conviction—By Conviction Type

Violent Felonies (substantially related to the qualifications, functions or duties of the profession)				
	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Murder			6	4
Manslaughter	1	2	3	6
Robbery	3	1	1	3
Kidnapping				1
Carjacking				1

Sexual Related Crimes (substantially related to the qualifications, functions or duties of the profession)				
	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Rape*	3	2	7	5
Lewd Acts, Oral Copulation, Sex w/Child*	5	8	14	11
Sexual Penetration*		1	2	
Sexual Battery	1			
Obscene Matter	2	1		
Soliciting		1	2	2
Indecent Exposure			1	
Act Before Child		1		
Register as Sex Offender		1		1

*Violent felonies

Other Crimes Substantially Related to the Qualifications, Functions or Duties of the Profession (unless otherwise noted, these applicants had multiple convictions)				
	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Theft		3		1
Stolen Property		1	1	2
Grand Theft	4	4	4 (1 with *)	4 (1 with *)
Burglary	5	3	2	3
Battery	3	1		
Petty Theft	1			1
Insurance Fraud	1*			
Inflict Injury on Child / Spouse	3		1	1
Assault with a Deadly Weapon	2	2 (1 with *)	1	1
Assault	2	1		
Theft of Elder	1*			1
Mail Fraud	1*	2 (1 with *)		1
Possession of a Destructive Device	1*			
Defraud Insurance Company		1		
Forgery		1	2	
Welfare Fraud		1*		
Theft of Utilities		1		

Application Denials for Criminal Conviction—By Conviction Type *(continued)*

Other Crimes Substantially Related to the Qualifications, Functions or Duties of the Profession (unless otherwise noted, these applicants had multiple convictions)				
	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Stalking		1*		1
Defraud a Bank		1		
Felon with a Gun		1	1	2
Burglary (1st Degree)			2	
Filing a False Claim			1	
Falsified Checks			1	1
Use of Other's License			1	
Money by False Pretense				1
Forging Documents				1

**Only had 1 Conviction on Record*

Applications Failing to Meet the Rehabilitation Criteria				
	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
See Title 16 Division 8 Section 869 for CSLB rehabilitation criteria	2	4	10	9

22. How does the board verify information provided by the applicant?

CSLB verifies applicant information related to both claimed work experience and criminal background.

Licensing division staff evaluate Certification of Work Experience forms submitted with applications to document the required four years of work experience. Applicants may submit additional documentation when necessary to support their claimed work experience, such as paycheck stubs, tax documents, building permits, construction inspection reports, etc. Also, as required by law, CSLB performs a comprehensive experience investigation for a minimum of 3 percent of applications to help ensure documentation accuracy.

CSLB uses the fingerprint process to check applicant's prior criminal history, which provides results from the California Department of Justice (DOJ) and the Federal Bureau of Investigation (FBI). CSLB reviews these results to determine if the crime is substantially related to the duties, qualifications, or functions of a contractor, and to evaluate if the applicant has demonstrated sufficient rehabilitation. Applicants are asked to disclose prior convictions on their application.

CSLB is currently reviewing its criteria and procedures to ensure compliance with AB 2138 (Chiu, Chapter 995, Statutes of 2018). CSLB will need to amend its current regulations, update its licensing system to track new statistics, and establish new protocols to obtain court records to meet the mandates of this new legislation.

a. What process does the board use to check prior criminal history information, prior disciplinary actions, or other unlawful acts of the applicant? Has the board denied any licenses over the last four years based on the applicant's failure to disclose information on the application, including failure to self-disclose criminal history? If so, how many times and for what types of crimes (please be specific)?

All applications for licensure include questions about the applicant's prior criminal history and disciplinary actions. As noted above, applicant fingerprints are submitted to the California Department of Justice where they are compared to DOJ and FBI records to determine if a criminal history exists.

CSLB staff review all criminal convictions to determine if the crime is substantially related to the duties, qualifications, or functions of a contractor, and to assess if the applicant has demonstrated sufficient rehabilitation.

Failure to disclose a criminal conviction is not automatically grounds for denial, though the underlying criminal act may warrant denial. CSLB allows those applicants who fail to disclose a criminal history to amend the original application and continue in the review process.

b. Does the board fingerprint all applicants?

Since January 1, 2005, all individuals listed as personnel of record on an original application, an application to add a classification to an existing license, an application to replace the qualifier, an application to report new officers, and an application for registration as a home improvement salesperson are required to submit fingerprints to CSLB.

c. Have all current licensees been fingerprinted? If not, explain.

CSLB requires fingerprinting for any new applicant and for any existing licensee who modifies his or her license, such as changing the qualifier or adding a classification. However, current law does not require those who received a license prior to 2005 to submit fingerprints for criminal history background checks. Because the number of active licenses issued prior to 2005 continues to decline annually, the percentage of licensees who have not submitted fingerprints has also correspondingly declined. As of July 1, 2018, 54 percent of CSLB's current licensees had submitted fingerprints. This issue is also addressed in CSLB's response to prior issue #7 in section 10, Action and Response to Prior Sunset Issues.

d. Is there a national databank relating to disciplinary actions? Does the board check the national databank prior to issuing a license? Renewing a license?

CSLB is a member of the National Association of State Contractors Licensing Agencies (NASCLA), which maintains a contractors disciplinary database that contains records of disciplinary actions taken by states and other member jurisdictions. CSLB Licensing staff search the NASCLA database whenever an individual submits an application for an original license or requests that an inactive license be made active.

CSLB does not search the NASCLA database for license renewals because it already receives subsequent arrest reports.

e. Does the board require primary source documentation?

CSLB does require primary source documentation—relevant certified court records—when denying licensure based on a criminal conviction.

23. Describe the board’s legal requirement and process for out-of-state and out-of-country applicants to obtain licensure.

CSLB’s process for out-of-country and out-of-state applicants is the same as that for in-state applicants, unless the applicant is already licensed in a state with which CSLB has a reciprocity agreement. See also response to question 26.

24. Describe the board’s process, if any, for considering military education, training, and experience for purposes of licensing or credentialing requirements, including college credit equivalency.

a. Does the board identify or track applicants who are veterans? If not, when does the board expect to be compliant with BPC §114.5?

CSLB identifies and tracks the number of applications submitted by veterans.

The CSLB website has a dedicated page to help military veterans understand the documentation necessary to use their military experience and/or training to meet licensure requirements. CSLB grants credit for applicable work experience obtained in the military by applicants upon submission of an acceptable Certification of Work Experience and appropriate supporting documentation, including the DD-214 discharge paperwork. Processing for all applications submitted by honorably discharged veterans is automatically expedited. CSLB also has established a direct email contact for veterans (veteransinfo@cslb.ca.gov) who need one-on-one assistance with the application process.

b. How many applicants offered military education, training or experience towards meeting licensing or credentialing requirements, and how many applicants had such education, training or experience accepted by the board?

While CSLB tracks the number of veterans who apply for licensure, the board does not track the number of veterans who applied using their military education, training, and experience to meet the four-year work experience requirement for licensure. However, the board can report that between July 2013 and June 2018, CSLB expedited 1,582 applications for military veterans and issued 1,020 licenses.

c. What regulatory changes has the board made to bring it into conformance with BPC §35?

The board did not need to make a regulatory change to conform with BPC §35. In an effort to educate military personnel, CSLB offers a Veterans Application Assistance Program for those transitioning from military service to civilian employment. In many cases, veterans possess transferable skills to help meet the minimum experience and training requirements for a state contractor license. This program offers priority service to veteran applicants, using specially trained technicians who evaluate transferable military experience and training, as well as education.

d. How many licensees has the board waived fees or requirements for pursuant to BPC §114.3, and what has the impact been on board revenues?

Since 2013, the board has record of waiving one renewal fee; staff is unaware of an instance in which a request was made and denied.

e. How many applications has the board expedited pursuant to BPC §115.5?

Since 2013, CSLB has expedited one application under BPC §115.5.

25. Does the board send No Longer Interested notifications to DOJ on a regular and ongoing basis? Is this done electronically? Is there a backlog? If so, describe the extent and efforts to address the backlog.

CSLB sends No Longer Interested notifications to DOJ electronically on a monthly basis. As of September 2018, there was no backlog.

EXAMINATIONS

Table 8 presents data by fiscal year for each examination CSLB administers for first time candidates (1st), repeat candidates (repeat), and the combined candidates (total). Each exam is based on an in-house occupational analysis. The table also includes information about the year of the last occupational analysis (Latest OA) and the year of the target occupational analysis (Next OA). The # rows contain the number of candidates who took the examination; the % rows contain the percentage of candidates who passed.

The data presented is by application fee number, not necessarily by individual. A candidate may have more than one application fee number if he or she does not pass the exam within the 18 months that an application is active.

Table 8 – Examination Data

EXAMINATIONS															
License Type & Exam Title		FY 2014-2015			FY 2015-2016			FY 2016-2017			FY 2017-2018			Latest OA	Next OA
		1st	repeat	total	1st	repeat	total	1st	repeat	total	1st	repeat	total		
"A" General Engineering	#	403	186	589	443	199	642	534	267	801	433	184	617	2014	2019
	%	74	31	61	77	30	63	78	32	63	80	34	66		
"B" General Building	#	2,819	2,443	5,262	3,072	2,483	5,555	4,263	4,021	8,284	4,317	4,041	8,358	2013	2018
	%	62	25	45	60	26	45	59	23	42	60	23	42		
C-2 Insulation & Acoustical	#	71	64	135	63	69	132	57	49	106	62	79	141	2017	2022
	%	45	28	37	48	29	38	65	29	48	37	16	26		
C-4 Boiler, Hot Water	#	17	6	23	23	26	49	28	17	45	21	10	31	2016	2021
	%	76	33	65	70	12	39	82	18	58	71	20	55		
C-5 Framing & Rough Carpentry	#	53	57	110	79	56	135	78	80	158	77	42	119	2013	2018
	%	51	23	36	47	30	40	67	23	44	71	26	55		
C-6 Cabinet, Millwork, and Finish Carpentry	#	198	150	348	213	172	385	259	238	497	241	191	432	2014	2019
	%	65	29	50	60	24	44	61	23	43	57	24	42		
C-7 Low Voltage	#	272	145	417	249	186	435	286	177	463	289	239	528	2016	2021
	%	72	29	57	70	27	51	69	27	53	62	24	45		
C-8 Concrete	#	242	221	463	272	235	507	342	280	622	361	306	667	2015	2020
	%	56	21	39	59	26	44	55	24	41	63	20	43		
C-9 Drywall	#	145	144	289	136	149	285	168	246	414	171	201	372	2015	2020
	%	52	18	35	43	13	28	45	17	28	48	17	31		
C-10 Electrical	#	802	390	1,192	893	393	1,286	1,173	731	1,904	1,120	755	1,875	2013	2018
	%	78	24	60	77	24	61	73	23	54	72	24	53		
C-11 Elevator	#	10	9	19	9	12	21	18	22	40	14	13	27	2014	2019
	%	60	44	53	33	8	19	39	27	33	57	31	44		
C-12 Earthwork & Paving	#	97	102	199	87	100	187	97	88	185	124	91	215	2016	2021
	%	56	23	39	56	16	35	65	27	47	61	20	44		

Table 8 – Examination Data

EXAMINATIONS															
License Type & Exam Title		FY 2014-2015			FY 2015-2016			FY 2016-2017			FY 2017-2018			Latest OA	Next OA
		1st	repeat	total	1st	repeat	total	1st	repeat	total	1st	repeat	total		
C-13 Fencing	#	56	28	84	83	55	138	112	79	191	82	72	154	2018	2023
	%	66	21	51	57	24	43	66	32	52	51	24	38		
C-15 Flooring	#	287	222	509	324	199	523	356	284	640	349	281	630	2014	2019
	%	66	24	48	65	26	50	65	25	47	63	21	44		
C-16 Fire Protection	#	59	50	109	59	69	128	100	108	208	88	101	189	2016	2021
	%	53	26	40	46	25	34	45	26	35	40	34	37		
C-17 Glazing	#	142	115	257	131	85	216	152	121	273	187	107	294	2015	2020
	%	73	23	51	65	21	48	72	25	51	63	25	49		
C-20 Heating, Ventilating, and Air Conditioning	#	412	229	641	397	241	638	544	512	1,056	613	518	1,131	2014	2019
	%	74	26	57	70	23	52	63	26	45	64	24	46		
C-21 Building Moving & Demolition	#	68	38	106	83	62	145	87	52	139	91	68	159	2018	2023
	%	66	32	54	66	27	50	75	25	56	62	25	46		
C-22 Asbestos Abatement	#	5	0	5	35	0	35	16	6	22	14	6	20	2014	2018
	%	100	na	100	94	na	94	100	33	82	93	0	65		
C-23 Ornamental Metals	#	56	67	123	63	40	103	43	64	107	58	80	138	2014	2019
	%	63	15	37	75	18	52	60	8	29	60	19	36		
C-27 Landscaping	#	552	443	995	604	560	1,164	607	760	1,367	685	718	1,403	2015	2020
	%	65	21	45	62	16	40	53	15	32	60	19	39		
C-28 Lock & Security Equipment	#	20	19	39	19	21	40	33	51	84	28	36	64	2013	2018
	%	40	21	31	37	19	28	36	20	26	39	25	31		
C-29 Masonry	#	88	108	196	92	112	204	103	133	236	94	105	199	2015	2020
	%	50	13	30	51	11	29	45	24	33	48	23	35		
C-31 Traffic Control	#	20	12	32	20	12	32	33	25	58	22	8	30	2015	2020
	%	45	58	50	55	50	53	48	52	50	50	63	53		
C-32 Parking & Highway	#	27	49	76	22	32	54	19	21	40	23	25	48	2015	2020
	%	59	22	36	50	28	37	37	24	30	57	24	40		
C-33 Painting & Decorating	#	699	416	1,115	735	497	1,232	944	698	1,642	949	832	1,781	2015	2020
	%	69	26	53	70	24	51	60	20	43	60	22	42		
C-34 Pipeline	#	14	15	29	18	5	23	21	6	27	30	11	41	2018	2023
	%	71	20	45	78	20	65	71	33	63	67	82	71		
C-35 Plastering	#	73	67	140	74	59	133	103	85	188	90	102	192	2013	2018
	%	64	10	39	59	24	44	60	14	39	54	20	36		
C-36 Plumbing	#	573	315	888	594	307	901	778	515	1,293	721	427	1,148	2014	2019
	%	71	29	56	75	27	59	73	23	53	72	22	54		
C-38 Refrigeration	#	51	19	70	53	22	75	60	33	93	65	33	98	2013	2018
	%	82	42	71	75	23	60	83	18	60	80	24	61		



Table 8 – Examination Data

EXAMINATIONS															
License Type & Exam Title		FY 2014-2015			FY 2015-2016			FY 2016-2017			FY 2017-2018			Latest OA	Next OA
		1st	repeat	total	1st	repeat	total	1st	repeat	total	1st	repeat	total		
C-39 Roofing	#	208	151	359	211	153	364	314	241	555	337	327	664	2015	2020
	%	68	21	48	73	18	50	58	20	41	59	28	44		
C-42 Sanitation	#	25	69	94	33	58	91	39	48	87	41	51	92	2017	2022
	%	24	7	12	48	10	24	62	10	33	44	27	35		
C-43 Sheet Metal	#	36	24	60	37	10	47	40	30	70	50	46	96	2014	2019
	%	72	21	52	65	60	64	58	23	43	56	33	45		
C-45 Signs	#	47	34	81	47	17	64	47	23	70	50	27	77	2018	2023
	%	72	24	52	81	47	72	64	22	50	70	22	53		
C-46 Solar	#	108	68	176	102	82	184	107	121	228	93	100	193	2017	2022
	%	69	22	51	53	30	43	55	22	38	47	18	32		
C-47 General Manufactured Housing	#	14	19	33	6	24	30	19	29	48	11	21	32	2018	2023
	%	50	16	30	17	13	13	37	28	31	45	29	34		
C-50 Reinforcing Steel	#	10	12	22	15	22	37	21	34	55	12	15	27	2018	2023
	%	30	33	32	53	14	30	24	26	25	42	33	37		
C-51 Structural Steel	#	47	36	83	73	52	125	87	65	152	87	56	143	2014	2019
	%	66	28	49	66	21	47	72	23	51	61	30	49		
C-53 Swimming Pool	#	86	71	157	81	69	150	126	137	263	132	110	242	2016	2021
	%	77	18	50	67	20	45	63	19	40	69	17	45		
C-54 Tile	#	293	180	473	279	223	502	375	351	726	334	282	616	2016	2021
	%	66	25	51	64	18	44	55	18	37	65	20	44		
C-55 Water Conditioning	#	16	6	22	15	14	29	15	4	19	9	3	12	2018	2023
	%	88	50	77	80	0	41	73	75	74	78	33	67		
C-57 Well Drilling	#	72	34	106	69	35	104	32	22	54	34	9	43	2017	2022
	%	67	50	61	72	43	63	72	27	54	82	44	74		
C-60 Welding	#	75	43	118	69	48	117	72	58	130	74	80	154	2013	2018
	%	67	30	53	74	29	56	58	29	45	57	18	36		
ASB Asbestos Certification	#	67	13	80	28	9	37	21	11	32	22	16	38	2015	2020
	%	75	31	68	61	67	62	48	36	44	45	19	34		
HAZ Hazardous Substance Removal	#	61	19	80	65	18	83	68	25	93	87	26	113	2017	2022
	%	67	32	59	71	33	63	69	24	57	64	31	57		
Law Law & Business	#	8,804	3,827	12,631	8,962	4,449	13,411	11,502	7,077	18,579	11,860	7,266	19,126	2015	2020
	%	79	22	62	76	20	57	74	18	53	74	19	53		
Total that took exam	#	18,300	10,735	29,035	19,037	11,741	30,778	24,299	18,045	42,344	24,652	18,117	42,769		
Total that passed	#	13,460	2,627	16,087	13,583	2,710	16,293	16,703	3,869	20,572	17,109	3,968	21,077		
Percent that passed	%	74	24	55	71	23	53	69	21	49	69	22	49		

26. Describe the examinations required for licensure. Is a national examination used? Is a California specific examination required? Are examinations offered in a language other than English?

California must administer both a trade related and law and business examination as part of the licensure process (BPC sections 7065 and 7068). CSLB regulates contractors in 44 license classifications and two certifications under which members of the construction industry practice their trades. The board administers its 46 different exams (43 trade, two certification, and one law and business) at eight test centers throughout the state.

Exams must be empirically linked to the content outline of a recent occupational analysis in order to be valid and legally defensible. CSLB has exam development specialists on staff to ensure that its exams meet psychometric standards for licensure examinations. CSLB performs occupational analyses every five-to-seven years for all exams, and regularly compiles statistics on and updates its examination forms.

There is no national exam in use in all the states that license contractors. However, the National Association of State Contractor Licensing Agencies (NASCLA) has developed a Commercial General Building exam that is administered by four states and accepted by 14 states.

CSLB has had longstanding reciprocity agreements with Arizona, Nevada, and Utah. At its April 13, 2018 meeting, the board voted to direct staff to pursue possible reciprocity agreements with Alabama, Georgia, Louisiana, North Carolina, and Oregon to waive the CSLB "B" General Building exam for a qualified applicant who has passed the NASCLA Commercial General Building exam, if that state agrees to accept CSLB's "B" General Building trade exam. These applicants will still be required to take and pass the California law and business exam.

Effective July 31, 2018, CSLB and the Louisiana State Licensing Board agreed that their respective states have substantially equivalent qualifications for licensure in the "B" General Building classification and entered into a reciprocity agreement. CSLB staff are currently negotiating reciprocity agreements with the other states.

CSLB's exams are offered in English. Applicants can request to bring a translator to his or her exam; CSLB reviews and approves the translator before the exam is administered. The table below illustrates the total number of exams and the number of translator exams CSLB has administered during the last four fiscal years.

CSLB LICENSING EXAMS ADMINISTERED	Total Number of Exams Administered	Number of Translator Exams Administered
FY 2014-15	29,392	509
FY 2015-16	31,000	740
FY 2016-17	42,571	1,311
FY 2017-18	42,791	1,460

27. What are pass rates for first time vs. retakes in the past 4 fiscal years? (Refer to Table 8: Examination Data) Are pass rates collected for examinations offered in a language other than English?

The pass rate for first-time test takers is much higher than that for repeat test takers. In fiscal year 2017-18, 69 percent of all first-time test takers passed and 22 percent of repeat test takers passed. The pass rates for each classification are displayed in table 8.

CSLB does not collect information about pass rates based on the language in which the exam was taken.

28. Is the board using computer-based testing? If so, for which tests? Describe how it works. Where is it available? How often are tests administered?

CSLB develops and administers its computer-generated exams for all 46 exams at eight test centers throughout the state (Berkeley, Fresno, Norwalk, Oxnard, Sacramento, San Bernardino, San Diego, and San Jose). The days and hours of operation for each test center vary depending on the demand for license exams in that particular area of the state at any given time. Candidates are assigned to test centers according to their zip code.

CSLB began using computer-based testing in 1990. The Testing division currently develops and administers its computer-generated exams using a custom software suite of applications. Candidates take exams in individual test stations using computers with touchscreen technology and receive their results immediately.

29. Are there existing statutes that hinder the efficient and effective processing of applications and/or examinations? If so, please describe.

CSLB believes the following statute imposes a hindrance on the efficient and effective processing of renewal applications and license maintenance (also see new issue #3 in section 11, New Issues):

- BPC section 7076.2: Provides that a CSLB license not registered and in good standing with the Secretary of State (SOS), if required, shall be automatically suspended 30 days from the date of the registrar’s notice of noncompliance with SOS. It can reasonably take more than 30 days for a licensee to reconcile records with the Secretary of State. CSLB proposes extending the 30-day period to 60 days to provide licensees with additional time to update SOS records to remain active and in good standing.

SCHOOL APPROVALS

30. Describe legal requirements regarding school approval. Who approves your schools? What role does BPPE have in approving schools? How does the board work with BPPE in the school approval process?

CSLB’s licensing requirements do not include a mandatory education component, so there is no school approval process.

31. How many schools are approved by the board? How often are approved schools reviewed? Can the board remove its approval of a school?

Not applicable; CSLB does not approve licensing schools.

32. What are the board’s legal requirements regarding approval of international schools?

Not applicable; CSLB does not approve international schools.

CONTINUING EDUCATION/COMPETENCY REQUIREMENTS

33. Describe the board’s continuing education/competency requirements, if any. Describe any changes made by the board since the last review.

CSLB does not have a continuing education or continuing competency requirement.

- a. How does the board verify CE or other competency requirements? Has the Board worked with the Department to receive primary source verification of CE completion through the Department's cloud?**

Not applicable.

- b. Does the board conduct CE audits of licensees? Describe the board's policy on CE audits.**

Not applicable.

- c. What are consequences for failing a CE audit?**

Not applicable.

- d. How many CE audits were conducted in the past four fiscal years? How many fails? What is the percentage of CE failure?**

Not applicable.

- e. What is the board's course approval policy?**

Not applicable.

- f. Who approves CE providers? Who approves CE courses? If the board approves them, what is the board application review process?**

Not applicable.

- g. How many applications for CE providers and CE courses were received? How many were approved?**

Not applicable.

- h. Does the board audit CE providers? If so, describe the board's policy and process.**

Not applicable.

- i. Describe the board's effort, if any, to review its CE policy for purpose of moving toward performance-based assessments of the licensee's continuing competence.**

Not applicable.

State of California
Department of Consumer Affairs
Contractors State License Board





SECTION 5: ENFORCEMENT PROGRAM

ENFORCEMENT PROGRAM OVERVIEW

CSLB's mission is to protect consumers by regulating the construction industry through policies that promote the health, safety, and general welfare of the public in matters relating to construction. Two of the ways in which CSLB accomplishes this are:

- Enforcing the laws, regulations, and standards governing construction in a fair and uniform manner; and
- Providing resolution for disputes that arise from construction activities.

Enforcement staff are authorized to investigate complaints against licensees, non-licensees acting as contractors, and unregistered home improvement salespeople. CSLB administrative enforcement actions against licensees are prosecuted pursuant to the Administrative Procedure Act. In addition, CSLB may refer cases involving criminal activity to district attorneys who may prosecute these cases under the Business and Professions Code and other applicable state codes.

Most Enforcement division staff work directly on consumer complaints. In fiscal year 2017-18, CSLB conducted 19,687 investigations, of which 16,937 were in response to consumer-filed complaints.

The majority of complaints CSLB receives are filed by residential property owners who contracted for home improvement and repair projects. CSLB also receives complaints from other members of the public, licensees, industry groups, governmental agencies, and others. These complaints cover all aspects of the construction industry.

CSLB's complaint process involves several steps through which cases may pass and CSLB uses several corrective and disciplinary tools to compel compliance with contractors' state license law.

COMPLAINT PROCESS

Complaint Intake and Mediation Center

CSLB’s two Intake and Mediation Centers (Sacramento and Norwalk) review all incoming complaints, focus on the settlement of most consumer complaints against licensed contractors, and prepare unlicensed complaints for field investigation. If a resolution is reached and complied with, CSLB closes the complaint. If there is a technical violation, CSLB can issue an advisory notice.

The board’s goal is to settle 30 percent of complaints against licensees that do not involve a serious violation of law. As shown in the table below, over the last four fiscal years, more than 40 percent of licensee complaints have been settled at this level, with more than \$47 million in ordered restitution to financially injured parties.

LICENSEE COMPLAINTS	FY 2014–15	FY 2015–16	FY 2016–17	FY 2017–18
Percent of Complaints Settled	41%	44%	45%	46%
Financial Restitution Awarded	\$11,059,999	\$7,908,136	\$12,179,462	\$17,956,514

If a settlement cannot be reached, if a case is complex, or if the contractor is a repeat or egregious offender who may pose a threat to the public, CSLB investigates the case further.

Investigation

CSLB maintains eight Investigative Centers (Fresno, Norwalk, Sacramento, San Bernardino, San Diego, San Francisco, Valencia, and West Covina) and four satellite offices (Bakersfield, Oxnard, Redding, and Santa Rosa). See tables 9a and 9b (page 77) for statistics related to referrals for investigation.

During investigations, CSLB receives help from licensees who participate in an “Industry Expert Program.” Licensees use their expertise to assess and report workmanship issues, including departures from trade standards and/or project specifications. They also quantify the value of work and financial damages. These reports are used in disciplinary actions or to promote dispute resolution.

Arbitration

CSLB administers two arbitration programs to encourage the settlement of consumer-contractor and contractor-contractor disputes without disciplinary action. Disputes about contracts worth \$15,000 or less, and which meet arbitration criteria, are referred to CSLB’s Mandatory Arbitration Program. Disputes involving contracts greater than \$15,000 but less than \$50,000, may be referred to CSLB’s Voluntary Arbitration Program with the concurrence of both the complainant and the contractor.

Pursuant to BPC §7085, complaints referred to arbitration must meet several criteria, including:

- The licensee does not have a history of repeated or similar violations;
- The license was in good standing at the time of the alleged violation;
- The licensee has no outstanding disciplinary actions filed against him or her; and
- There are reasonable grounds to believe that the public interest would be better served by arbitration than by disciplinary action.

CSLB maintains a contract with an outside company, Arbitration Mediation Conciliation Center (AMCC), to administer the arbitration program. AMCC has administered CSLB’s arbitration program for the past 12 years and has heard more than 8,800 CSLB arbitration proceedings. If CSLB refers a case to arbitration, AMCC gathers information about the dispute, sets a hearing date, and assigns an arbitrator to hear the case at a hearing (which is frequently conducted by the parties themselves without the assistance of counsel). CSLB will pay for the services of one expert witness per case, who will provide both parties a copy of the prepared report. The parties may pay for additional experts to testify. Following submission of the case, the arbitrator has 30 days to issue his or her decision. The entire arbitration process averages 49 days.

CSLB arbitrations are binding and the parties have only a limited ability to challenge the arbitrator’s decision in court. Arbitration decisions are also confidential and, thus, not disclosed on CSLB’s website or elsewhere, unless a contractor against whom a monetary award is entered fails to pay that award within 90 days (at which time CSLB suspends the contractor license and posts that action on its website).

AMCC has consistently received a nearly 97 percent satisfaction rating in a survey of participants.

ARBITRATION 2014 – 2017 (BY CALENDAR YEAR)	2014	2015	2016	2017
Cases Initiated	401	455	784	759
Decisions Received	307	343	585	567
Revoked/Non-Compliant	22	26	42	105
Mandatory Cases Heard	312	345	592	506
Voluntary Cases Heard	59	56	93	77
Monetary Awards	\$1,317,812	\$1,523,348	\$2,585,827	\$3,150,804

ENFORCEMENT TOOLS

Advisory Notice

As part of its effort to resolve minor and isolated violations of contractors' state license law expeditiously, CSLB issues advisory notices to licensees. The notice, which is not publicly disclosed, informs the licensee that CSLB is aware of the violation, reviews how to comply with the particular provisions of law at issue, and notes that a future occurrence of the same violation may result in more stringent actions by the board.

Letters of Admonishment

The letter of admonishment (LOA) is a new, intermediate level of corrective action between an advisory notice and a citation that CSLB began issuing July 1, 2018, with licensed contractors who have engaged in less egregious violations. LOAs were authorized by Senate Bill 486 (Monning, Statutes of 2017) and added enabling language to BPC §7099.2 and §7124.6. Recipients may appeal a letter of admonishment, which are handled internally by CSLB without a formal hearing. Letters of admonishment are intended to enhance public protection by requiring both prompt corrective action by the recipient and public disclosure of the violation for one year (compared to five years for a citation).

Citation

When an investigation determines that a licensee has committed any act or omission that does not justify denial, suspension, or revocation of the license, CSLB has the authority to issue a citation (BPC §7099). CSLB also has the authority to issue a citation when an investigation determines that a person is acting in the capacity of a contractor or home improvement salesperson without being licensed or registered.

Although a citation is not considered formal discipline, it can include a civil penalty assessment of up to \$5,000, and may include an order of restitution to the financially injured party. If a licensee does not comply with the terms and conditions of a citation, his or her license will be automatically suspended for 90 days. If the terms and conditions are not met within 90 days of the automatic suspension, the cited license and any other contractor licenses issued to the licensee will automatically be revoked.

The licensee can appeal a citation. Appeals are heard before an administrative law judge, where CSLB is represented by the Office of the Attorney General (AG). Citations are disclosed to the public from the date of issuance and for five years after compliance. Disclosure can be longer if the licensee is subject to any other disciplinary action during that five-year period.

Informal Citation Conferences

In the past, those who received administrative citations could attend an informal mandatory settlement conference (MSC) before an administrative law judge, where they could informally plead their case prior to a formal hearing. This successful program resulted in the resolution of 603 licensee and non-licensee citations from 2014-2017, which saved CSLB an estimated \$5.7 million in legal fees. However, in December 2017, the AG's office assumed responsibility for the program while CSLB pursued statutory authority to conduct these settlement conferences in-house.

Per SB 1042 (Monning, Statutes of 2018), effective January 1, 2019, CSLB will conduct in-house informal citation conferences. In accordance with the legislation, settlement conferences will be conducted by CSLB staff and are intended to serve the same function as the MSCs. After the citation conference, CSLB may affirm, modify, or dismiss the respondent's citation.

In accordance with the Administrative Procedure Act, an appealed citation not resolved by an informal settlement conference is heard before an administrative law judge.

Accusations

For the most egregious violations of contractors' state license law, CSLB may recommend an accusation, which can result in the suspension or revocation of a license. Accusation recommendations are sent to the Office of the Attorney General. If the AG's office determines there is sufficient evidence to substantiate a disciplinary action the case proceeds. The licensee can appeal the administrative disciplinary action.

Appeals are heard before an administrative law judge (ALJ). The Office of the Attorney General represents CSLB and licensees may represent themselves or hire an attorney. The ALJ forwards his or her "proposed decision" to CSLB's registrar, who makes the final agency decision to adopt, non-adopt, or modify the decision. If an accusation is filed and upheld, the license may be suspended or revoked, both of which are publicly disclosable.

Often the AG's office negotiates a stipulated agreement before the case is heard by an administrative law judge. In these instances, the licensee may stipulate to revocation or a negotiated settlement may be reached, whereby the license is revoked and stayed with conditions that include posting a disciplinary bond and, often, restitution to financially injured parties. A stipulated settlement allows the licensee to continue to operate under probationary status from two to five years. A "probation monitor" checks for compliance with the terms and conditions of the probation. If those terms are not met, CSLB reimposes license revocation.

Referrals to Local Prosecutors

CSLB has close working relationships with city and district attorneys throughout California who have shown a willingness to partner on criminal investigations and to prosecute consumer protection cases. A handful of cities around the state have a city attorney's office that prosecutes misdemeanor cases. County district attorney offices prosecute both misdemeanor and felony cases.

Many criminal investigations involve unlicensed operators, including those caught in undercover stings, who have financially injured consumers and/or continued to operate illegally despite receiving administrative citations. However, other criminal investigations target egregious offenders, both licensed and unlicensed.

To maximize the efficiency of its efforts, CSLB enforcement staff have identified prosecutors across the state who:

1. Specialize in elder abuse cases;
2. Received special funding from the California Department of Insurance to prosecute workers' compensation insurance fraud cases; and/or
3. Prosecute complex criminal cases that involve predatory contractors who often operate their businesses throughout the state targeting vulnerable consumers, including the elderly and those who do not speak English.

Pursuant to BPC §7123, a criminal conviction of a construction-related crime or a crime substantially related to the qualifications, functions, and duties of a contractor is cause for disciplinary action against a licensee. Therefore, when a licensee faces pending criminal prosecution CSLB can petition the court to suspend the license or, immediately following conviction of a substantially-related crime, CSLB may take administrative disciplinary action to revoke the license.

INCREASED ENFORCEMENT OF WORKERS' COMPENSATION INSURANCE VIOLATIONS

To maintain an active CSLB license, licensees with employees must either file a Certificate of Workers' Compensation Insurance or a Certificate of Self-Insurance (issued by the Department of Industrial Relations) with CSLB. If the licensee does not have employees, a workers' compensation (WC) exemption must be filed.

Licensees who file a false WC exemption are subject to disciplinary action and cancellation of that false exemption, which can lead to license suspension. False exemptions are also cancelled when a stop order is issued by investigators in the field, or by staff who obtain evidence from investigating a complaint that a licensee has employees.

Fifty-five percent of all licensees have an exemption from WC on file with CSLB. Moreover, the results of a CSLB study conducted in Fall 2017, determined that 59 percent of randomly-selected contractors in four classifications that perform employee-intensive construction (Concrete, Earthwork/Paving, Landscaping, and Tree Trimming) had false workers' compensation exemptions on file with CSLB.

In late 2017, CSLB's Enforcement Committee created a two-person Advisory Sub-Committee comprised of two board members to develop strategies to address workers' compensation insurance avoidance. CSLB staff are working closely with multiple state agencies to enhance WC enforcement, including the Employment Development Department, Department of Industrial Relations Division of Occupational Safety and Health, Division of Labor Standards Enforcement, California Department of Insurance, and State Compensation Insurance Fund. CSLB is also preparing a legislative proposal to add a mandatory workers' compensation insurance requirement, as is now in place for the C-39 Roofing classification, for specified license classifications likely to employ workers (see also new issue #1, in section 11, New Issues.)

BUILDING PERMIT ENFORCEMENT

Failure to obtain proper building permits can be among the most serious violations CSLB investigates. Buildings that are not inspected and that do not meet building code requirements can jeopardize the safety of both workers and occupants. These violations also put contractors who do comply with code requirements at a competitive disadvantage. Over the last four years, CSLB investigated 4,400 building permit violations, and took legal action in approximately 1,200 of those cases.

In November 2017, the board established a two-member Building Permit Advisory Sub-Committee, comprised of two board members, to explore strategies intended to increase contractor compliance with local building permit requirements. Actions taken so far include:

- Enhancements to CSLB's website that allow direct reporting of suspected permit violations;
- Development of a model operational agreement for use between CSLB and participating building departments to actively report and properly document permit violations; and
- Production of a video training course on permit compliance, which is being developed in cooperation with building department officials. Through use of the newly-implemented letter of admonishment and its associated "corrective action plan," CSLB will require contractors who violate permit requirements to successfully complete this training course.

34. What are the board’s performance targets/expectations for its enforcement program? Is the board meeting those expectations? If not, what is the board doing to improve performance?

Statutory Performance Goals

BPC §7011.7 sets CSLB’s statutory mandate regarding the length of time in which to complete a complaint investigation. The statutory goal for routine investigations is 180 days (six months) from receipt of the complaint to completion of the investigation. For complaints that involve complex fraud issues or contractual arrangements the statutory goal for completing the review and investigation is one year.

As shown in table 9b (in response to question 35), CSLB’s Enforcement division consistently meets this mandate, averaging 83.7 days from receipt of a complaint to completed investigation. This is less than half the statutory goal of 180 days.

Board-Adopted Performance Goals

In February 2006, the board adopted more rigorous complaint-handling performance targets than the statutory mandate.

The Intake and Mediation Center has a board-adopted goal to close licensee complaints that do not require further investigation within 60 days through mediation and negotiation. In addition, CSLB has consistently met the goal to settle (with restitution ordered) 30 percent of licensee complaints without the need for a comprehensive investigation.

The board also set a goal to have no more than 100 aged complaints (those that have been open more than 270 days, or nine months) at any given time.

For the past four fiscal years, CSLB averaged 90 aged cases out of more than 3,000 open investigations at any given time. The number of aged cases grew to 119 in FY 2017-18, in part, because of an 11 percent increase in complaints filed, as well as the redirection of staff from complaint processing and investigations to post-disaster work, as noted in more depth below.

ENFORCEMENT CASES EXCEEDING 270 DAYS IN AGE				
FY 2014–15	FY 2015–16	FY 2016–17	FY 2017–18	Total Average
67	97	78	119	90

35. Explain trends in enforcement data and the board’s efforts to address any increase in volume, timeframes, ratio of closure to pending cases, or other challenges. What are the performance barriers? What improvement plans are in place? What has the board done and what is the board going to do to address these issues, i.e., process efficiencies, regulations, BCP, legislation?

As shown in table 9a (at the end of this narrative response), the number of complaints CSLB received rose from 17,815 in FY 2016-17 to 19,687 in FY 2017-18—an increase of 11 percent. This equates to more than 150 additional complaints each month.

During that same period, both the number of accusations CSLB filed, as well as the number of citations CSLB issued increased 13 percent. As noted below, CSLB has regularly redirected enforcement staff to assist wildfire survivors with disaster recovery. CSLB has also undertaken several proactive enforcement programs, as described below.

Despite these demands, as noted in the response to question 34, CSLB has consistently met the consumer complaint-handling goals established in BPC §7011.7. However, if workloads continue to increase, the board will consider submission of a budget change proposal to obtain additional staffing.

Increased Complaint Handling

Complaint-handling statistics show that CSLB Enforcement division staff are operating at higher-than-optimum caseloads. The target maximum number of complaints per Enforcement Representative is 35. As of July 2018, staff averaged 39 cases per Enforcement Representative.

CSLB Enforcement management continues to work closely with both CSLB and DCA human resources to fill job vacancies as quickly as possible. In addition, CSLB’s 2019-21 strategic plan includes an objective to attend job fairs to promote employment opportunities at CSLB.

Disaster Response

As part of its consumer protection mandate, CSLB is responsible for quickly responding to natural disasters to help those whose homes, businesses, and/or property were damaged or destroyed.

From fall 2017 through summer 2018, at least 50 different wildfires and resulting mudslides led to the deaths of 69 people, the destruction of approximately 11,000 structures, and damage to more than 1,750 structures. The frequency, severity, and sometimes, remoteness of these disasters tested the ability of all government agencies to respond, including CSLB.

The wildfires and mudslides prompted one of the largest coordinated disaster responses in CSLB's almost 90-year history. This commitment has included staffing more than two dozen local assistance centers established by the Governor's Office of Emergency Services, or disaster relief centers established by the Federal Emergency Management Agency, in 20 counties. The centers, which were open from one day to one month, provided a single location for disaster survivors to receive services and information.

Responding to this unprecedented number of disasters has placed a significant workload strain on CSLB. From Fall 2017 through June 2018, CSLB employees, mostly drawn from the Enforcement division, worked almost 3,600 hours at the relief centers—the equivalent of 90 work weeks. This total does not include enforcement sweeps and sting operations in the various fire zones, or the time involved in investigating leads provided by survivors, industry groups, local building departments, and others.

The increased workload has led to a decrease in the number of complaints an investigator can close each month, and the length of time it takes to investigate complaints. (This is also discussed in CSLB's response to prior issue #1 in section 10, Board Action and Response to Prior Sunset Issues, and new issue #4 in section 11, New Issues.)

Solar Task Force

In recent years, alongside an explosive growth in solar, has been an increase in the number of complaints to CSLB regarding residential solar systems. Solar complaints often involve unique issues related to financing and system performance.

In fiscal year 2017-18, CSLB received 948 solar-related complaints—a 47 percent increase over fiscal year 2016-17, and a 187 percent increase over fiscal year 2015-16. While some of these allege common violations, such as departure from accepted trade standards, the absence of required home improvement contract elements,

and abandonment of a contract, most solar-related complaints involve issues with the sales/lease process, alleged misrepresentation of contract terms, inaccurate predictions of solar system power production, overstated promises of cost savings, or promoting financing that may not be in a consumer's best interest. In many cases, unscrupulous business practices lock consumers into unfavorable, long-term contracts, or with systems that perform below promised expectations.

In 2015, CSLB redirected Enforcement staff to establish a Solar Task Force. The Task Force, along with CSLB's Public Affairs staff, works with industry, allied government agencies, and other stakeholders to reduce the number of consumer solar complaints. Their efforts include working with solar industry practitioners willing to adopt better business practices, taking legal action against others, and identifying strategies to reduce exploitive or predatory business practices in the solar industry.

A "Solar Smart" page (www.cslb.ca.gov/Consumers/Solar_Smart/) for CSLB's website was developed and promoted to provide consumers with easy-to-understand information on solar power. Between its launch on March 30, 2017 and August 27, 2018, the Solar Smart page was viewed more than 5,400 times.

Table 9a – Enforcement Statistics

Enforcement Statistics	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
COMPLAINT				
Intake				
Received	18,692	17,437	17,815	19,687
Closed	149	122	158	419
Average Time to Close (# of Days)	1.0	1.1	2.7	1.3
Pending (close of FY)	1,570	1,326	1,694	1,656
Referred to Mediation and/or Investigation	18,543	17,315	17,657	19,268
Source of Complaint				
Public	13,254	13,803	14,672	16,937
Licensee/Professional Groups	1,221	1,002	861	788
Governmental Agencies	294	237	133	236
Other	3,923	2,395	2,149	1,726
Conviction / Arrest				
Convictions Received	1,030	1,253	1,060	987
Convictions Closed	989	1,223	1,139	970
Average Time to Close	49.7	53.7	59.6	61.7
Convictions Pending (close of FY)	115	187	133	158
LICENSE DENIAL				

Table 9a – Enforcement Statistics *(continued)*

Enforcement Statistics	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
License Applications Denied	75	59	73	33
Statements of Issues Filed	73	108	43	63
SOIs Withdrawn	17	15	5	5
SOIs Dismissed	1	0	1	0
SOIs Declined	N/A	N/A	N/A	N/A
Average Days SOI	511.4	344.5	280.6	256.7
ACCUSATION				
Accusations Filed	229	275	304	342
Accusations Withdrawn	17	16	14	18
Accusations Dismissed	1	2	2	1
Accusations Declined	N/A	N/A	N/A	N/A
Average Days Accusations	489.5	500.0	468.0	459.4
Pending (close of FY)	NDA	NDA	NDA	NDA
DISCIPLINE				
Disciplinary Actions				
Proposed/Default Decisions	244	215	172	226
Stipulations	102	76	74	117
AG Cases Opened/Initiated	415	652	571	524
AG Cases Closed	403	350	417	411
Average Days to Complete	831.0	832.0	765.0	764.0
AG Cases Pending (close of FY)	513	646	646	590
Disciplinary Outcomes				
Revocation	317	251	258	305
Voluntary Surrender	0	0	0	0
Suspension	17	14	30	10
Probation with Suspension ¹	1	0	0	0
Probation ²	96	87	91	110
Probationary License Issued	97	75	100	64
Other	79	62	78	110

Table 9b – Enforcement Statistics *(continued)*

Enforcement Statistics	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
INVESTIGATION				
All Investigations				
First Assigned	19,722	18,690	18,875	20,674
Closed	20,016	19,745	19,390	21,584
Average days to close	77.2	88.2	81.5	83.7
Pending (close of FY)	4,343	4,071	4,601	4,638
Desk Investigations				
Closed	7,326	7,078	6,832	8,948
Average days to close	47.0	51.1	42.0	40.6
Pending (close of FY)	1,570	1,326	1,694	1,656
Non-Sworn Investigation				
Closed	12,120	12,101	12,006	12,028
Average days to close	94.7	108.9	103.1	114.2
Pending (close of FY)	2,571	2,620	2,662	2,763
Sworn Investigation				
Closed	570	566	552	608
Average days to close	149.5	185.5	186.8	213.9
Pending (close of FY)	202	125	245	219
COMPLIANCE ACTION				
ISO & TRO Issued	NDA	NDA	NDA	NDA
PC 23 Orders Requested	42	55	76	23
Other Suspension Orders	NDA	NDA	NDA	NDA
Public Letter of Reprimand	0	0	3	1
Cease & Desist/Warning*	1,741	1,823	1,625	2,822
Referred for Diversion	NDA	NDA	NDA	NDA
Compel Examination	NDA	NDA	NDA	NDA
CITATION AND FINE				
Citations Issued	2,260	2,191	2,005	2,271
Average Days to Complete	159.8	172.8	168.8	157.4
Amount of Fines Assessed	\$4,295,210	\$3,957,801	\$4,286,600	\$5,440,922
Reduced, Withdrawn, Dismissed	643	794	546	506
Amount Collected	\$1,868,104	\$2,067,344	\$2,167,110	\$2,061,985
CRIMINAL ACTION				
Referred for Criminal Prosecution	1,365	1,394	1,688	1,686

*Stop Orders issued by CSLB

Table 10. Enforcement Aging

Enforcement Aging	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	Cases Closed	Average %
ATTORNEY GENERAL CASES (AVERAGE %)						
Closed Within:						
0 - 1 Year	172	167	185	235	759	48%
1 - 2 Years	160	124	176	134	594	38%
2 - 3 Years	54	43	42	35	174	11%
3 - 4 Years	10	9	10	6	35	2%
Over 4 Years	7	7	4	1	19	1%
Total Attorney General Cases Closed	403	350	417	411	1,581	
INVESTIGATIONS (AVERAGE %)						
Closed Within:						
90 Days	14,591	13,174	13,723	15,593	57,081	71%
91 - 180 Days	2,721	3,296	2,829	2,455	11,301	14%
181 - 1 Year	2,587	3,128	2,687	3,368	11,770	15%
1 - 2 Years	116	145	142	161	564	1%
2 - 3 Years	1	0	5	2	8	0%
Over 3 Years	0	2	4	5	11	0%
Total Investigation Cases Closed	20,016	19,745	19,390	21,584	80,735	

36. What do overall statistics show as to increases or decreases in disciplinary action since last review?

In FY 2017-18, 681 license revocations and 366 license suspensions resulted from CSLB accusations, citations, and arbitration. These totals include cases where the license was revoked by accusation or where the licensee did not comply with an arbitration award or citation. By law, these licenses are suspended and, if the licensee fails to comply with the order within 90 days, revoked.

The number of administrative legal disciplinary actions has remained relatively stable since the last Sunset Review, and the 1,047 disciplinary actions in FY 2017-18, is almost identical to the number taken in FY 2013-14 (which was 1,042).

37. How are cases prioritized? What is the board’s complaint prioritization policy? Is it different from DCA’s Complaint Prioritization Guidelines for Health Care Agencies (August 31, 2009)? If so, explain why.

CSLB’s Enforcement division has carefully established its priorities and programs to best fulfill its mandate to protect consumers and to meet board objectives. Cases involving an immediate threat to public safety, criminal activity, or widespread victimization of vulnerable consumers receive the highest priority for investigation.

Since its adoption in 2013, a multi-variable matrix of case type and information source has helped guide Enforcement management and field supervisors in their case prioritization (see below).

	Elder Abuse	Predatory Criminal Acts	Health & Safety Code Violations	Unlicensed Practice	Workmanship Complaints	Workers' Compensation Violations	Misuse of a License	Failure to Obtain Classification	Working Out of Classification	Electrician Certification	Advertising Violations
Elected Officials											
District Attorneys											
Consumers											
State and Local Government											
Industry Associations											
Media Referrals											
Employees											
Building Officials											
Local Volunteer Groups											
Proactive Enforcement											
Anonymous Tips											

HIGHER PRIORITY (top-left quadrant)
 LOWER PRIORITY (bottom-right quadrant)

CSLB’s complaint prioritization procedures are consistent with DCA’s *Complaint Prioritization & Referral Guidelines* of December 2017 (which are similar to, but postdate, the *Complaint Prioritization Guidelines for Health Care Agencies*).

38. Are there mandatory reporting requirements? For example, requiring local officials or organizations, or other professionals to report violations, or for civil courts to report to the board actions taken against a licensee. Are there problems with the board receiving the required reports? If so, what could be done to correct the problems?

There are no mandatory reporting requirements at present. However, legislation was chaptered (SB 1465, Hill, Statutes of 2018) that adds a mandatory reporting requirement for licensees.

SB 1465 requires that effective January 1, 2019, licensees report to CSLB within 90 days civil action judgments, executed settlement agreements, arbitration awards, or administrative actions that result in a judgment, settlement, or arbitration award over \$1,000,000 for construction defects in multi-family residential structures that meet certain specified criteria. SB 1465 was drafted in cooperation with CSLB in response to the 2015 collapse of an apartment building balcony in Berkeley that killed six people and injured seven others.

a. What is the dollar threshold for settlement reports received by the board?

Not applicable

b. What is the average dollar amount of settlements reported by the board?

Not applicable.

39. Describe settlements the board, and Office of the Attorney General on behalf of the board, enter into with licensees.

The Office of the Attorney General will often seek a stipulated settlement of CSLB's administrative cases. In many cases, settlement terms include a stipulated revocation of a contractor license and/or home improvement salesperson registration. When appropriate, and if consumer protection can be achieved, CSLB will stipulate to a stayed revocation and place the registration and/or license on probation for a period, with specific terms and conditions.

As discussed earlier in this report, most incoming complaints are first processed by one of CSLB's two Intake and Mediation Centers (IMC). If appropriate, IMC staff attempt to mediate a mutually-agreeable settlement between the complainant and the respondent. Over the last four fiscal years, more than 40 percent of licensee complaints have been settled at this level, with significant restitution ordered to injured parties.

In 2001, CSLB began conducting informal mandatory settlement conferences (MSCs) for cases where a licensee was issued a citation. During these conferences, license history and the gravity of the violation were considered. In most cases, the respondent's civil penalty assessment was reduced. As noted above, in December 2017, the Office of the Attorney General assumed responsibility for the program while CSLB pursued statutory authority to conduct these settlement conferences in-house. Conducting mandatory settlement conferences saved CSLB \$5.7 million in legal fees between 2014 and 2017.

Per SB 1042 (Monning, Statutes of 2018), effective January 1, 2019, CSLB will conduct in-house informal citation conferences. In accordance with the legislation, citation conferences will be conducted by CSLB staff, and are intended to serve the same function as the MSCs. After the citation conference, CSLB may affirm, modify, or dismiss the respondent's citation. The licensee may appeal the registrar's decision.

a. What is the number of cases, pre-accusation, that the board settled for the past four years, compared to the number that resulted in a hearing?

None. If a violation is serious enough to warrant license suspension or revocation, CSLB will not settle the case prior to the issuance of an accusation.

b. What is the number of cases, post-accusation, that the board settled for the past four years, compared to the number that resulted in a hearing?

	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Accusations Filed*	229	275	304	342
Stipulated Settlements	117	96	102	127
Administrative Hearings	105	77	95	78

**Accusations filed in a given fiscal year may not be dispositioned until a later fiscal year.*

c. What is the overall percentage of cases for the past four years that have been settled rather than resulted in a hearing?

During the past four fiscal years, 55 percent of accusation cases have been settled prior to hearing.

40. Does the board operate with a statute of limitations? If so, please describe and provide citation. If so, how many cases have been lost due to statute of limitations? If not, what is the board's policy on statute of limitations?

BPC §7091 contains the statute of limitations provisions applicable to CSLB.

Complaints alleging any patent actions or omissions must be filed within four years after the alleged act or omission. A disciplinary action resulting from such a complaint must be filed or referred to arbitration within four years of the act or omission, or within 18 months from the date the complaint is filed, whichever is later.

Complaints alleging any latent act or omission regarding structural defects must be filed within 10 years after the latent act or omission. A disciplinary action resulting from such a complaint must be filed within 10 years of the act or within 18 months from when the complaint is filed, whichever is later.

For fiscal year 2017-18, 558 cases were closed because the applicable statute of limitations had expired. In almost all of these cases, the statute of limitations had expired before the complaint was filed with CSLB.

41. Describe the board's efforts to address unlicensed activity and the underground economy.

Unlicensed activity and the underground economy continue to present challenges for CSLB, its partners, and the construction industry. Unlicensed and unscrupulous contractors who skirt legal requirements unfairly compete against those who comply with licensing, permit, payroll tax, and workers' compensation laws and regulations.

Education

As part of its effort to address unlicensed contracting and to assist people in the licensing process, CSLB began to conduct educational and informational workshops to review the benefits of getting a contractor license, provide an overview of licensing requirements, explain the steps involved in obtaining a license, and to answer questions from participants.

In August 2016, CSLB staff presented information about licensing in Spanish to approximately 150 people at the Consulate General of Mexico in Los Angeles and again in March 2018, for an estimated audience of 300. In February, May, September, and October 2017, CSLB conducted Spanish-language licensing workshops at day labor centers in Pasadena, Concord, Santa Cruz, and Mountain View to an average audience of 30 people.

In November 2017, CSLB launched monthly licensing workshops, conducted in English and Spanish, at CSLB offices in Sacramento and Norwalk to an average audience of 30-50 people.

Enforcement

No single state agency has the resources or information to tackle the underground economy alone. Therefore, CSLB partners with other state agencies with overlapping jurisdictions to more effectively enforce contracting, tax, labor, and insurance laws and requirements.

As part of this combined enforcement effort, investigators with CSLB's Statewide Investigative Fraud Team (SWIFT) participate in two specialized task forces established to address the underground economy:

- The Joint Enforcement Strike Force (JESF), established in 1995, includes CSLB, the Employment Development Department, the Franchise Tax Board, and the Department of Industrial Relations Division of Labor Standards Enforcement and Division of Occupational Safety and Health. JESF's primary focus is to pursue criminal charges for license, tax withholding, and workers' compensation insurance violations.

Over the last four fiscal years, JESF enforcement activities resulted in the suspension of 2,672 contractor licenses for more than \$425,639,477 in outstanding tax and civil penalty liabilities (includes \$2,648,810 attributed to one licensee for FTB liability). During this four-year period, CSLB helped to recover \$99 million in outstanding tax liability for EDD, FTB, and DIR.

- The Labor Enforcement Task Force (LETf), which was established in 2012, includes CSLB, DIR, EDD, the California Department of Insurance, the Office of the Attorney General, Board of Equalization, and the Department of Consumer Affairs/Bureau of Automotive Repair. LETf members conduct sweeps at active job sites to verify employee wages and compliance with licensing, insurance, tax, and job safety requirements.

LETf inspections conducted at construction sites in fiscal year 2017-18 found 86 percent of contractors out of compliance with one or more contractors' state license law requirements.

In addition, investigators with CSLB's SWIFT unit proactively enforce construction-related laws and requirements through sweeps and stings, often working with other task force members. In sting operations, investigators borrow a simulated construction site for one or more days and invite suspected unlicensed contractors to provide bids for a hypothetical construction job. Violators are issued a notice to appear or are referred for criminal prosecution.

During fiscal year 2017-18, CSLB conducted 67 enforcement stings and conducted 395 proactive enforcement "sweeps." With sweeps, SWIFT staff visit active construction

sites to ensure compliance. During fiscal year 2017-18, CSLB also conducted enforcement sweeps concentrated in wildfire disaster zones around the state.

CSLB also addresses the underground economy through the investigation of leads submitted by consumers, public agencies, other contractors, subcontractors, and employees. A “lead referral” form is available on CSLB’s website.

Workers’ Compensation Insurance Enforcement

As noted in the Enforcement Program Overview, CSLB has determined that 55 percent of all licensed contractors have a workers’ compensation exemption on file with CSLB. A review of randomly selected contractors in license classifications that perform employee-intensive work revealed that 59 percent had a WC exemption on file.

In late 2017, the CSLB Enforcement Committee established a two-member Advisory Sub-Committee, comprised of two board members to develop strategies to address workers’ compensation insurance avoidance. CSLB is preparing a legislative proposal to add a mandatory workers’ compensation insurance requirement, as is now the case for C-39 Roofing contractors, for specified high-labor license classifications (see also new issue #1 in section 11, New Issues.)

Building Permit Enforcement

As described in the Enforcement Program Overview, CSLB recently augmented its permit enforcement efforts, recognizing that these violations can jeopardize public safety and contribute to the underground economy. In November 2017, the Enforcement Committee established an Advisory Sub-Committee, comprised of two board members to explore strategies to increase contractor compliance with local building permit requirements. These efforts include: 1) website enhancements to facilitate reporting permit violations; 2) issuance of a draft operational agreement between CSLB and individual building departments to enhance information sharing and clarify responsibilities; and 3) development of a permit compliance course for use as part of a corrective action plan when violators are issued a letter of admonishment for permit violations.

CITE AND FINE

42. Discuss the extent to which the board has used its cite and fine authority. Discuss any changes from last review and describe the last time regulations were updated and any changes that were made. Has the board increased its maximum fines to the \$5,000 statutory limit?

CSLB has the authority to issue citations for violations of the Business and Professions Code. The minimum and maximum civil penalty assessments for contracting violations are set forth in the California Code of Regulations, Title 16, section 884. The specified penalties directly reflect the severity of the respective violation. There are 62 violations itemized in section 884, and 24 currently have a specified maximum penalty of \$5,000. In addition, CSLB has the authority to assess civil penalties up to \$15,000 to licensees and/or non-licensees involved or engaged in unlicensed activity.

A typical citation imposes a civil penalty for the violation(s) and may contain a correction order, which order may include that the contractor pay financial restitution to the project owner, perform corrective work, or acquire a building permit.

Per the board-adopted 2016-18 Enforcement strategic plan objectives, staff reviewed the civil penalty guidelines in CCR 884 to determine if the range of penalties and assessment criteria used by CSLB provided the most effective consumer protection. The review resulted in a reassessment of the criteria CSLB used related to “the nature and serverity of the acts” and an increase in civil penalties for “repeated acts.” In fiscal year 2017-18, CSLB saw a 58 percent increase in the average licensee penalty amount and a 32 percent increase for non-licensees. The 2,271 citations issued by CSLB in that fiscal year resulted in \$5,440,922 in assessed civil penalties.

The citation program continues to serve as an effective consumer protection tool to achieve compliance with contractors’ state license law, consumer restitution when appropriate, and complaint disclosure.

43. How is cite and fine used? What types of violations are the basis for citation and fine?

Pursuant to current law (BPC §7099) the registrar may issue a citation for serious violations of law that do not warrant license suspension or revocation. This can include an order to correct a project, make restitution to an injured party, and/or pay a civil penalty of up to \$5,000 for violations by licensees and \$15,000 for unlicensed contractors. Citations are generally issued for serious violations that do not include significant financial injury, repeated acts, or criminal violations. Citations have proven effective to achieve compliance with trade standards, permit requirements, and contracting requirements.

44. How many informal office conferences, Disciplinary Review Committees reviews and/or Administrative Procedure Act appeals of a citation or fine in the last 4 fiscal years?

CSLB does not have disciplinary review committees.

As noted in the Enforcement Program Overview, violators who received administrative citations were able to attend an informal mandatory settlement conference (MSC) before an administrative law judge, where they could informally plead their case prior to a formal hearing. This successful program resulted in the resolution of 211 citations in 2017, which saved CSLB an estimated \$1.1 million in fees to the Office of the Attorney General. However, in December 2017, the AG’s office assumed responsibility for the program while CSLB pursued statutory authority to conduct these settlement conferences in-house.

Per SB 1042 (Monning, Statutes of 2018), effective January 1, 2019, CSLB will conduct in-house informal citation conferences. In accordance with the legislation, citation conferences will be conducted by CSLB staff, and are intended to serve the same function as the MSCs. After the citation conference, CSLB may affirm, modify, or dismiss the respondent’s citation. Licensees may appeal the registrar’s decision, which would result in a formal hearing.

Over the last four fiscal years, there have been 2,356 appeals filed as a result of 5,285 licensee citations; and 1,463 appeals of CSLB’s 3,425 non-licensee citations.

45. What are the 5 most common violations for which citations are issued?

The five most common violations for which CSLB issues citations are:

Licensees:

BPC §7107	Abandonment
BPC §7109	Poor Workmanship
BPC §7110	Violation of Building Laws
BPC §7125.4	Workers’ Compensation—Filing of a False Workers’ Compensation Exemption
BPC §7159	Requirements for Home Improvement Contracts

Non-Licensees:

BPC §7027	Advertising Violations
BPC §7028	Contracting Without a License
BPC §7153	Unregistered Home Improvement Salesperson
BPC §7159.5(a)(3)	Acceptance of Excessive Down Payment
LC §3700.5	Failure to Secure Workers’ Compensation

46. What is average fine pre- and post- appeal?

During fiscal year 2017-18, the average pre-appeal fine was \$2,382; the average post-appeal fine was \$2,281.

COST RECOVERY AND RESTITUTION

47. Describe the board’s use of Franchise Tax Board intercepts to collect outstanding fines.

CSLB has utilized the Franchise Tax Board’s (FTB) intercept program to collect outstanding civil penalties, but stopped making referrals because FTB required a Social Security number (SSN) to identify taxpayers and CSLB does not have authority to collect SSNs from unlicensed individuals. Consequently, CSLB began contracting with a private collection agency to recover unpaid civil penalties. However, FTB will now permit referrals without a SSN if the referring agency pays FTB a fee to research the Social Security number.

In October 2018, CSLB enrolled in the FTB intercept program for the collection of outstanding fines. CSLB will utilize this program for both licensees and non-licensees.

48. Describe the board’s efforts to obtain cost recovery. Discuss any changes from the last review.

Pursuant to BPC §125.3, CSLB may request that an administrative law judge (ALJ) direct a licensee found in violation of contractors’ state license law as part of an administrative disciplinary action to pay a sum not to exceed the reasonable costs of the investigation and enforcement of the case.

In fiscal year 2017-18, ALJs ordered \$1,623,148 in cost recovery to CSLB for disciplinary actions.

49. How many and how much is ordered by the board for revocations, surrenders and probationers? How much do you believe is uncollectable? Explain.

Cost recovery includes the cost of hours worked on the case by staff in CSLB’s Intake and Mediation Centers and Investigative Centers, the cost of any services provided by an industry expert, and all costs for services provided by the Office of the Attorney General for the case.

Over the past four fiscal years, approximately \$5.9 million in accusation cost recovery to CSLB has been ordered, and approximately \$1.4 million has been collected. Generally, if a license is revoked, CSLB does not collect any outstanding ordered cost recovery. However, if a revoked licensee applies for a new license, 100 percent of the costs incurred to revoke the previously-held license is pursued, and

a new license will not be issued until these costs are paid in full. In addition, the applicant must provide proof of restitution to an injured party associated with the previously-revoked license before CSLB will issue a new license.

As noted in the response to question 47, in October 2018, CSLB enrolled in the FTB intercept program for the collection of outstanding fines and will utilize this program to collect cost recovery as well.

50. Are there cases for which the board does not seek cost recovery? Why?

Citations are not considered disciplinary actions, therefore, CSLB is not authorized to seek cost recovery for administrative citations. Also, California law bars CSLB from seeking cost recovery in Statement of Issue cases—those that involve the denial of a license application.

51. Describe the board’s use of Franchise Tax Board intercepts to collect cost recovery.

CSLB has not used the FTB Intercept program for cost recovery and, instead, contracted with a private collection agency to collect civil penalties from unlicensed contractors. However, CSLB recently enrolled in the FTB intercept program for the collection of outstanding fines from non-licensees and licensees.

Table 11 – Cost Recovery (list dollars in thousands)

COST RECOVERY	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Total Enforcement Expenditures	\$32,636	\$33,792	\$33,902	\$34,777
Potential Cases for Recovery*	1,049	1,340	1,187	1,326
Cases Recovery Ordered	893	860	1,016	1,238
Amount of Cost Recovery Ordered	\$1,337	\$1,563	\$1,417	\$1,623
Amount Collected	\$289	\$267	\$382	\$507

*Those in which an accusation has been filed.

52. Describe the board’s efforts to obtain restitution for individual consumers, any formal or informal board restitution policy, and the types of restitution that the board attempts to collect, i.e., monetary, services, etc. Describe the situation in which the board may seek restitution from the licensee to a harmed consumer.

There are several circumstances under which restitution may be made to a consumer:

- Mediation Process: Through mediation, the licensee and complainant may agree to finish the job, correct poor workmanship, or have the contractor pay the complainant the cost to complete and/or correct the job.
- Arbitration: If arbitration is ordered or agreed to, restitution may be ordered.
- Citation: If a citation is issued, the licensee may be ordered to correct the work or pay the consumer the cost to complete and/or correct the job.
- Unlicensed Contractor Who Applies for License: If an unlicensed contractor causes a financial injury, his or her name is entered into CSLB’s computer records. Any attempt by that person to become a licensed contractor will first require resolution of the financial injury.
- Civil Judgment: If there is a construction-related civil judgment against the license, the licensee must pay or post a bond in the amount of the judgment.
- Accusation: If an accusation is filed, the administrative law judge’s decision usually includes restitution to the consumer.

As shown in tables 12a and 12b, in fiscal year 2017-18, consumers received a combined \$44,647,812 in restitution.

CSLB’s Licensing division, through enforcement of BPC §7071.17, can help a consumer receive civil judgment restitution. This law allows for automatic license suspension for any unpaid civil judgments. The suspension can be lifted only if the judgment is satisfied, a judgment bond posted, the judgment discharged in bankruptcy, or if the judgment expires in accordance with the applicable statutes. Also, BPC §7071.11 requires surety companies to report to CSLB any bond payouts made; however CSLB does not track how often or the amounts that the surety companies pay out.

Table 12 – Restitution (Formal Accusations) *(list dollars in thousands)*

Restitution	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Amount Ordered	\$3,417	\$2,609	\$1,889	\$5,968
Amount Collected	\$325	\$208	\$593	\$603

Table 12b. Other Consumer Restitution Collected/Refunded *(list dollars in thousands)*

Other Consumer Restitution Collected/Refunded	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Arbitrations	\$1,488	\$1,976	\$3,193	\$3,267
Citations	\$1,139	\$1,149	\$1,011	\$1,049
Complaints	\$15,480	\$13,292	\$19,578	\$23,035
Judgments	\$46,040	\$21,464	\$21,109	\$16,694
Total*	\$64,147	\$37,881	\$44,891	\$44,045

**Also includes corrections with rework.*



SECTION 6: PUBLIC INFORMATION POLICIES

53. How does the board use the internet to keep the public informed of board activities? Does the board post board meeting materials online? When are they posted? How long do they remain on the board's website? When are draft meeting minutes posted online? When does the board post final meeting minutes? How long do meeting minutes remain available online?

CSLB maintains a "Board Meetings" page on its website to publicize agenda and background materials for all committee and board meetings. Agendas are posted to the website at least 10 days prior to the meeting. In addition, this website section includes archive video of all meeting webcasts.

Board and committee meeting materials are usually posted online within one week of a meeting. All posted meeting materials remain online indefinitely.

Draft meeting minutes are not posted online; final minutes are posted after approval by the board at its next quarterly meeting. Meeting minutes are not removed and remain available online indefinitely.

CSLB also maintains an extensive "Newsroom" page on its website, which includes links to all news releases, consumer alerts, industry bulletins, and licensee newsletters. The newsroom page also includes CSLB-produced videos.

54. Does the board webcast its meetings? What is the board's plan to webcast future board and committee meetings? How long do webcast meetings remain available online?

All CSLB board and committee meetings are webcast, with the exception of the strategic planning meeting and the rare emergency board meeting, unless technical difficulties preclude a webcast. The format of the strategic plan meeting, which includes moving around the room and breaking into small groups, does not lend itself to being webcast; nor do emergency meetings, which usually involve a number of teleconference locations.

In April 2016, CSLB became the first DCA regulatory board to provide real-time live captioning of its meeting webcasts.

All webcasts are posted to CSLB's YouTube Channel and remain online indefinitely.

55. Does the board establish an annual meeting calendar, and post it on the board's web site?

The board's meeting calendar is included as an agenda item at board meetings. CSLB's "Board Meetings" website page is updated with upcoming meeting information as soon as it becomes available.

56. Is the board's complaint disclosure policy consistent with DCA's Recommended Minimum Standards for Consumer Complaint Disclosure? Does the board post accusations and disciplinary actions consistent with DCA's Web Site Posting of Accusations and Disciplinary Actions (May 21, 2010)?

CSLB's complaint disclosure policy is consistent with DCA's *Recommended Minimum Standards for Consumer Complaint Disclosure*.

CSLB posts accusation and disciplinary actions. The board maintains a website (www.cslb.ca.gov) and a toll-free number (1.800.321.CSLB) for use by the public to obtain general license information about a contractor. License status and a list of past and pending legal actions against the licensee are available. The website also provides information on the contractor's bond and workers' compensation insurance.

In July 2018, CSLB began to disclose letters of admonishment on license records for one year.

"Pending legal actions" are reported only when investigative staff have substantiated a complaint and legal action has been requested.

"Past legal actions" include citations previously issued against a licensee and any disciplinary action that resulted in probation, suspension, or revocation of the license.

Information concerning an arbitration decision is not made public unless the licensee fails to comply with the arbitration award. Failure to comply results in suspension of the license. If failure to comply continues for 90 days the license is revoked. CSLB reports civil judgments against a contractor when suspension is pending or has occurred.

Once CSLB determines that a probable violation of law has occurred, which, if proven, would present a risk of harm to the public and a suspension or revocation of the contractor license would be appropriate, the date, nature, and status of the complaint are publicly disclosed. A disclaimer stating that the complaint is, at this time, only an allegation accompanies this disclosure.

Licensee citations are disclosed to the public from date of issuance and for five years from the date of compliance.

Accusations that result in suspension or stayed revocation of the contractor license are disclosed from the date the accusation is filed and for seven years after the accusation has been settled and include the terms and conditions of probation. All revocations that are not stayed are publicly disclosed indefinitely from the effective date of revocation.

CSLB COMPLAINT DISCLOSURE POLICY		
Information	Publicly Disclosed	Not Disclosed
Complaint Filed		X
Arbitration Decision		X
Advisory Notice		X
Letter of Admonishment	X (one year)	
Citation	X (five years)	
Fine	X (five years)	
Stayed Accusation	X (seven years)	
Pending Investigation	Depends on allegation/ status	
Investigation Completed	Depends on allegation/ status	
Referred to Attorney General's Office Pre-Accusation	X	
Referred to Attorney General's Office Post-Accusation	X	
Settlement Decision	X	
Disciplinary Action Taken	X	
Civil Judgment	X	
Malpractice Decision		N/A
Criminal Violation: Felon Coordinate with District Attorney Misdemeanor	X	

57. What information does the board provide to the public regarding its licensees (i.e., education completed, awards, certificates, certification, specialty areas, disciplinary action, etc.)?

CSLB provides licensee information to the public through its “Instant License Check” website feature and toll-free automated phone system:

- Name/address of record
- Entity type
- License issue date
- License expiration date
- Current license status
- Additional information, including complaint disclosure, letter of admonishment, possible future suspension, etc.
- License classifications
- Bond information
- Workers’ compensation insurance information, with either information on claimed exemption or insurance company, policy number, effective and expiration dates, and workers’ compensation history
- Personnel list
- Registered salesperson list
- Information about other CSLB licenses held by personnel (current and/or disassociated)

To meet the mandate of AB 2486 (Baker, Statutes 2016), in January 2018, CSLB launched a new “Find My Licensed Contractor” online tool. This feature allows users to search for licensed contractors by classification within a specific geographic area using either a city or zip code. Randomly displayed results, which include a link to the licensee information page, are based on a licensee's address of record. All or part of the results can be downloaded to either a PDF or Excel file. The tool helps consumers search for a licensed contractor, contractors search for possible subcontractors, and awarding agencies look for licensed bidders for public works contracts.

58. What methods are used by the board to provide consumer outreach and education?

CSLB uses several methods to provide consumer outreach and education:

- News releases, industry bulletins, consumer alerts, and press events/news conferences regarding CSLB activities, undercover sting operations, and various consumer-protection messages.
- Accelerated multi-faceted public outreach during and after disasters (wildfires, earthquakes, floods, etc.). This includes: staffing disaster recovery centers; a special toll-free disaster hotline staffed during weekday business hours; and outreach to media, legislators, building departments, chambers of commerce, and others. CSLB also conducts or participates with local agencies to hold rebuilding workshops targeted to disaster survivors or those hoping to work during the rebuilding process. Following the 2017 wildfires, CSLB became the second state agency, after the Governor's Office of Emergency Services, to partner with NextDoor to direct outreach messages to specific neighborhoods affected by disasters. CSLB also distributes California Architects Board materials at the various disaster recovery centers.
- 24/7 access to publications and guides on CSLB's website and through the tollfree automated phone system: materials can be downloaded from **www.cslb.ca.gov**, faxed to consumers, and/or mailed to consumers.
- Statewide Senior Scam StopperSM educational seminars and Consumer Scam StopperSM seminars.
- Industry and consumer shows (including home shows, conferences, resource fairs).
- CSLB Speakers Bureau, using CSLB-trained staff representatives.
- Respond to daily media inquiries.
- "Most Wanted" website feature (highlights details of cases involving unlicensed contractors with active arrest warrants).
- Daily/weekly posts on social media sites (Facebook, Twitter, and YouTube).



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SECTION 7: ONLINE PRACTICE ISSUES

59. Discuss the prevalence of online practice and whether there are issues with unlicensed activity. How does the board regulate online practice? Does the board have any plans to regulate internet business practices or believe there is a need to do so?

Among the biggest challenges CSLB faces in regard to online practice comes from Internet bulletin boards. Such websites allow unlicensed operators to advertise, usually for free, alongside legitimately licensed contractors. It is nearly impossible for consumers to determine if a contractor is licensed, especially for those unfamiliar with license requirements. Most online bulletin boards do not require advertisers to include a contractor license number in all advertisements or require unlicensed operators to include a statement that they are not state-licensed.

Enforcement personnel have focused on Internet advertisements in an effort to reduce this activity. For fiscal year 2017-18, CSLB investigated 498 Internet advertisements, of which 327 resulted in an enforcement action.

Other emerging issues involve online marketplaces and contractor referral websites. In its most basic form, online marketplaces are e-commerce websites that link consumers to products and/or services that are provided by multiple third parties. In these situations, the e-commerce operator processes the transactions. Many referral websites charge contractors a fee for leads.

To help reduce confusion among the public and online operators about who is required to have a state contractor license, in July 2018, CSLB issued a Fast Facts information sheet outlining requirements for these companies, and posted it on its website: www.cslb.ca.gov/Resources/IndustryBulletins/Online_Marketplace_Fast_Facts.pdf



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SECTION 8: WORKFORCE DEVELOPMENT AND JOB CREATION

60. What actions has the board taken in terms of workforce development?

After the Fall 2017 wildfires, CSLB participated in a Construction Workforce Development Working Group. This group, convened by the Governor's Office of Business and Economic Development (GO-Biz), worked with federal and state government partners, as well as industry leaders representing home builders and organized labor, to identify the availability of a skilled construction workforce for reconstruction in the North Bay Area counties. The working group's first task was to develop a resource guide that identifies existing training programs for individuals interested in entering the construction industry. CSLB also participated in both short- and long-term housing working groups to help coordinate post-disaster efforts in areas affected by wildfires. The working group was reconvened in Summer 2018, to address devastating fires in Shasta, Lake, and Mendocino counties.

Also, as part of its post-disaster work, CSLB has developed rebuilding workshops targeted to licensed contractors interested in bidding for jobs in affected areas. The workshops, co-hosted by local building departments, feature a building department update on the local rebuild, including any special rules established for plan approvals and inspections. Licensing requirements are also covered, as are bonds and insurance, how to obtain a workers' compensation policy, contract requirements, how to prevent complaints, and how the selection of building materials and choice of building methods can help prevent future disasters.

In addition, as previously noted in response to question 41, CSLB holds monthly licensing workshops in Sacramento and Norwalk to review the licensing process for interested and potential applicants.

61. Describe any assessment the board has conducted on the impact of licensing delays.

CSLB has not conducted any assessments on this topic.

62. Describe the board's efforts to work with schools to inform potential licensees of the licensing requirements and licensing process.

While there is no education requirement to obtain a California contractor license, CSLB does provide contractor schools, via letters, email, the *California Licensed Contractor* newsletter, industry bulletins, the *California Licensed Contractor Law &*

Reference Book, and the CSLB website notice about changes to licensing processes and relevant forms, fee increases, contractors' state license law, and other licensing requirements.

63. Describe any barriers to licensure and/or employment the board believes exist.

CSLB has not identified any significant barriers to licensure at this time. However, the board has asked staff to examine the appropriateness of creating a new remodel/home improvement license classification. This potential new license would offer a pathway to licensure for multi-trade skilled contractors who perform construction work on residential properties without regularly performing framing or rough carpentry, which precludes them from meeting the experience requirements to qualify for the "B" General Building license, and who also lack the necessary four years work experience in a single trade to qualify for a specialty license.

Staff is reviewing applications to identify how many applicants do not meet the experience requirements for a "B" General Building license in order to determine if the framing/rough carpentry experience requirement is a significant barrier to licensure. Staff is also developing a preliminary occupation analysis of the remodeling trade to determine the scope of work that could be performed under the potential new classification. Staff anticipates completing these analyses and reporting to the board in Spring 2019.

64. Provide any workforce development data collected by the board, such as:

a. Workforce shortages

CSLB does not collect information about workforce shortages.

b. Successful training programs.

CSLB does not monitor training programs.



SECTION 9: CURRENT ISSUES

65. What is the status of the board's implementation of the Uniform Standards for Substance Abusing Licensees?

Not applicable.

66. What is the status of the board's implementation of the Consumer Protection Enforcement Initiative (CPEI) regulations?

Not applicable.

67. Describe how the board is participating in development of BreEZe and any other secondary IT issues affecting the board.

a. Is the board utilizing BreEZe? What Release was the board included in? What is the status of the board's change requests?

CSLB does not utilize DCA's BreEZe or legacy systems and, consequently, does not have any BreEZe-related change requests. With its own Information Technology division, CSLB supports its licensing/enforcement systems and an automated exam system, and streamlines its automated business activities. CSLB was identified as part of Release 3 for BreEZe.

b. If the board is not utilizing BreEZe, what is the board's plan for future IT needs? What discussions has the board had with DCA about IT needs and options? What is the board's understanding of Release 3 boards? Is the board currently using a bridge or workaround system?

CSLB meets all statutory and regulatory mandates utilizing its current information technology systems and does not utilize a bridge or workaround system.

The board understands that the BreEZe project ended after Release 2 boards and bureaus migrated to the new system. Release 3 boards and bureaus, which included CSLB, are individually, and in collaboration with DCA, assessing their specific business needs to determine the best course of action. CSLB is included in DCA's annual notification and reporting to the Legislature (per Assembly Bill 98 and Senate Bill 547) relating to Release

3 entities. Additionally, these efforts will be conducted in accordance with the project approval lifecycle process as prescribed by the Department of Technology.

CSLB is working closely with DCA to discuss opportunities to share and consolidate technologies, assist with documentation of business processes, and examine innovative approaches toward the continued modernization of the board's IT systems.



SECTION 10: BOARD ACTION AND RESPONSE TO PRIOR SUNSET ISSUES

Include the following:

1. Background information concerning the issue as it pertains to the board.
2. Short discussion of recommendations made by the Committees during prior sunset review.
3. What action the board took in response to the recommendation or findings made under prior sunset review.
4. Any recommendations the board has for dealing with the issue, if appropriate.

ISSUE #1: (LACK OF STAFFING)

Does the Board have what it needs to do its job?

Background: While CSLB has sufficient resources to meet its existing workload, the Board believes that staffing and budget reduction numbers will truly become an issue as workload increases, limiting its capability to protect consumers.

Committee Staff Recommendation: CSLB should inform the Committees of the effects of possible staff constraints, including current staffing levels and how vacancies are impacting the program.

CSLB Response:

CSLB has 405 authorized positions, with an anticipated 407 positions for fiscal year 2018-19, and operates at a vacancy rate of less than 10 percent. Positions open and are filled on an ongoing basis; however, no positions are held vacant for salary saving purposes. The board believes that staffing will become an issue as workload continues to increase and have identified areas where additional staffing resources would ensure adequate staffing resources to fulfill CSLB's consumer protection mandate.

Over the last year, the board is seeing significant growth in the number of consumer-filed complaints. For fiscal year 2017-18, CSLB Enforcement division staff operated at higher-than-optimum workloads. The target maximum number

of complaints per Enforcement Representative is 35, but as of July 2018, staff averaged 39 cases per Enforcement Representative.

An analysis of consumer complaints received during the last four fiscal years shows an increase of 1,872 complaints in fiscal year 2017-18, as compared to fiscal year 2016-17. This equates to approximately 150 more complaints per month, or a 10 percent increase. CSLB Enforcement management continues to work closely with both CSLB and DCA Human Resources to fill staff vacancies as quickly as possible. CSLB's 2019-21 strategic plan includes an objective to attend job fairs to promote employment opportunities at CSLB.

The board also continues to struggle with redirection of resources for disaster response. In 2017, CSLB staffed almost two dozen local assistance centers (established by the Governor's Office of Emergency Services) and federal disaster relief centers (established by FEMA) in 20 different counties. Although the level of staffing required contributions from many CSLB units, most staff assigned to these centers came from the Enforcement division. During the year, 52 different CSLB employees worked a total of almost 3,600 hours at the assistance centers—the equivalent of 90 work weeks. This total does not include the extensive post-disaster enforcement efforts conducted by CSLB during the rebuilding process.

With thousands of staff hours redirected to the disaster areas, the impact on the Enforcement division has been substantial, and has led to a decrease in monthly case closures and the timely handling of complaints. Unfortunately, all indications are that 2017 was not an anomaly. It appears that the frequency and severity of wildfires in California will continue to outpace historical averages and continue to adversely affect CSLB's routine operations.

Additionally, in fiscal year 2012-13, CSLB was required to eliminate 21.5 positions, pursuant to Budget Letter 12-03. Recognizing the significant impact on board operations, the Department of Consumer Affairs authorized the board to re-establish eliminated positions in the temporary help fund. CSLB has re-established all 21.5 positions, with 12 positions in Enforcement, 8.5 positions in Licensing and Testing, and one position in Administration. Re-authorizing the board's 999 positions would help ensure that CSLB continues to meet its consumer protection mandate. (Also see new issue #4 in section 11, New Issues.)

The board will also continue to pursue staff augmentations through the budget change proposal process to address workload demands.

ISSUE #2: (BreEZe)

CSLB staff states that it is working with the BreEZe project staff to prepare for the Phase 3 release. However, it is unclear how smooth the transition will be and how BreEZe will affect CSLB's current operations, namely its internal electronic database.

Background: The BreEZe project provided DCA boards, bureaus, and committees with a new enterprise-wide enforcement and licensing system. BreEZe was intended to replace outdated legacy systems and multiple "work around" systems with an integrated solution based on updated technology.

Committee Staff Recommendation: The board should provide the Committee an update on BreEZe, including whether or not the original cost projections for the project can be sustained by the board with its current revenues.

CSLB Response:

As noted in response to question 67, the board understands that the BreEZe project ended after Release 2 boards and bureaus migrated to the new system. Release 3 boards and bureaus, which includes CSLB, are individually, and in collaboration with DCA, assessing their specific business needs to determine the best course of action.

CSLB no longer shares in the costs of development or the ongoing maintenance activities of BreEZe. The board's total contribution to the BreEZe project is estimated at \$4.25 million.

CSLB staff are working closely with DCA to discuss opportunities to share and consolidate technologies, assist with documentation of business processes, and examine innovative approaches toward the continued modernization of CSLB's information technology systems. CSLB plans to perform a detailed analysis of its current business processes and needs.

The board meets all statutory and regulatory mandates utilizing its current information technology systems, including reporting to the Legislature (per Assembly Bill 98 and Senate Bill 547).

ISSUE #3: (PRO RATA)

CSLB has historically paid sums of money to DCA for administrative services but has many services in-house, leading to the question of whether or not the board is paying DCA for duplicative services.

Background: Through its various divisions, DCA provides centralized administrative services to all boards and bureaus in the department. Most of these services are funded through a pro rata calculation based on “position counts” and charged to each board and bureau.

Committee Staff Recommendation: CSLB should advise the Committees about the bases upon which pro rata is calculated, and how it is determined how the pro rata charged will be paid from its funds under the board’s jurisdiction. Does DCA duplicate services already provided and maintained by the board? The board should also discuss whether it could achieve cost savings by dealing with more of its own in-house services than paying pro rata to DCA.

CSLB Response:

The Department of Consumer Affairs provides oversight and centralized administrative services to all boards and bureaus in the department and deals directly with all control agencies (Department of Finance, Department of General Services, State Controller’s Office, California Department of Human Resources, etc.). If CSLB took on the tasks that DCA provides it would need to hire additional staff and develop other internal processes and functions.

Services are funded through a pro rata calculation based on position counts or services. DCA, in consultation with the boards and bureaus, annually determines pro rata costs. Any unspent monies at the end of the fiscal year are appropriated back to the board’s fund.

DCA’s fiscal year 2018-19 distributed pro rata costs to CSLB are \$6.646 million, which equates to 10 percent of CSLB’s budget. Pro rata costs comply with Business and Professions Code section 7136, which specifies that “the director shall designate a sum not to exceed 10 percent of the total income of the Contractors’ State License Board for each fiscal year to be transferred to the Consumer Affairs Fund as the board’s share of the cost of administration of the department.”

In October 2017, DCA formed a pro rata workgroup, in which CSLB participates, that meets bi-monthly to collaborate on pro rata costs and related services.

ISSUE #4: (INCONSISTENT BUDGET NUMBERS)

In comparison to the Governor's Proposed Budget for 2015-16, CSLB's numbers do not match the Governor's projected revenue and expenditures figures.

Background: In the Governor's proposed Budget for fiscal year (FY) 2015-16, the total revenues anticipated by CSLB for FY 2014-15 is \$55,980,000, and for FY 2015-16, \$55,182,000. The total expenditures anticipated for CSLB for FY 2014-15 are \$63,192,000, and for FY 2015-16, \$62,880,000. Despite these numbers, CSLB's Fund Condition chart does not match these numbers. The table anticipates the FY 2014-15 revenue to be \$55,984,000, and for FY 2015-16 to be \$55,211,000. The total expenditures anticipated for FY 2014-15 to be \$61,953,000, and for FY 2015-16 to be \$62,522,000. The chart in question is displayed in the Fiscal, Fund and Fee Analysis section of the paper.

Committee Staff Recommendation: CSLB should inform the Committees why the figures between the Governor's Budget and CSLB's fund condition chart are not the same.

CSLB Response:

CSLB data for the Sunset Review Report is provided in early fall. During this time and prior to the release of the Governor's Budget in January, DCA makes budgetary adjustments to projected expenditures and revenue for the current and future budget years for all boards and bureaus. The updated projections can lead to inconsistencies in the budget numbers. Historically, CSLB stays within its budget authority each fiscal year.

ISSUE #5: (HOME IMPROVEMENT CONTRACT LAW)

Despite the implementation of SB 30 in 2004, CSLB reports that the Home Improvement Contract Law remains unclear to both contractors and consumers.

Background: It would be helpful for the Committees to hear the board's thoughts on simplifying forms and notices related to home improvement contract law that will help both consumers and contractors better comply with the law.

Committee Staff Recommendation: The board should report to the Committees on the implementation of SB 30 (2004) and provide recommendations that simplify language while at the same time ensuring vital consumer information is disclosed properly.

CSLB Response:

The home improvement business provisions of the contractors' state license law are in Division 3, Chapter 9, Article 10 of the Business and Professions Code. The "Requirements for Home Improvement Contracts" portion of BPC section 7159 constitute approximately 10 pages of the CSLB *California Contractor Law & Reference Book*.

While SB 30 led to the implementation of various changes to clarify the law, further clarification would be beneficial. A legislative proposal to rewrite these provisions remains a priority for CSLB. In its 2019-21 strategic plan the board instructed staff, by July 2020, to take the necessary steps to clarify home improvement contract requirements to improve licensee compliance and consumer protection.

Feedback at various stakeholder meetings with industry has highlighted the difficulty of complying with all of the home improvement contract provisions. CSLB intends to hold additional stakeholder meetings to identify potential legislative changes to the home improvement contract provisions that could enhance contractor compliance without compromising consumer protection.

CSLB has produced publications for consumers and contractors to explain home improvement contractor laws in an easier to understand format. *Contracting for Success: A Contractor's Guide to Home Improvement Contracts* and *Terms of Agreement: A Consumer Guide to Home Improvement Contracts* are distributed widely at public events to contractors and consumers and are available on CSLB's website. (They are included in the attachments.) For contractor compliance, and in an attempt to present the salient requirements of BPC section 7159 in a simplified fashion, CSLB included in *Contracting for Success* a generic sample construction contract that identifies 14 key provisions of which both the contractor and consumer must be aware.

As noted in the response to question 45, violations of the home improvement contract provisions are among the most common reason CSLB issues citations. CSLB expects that the passage of recent CSLB-sponsored bills, SB 486 (Monning, Statutes of 2017) and SB 1042 (Monning, Statutes of 2018), will provide multiple opportunities for staff to educate licensees about the home improvement contract provisions. SB 486 provides CSLB authority to issue letters of admonishment to licensees in lieu of a citation, and SB 1042 authorizes CSLB to hold informal citation conferences to settle citations with payment plans and possible reduced charges in lieu of formal hearings. Each bill creates informal processes that will allow CSLB staff to directly inform and educate licensees about the importance of following the home improvement contract requirements to further consumer protection.

LICENSING ISSUES

ISSUE #6: (PROOF OF LICENSURE)

CSLB has raised concerns that BPC §7031 facilitates “unjust enrichment” to public agencies, prime contractors, and/or commercial/industrial project owners.

Background: CSLB previously raised concerns that BPC §7031 represented a distortion in the marketplace and hurt business. Additionally, the board stated that neither individual consumers without the financial wherewithal to hire attorneys nor consumers who most often need CSLB’s help utilize this provision of the law.

Committee Staff Recommendation: CSLB should discuss with the Committees the potential impact that the current approaches to BPC §7031 have upon licensees. CSLB should also advise the Committees of past efforts to resolve these issues and suggest possible solutions to this issue.

CSLB Response:

The passage of AB 1793 (Holden, Statutes of 2016) modified the requirements of BPC §7031 to permit the court to determine at an evidentiary hearing if a contractor subject to its provisions, because of a lawsuit or threatened civil action, substantially complied with licensure requirements and if he or she acted promptly and in good faith to remedy the failure to comply with licensure requirements upon learning of that failure.

AB 1793 also deleted the requirement that contractors provide evidence that they did not know or should not have known that they were not duly licensed when they began work on the contract, thus reducing the burden on contractors to prove compliance.

As a result of stakeholder meetings, CSLB has included a recommendation on its website that licensees routinely monitor their license status to confirm that it is “active” and in good standing.

CSLB plans to continue meeting with stakeholders on this issue.

ISSUE #7: (FINGERPRINTING)

According to current law, any individual after January 1, 2005 must submit a fingerprint when applying for a license. Fingerprinting provides valuable information to the board about past criminal convictions that may be substantially related to the contractor's classification. However, without retroactive fingerprinting, this leaves a large proportion of the existing licensees unscreened.

Background: Beginning January 1, 2005, all individuals listed as personnel of record on an original application, an application to add a classification to an existing license, an application to replace the qualifier, an application to report new officers, and an application for registration as a home improvement salesperson are required to submit fingerprints to the board. The fingerprints are submitted to the California Department of Justice (DOJ) where they are compared to the records of the DOJ and the Federal Bureau of Investigation (FBI) to determine if a criminal history exists.

Committee Staff Recommendation: CSLB should develop a plan and make recommendations to the Committees on an appropriate way to establish a fingerprint requirement for all existing licensees of the board, so that the board will receive criminal record information and subsequent arrest information from the DOJ and FBI.

CSLB Response:

As noted in the response to question 22c, CSLB requires fingerprinting for any new applicant and for any existing licensee who modifies his or her license, such as changing the qualifier or adding a classification. Because the number of active licenses issued prior to 2005, when the fingerprint requirement went into effect, continues to decline annually, the percentage of licensees who have not submitted fingerprints for a criminal background check has also correspondingly declined. As of July 1, 2018, 54 percent of CSLB's current licensees had submitted fingerprints.

CSLB does not believe expanding the existing requirement to provide for retroactive fingerprinting of all active licensees would enhance consumer protection, as CSLB has regulated these licenses for more than 10 years. Further, it would impose a significant workload for CSLB and require additional staff resources.

ISSUE #8: (EVIDENCE OF FINANCIAL SOLVENCY)

Since the board does not verify the \$2,500 requirement in capital required for licensure, it may not be accomplishing some of its goals. How will the board require contractors to prove their financial solvency?

Background: Prior to 2016, BPC §7067.5 required that all applicants and all licensees at renewal, demonstrate, as evidence of financial solvency that his or her operating capital exceeded \$2,500. This requirement was never verified and provided no consumer protection. With its elimination, the increase in the surety bond made-up for this deletion.

Committee Staff Recommendation: CSLB should inform the Committees on how it will continue to financially protect consumers by deleting this capital elimination.

CSLB Response:

In 2016, SB 467 (Hill) eliminated the requirement that contractor applicants have \$2,500 in working capital as a condition to obtain a CSLB license. In addition, this bill increased the contractor bond amount from \$12,500 to \$15,000 (BPC §7071.6). This legislative change addressed and resolved the concerns posed by prior Sunset issues 8 and 9 of this report, as follows.

In lieu of the \$2,500 capital requirement, contractors demonstrate their financial solvency to CSLB by obtaining and maintaining a \$15,000 surety bond through an admitted surety insurer, which requires that the contractor demonstrate a credit presence and make regular premium payments. In the case of contractors using alternatives to bonds, their financial solvency is demonstrated by their ability to place the entire \$15,000 on deposit with the Board and maintain it through the life of the license period.

CSLB does not believe that the prior capital requirement provided any specific or significant consumer protection. While applicants were required to indicate on their application that they had these resources, there was no further requirement that contractors maintain that capital once they became licensed, or that it be available to resolve a financial dispute between a licensee and a consumer.

CSLB believes greater consumer protection is realized with the increase in the contractor's surety bond because a construction project can easily exceed \$15,000 in costs or potential financial injury to a consumer.

ISSUE #9: (SURETY BOND)

Since a consumer can make a claim against a contractor’s surety bond, CSLB highlights that a bond increase of \$2,500 would provide greater consumer protection than the existing \$2,500 capital requirement.

Background: Prior to 2016, BPC §7071.6 required that an applicant or licensee have on file at all times proof of a \$12,500 contractor bond.

Committee Staff Recommendation: CSLB should report to the Committees on the necessity of this increase and how this increase would affect the number of cases referred to the arbitration process.

CSLB Response:

As noted in the response to prior Sunset issue 8, in 2016, SB 467 (Hill) eliminated the requirement that contractor applicants prove they have \$2,500 in working capital as a condition to obtain a CSLB license. In addition, this bill increased the contractor bond amount from \$12,500 to \$15,000 (BPC §7071.6). As a result, CSLB saw a significant increase in the number of cases referred to arbitration— from 455 in 2015 to 784 in 2016, and 759 in 2017.

ENFORCEMENT ISSUES

ISSUE #10: (USE OF PEACE OFFICERS IN ENFORCEMENT EFFORTS)

The Director is able to designate certain CSLB enforcement staff as peace officers as part of the board’s enforcement efforts and advises the Committees that these officers take part in multi-jurisdiction investigations. Are all of the cross agency investigations these CSLB peace officers take part in necessary and appropriate? Have CSLB peace officers gone too far in bringing outside agencies to CSLB efforts to enforce unlicensed activity?

Background: According to CSLB, Peace Officers work with multiple jurisdictions to perform complex investigations and joint undercover operations, often targeting revoked licensees who continue to illegally contract as well as “participate and lead multi-jurisdictional criminal investigation task forces.”

Committee Staff Recommendation: The Committees need to understand if the board was aware of and/or approved the actions of enforcement POs involved in cross agency stings involving ICE. The board needs to advise the Committees whether ICE is still a partner organization for stings and whether board POs ever alert ICE as to their sting efforts. The board needs to provide any documentation in the form of memos, communication to staff and CSLB policies on how undercover operations are to be coordinated and conducted. The Committees need to evaluate whether CSLB should have the ability to designate peace officers as part of its enforcement efforts or whether consumers, the public and the board would be better served by following the practice of almost every other DCA board that employs board-specific investigative staff who work with the DCA Division of Investigation when they are in need of, and when situations warrant, true peace officer involvement.

CSLB Response:

In August 2013, CSLB management met with staff and then issued a memo on August 20, 2013, prohibiting Immigration Customs Enforcement (ICE) at any CSLB enforcement operations. Additional memos were sent to staff on June 19, 2015, and August 7, 2015, reconfirming that CSLB staff shall not invite ICE to participate in any sting, sweep, or other investigation. The August 7, 2015, memo provided direction to staff on the protocol to report any unexpected interaction with ICE at an enforcement operation. On May 10, 2017, the Department of Consumer Affairs issued a memo on federal law enforcement participation in DCA field operations, which was distributed to all CSLB staff.

Since issuing the initial CSLB memo to staff in 2013, CSLB has not called or invited ICE to any enforcement operations. However, the board is aware of one instance, in April 2017, when the partnering Sheriff's office contacted ICE because of their access to sophisticated facial recognition software to help identify a suspect at a sting operation who did not have any identification. After assisting with the identification, the ICE agents left and CSLB had no further contact. Per the May 10, 2017, DCA memo, CSLB management informed DCA's Deputy Director of Enforcement, who confirmed that CSLB acted appropriately and in compliance with the department's policy.

CSLB Peace Officers are not permitted to carry a firearm and do not provide back-up at sting operations. Law enforcement back-up is provided by DCA's Division of Investigation, the California Highway Patrol, or local law enforcement. To conduct sting operations addressing unlicensed practice, CSLB uses non-sworn Enforcement Representatives authorized by BPC §7011.4 to issue a written notice to appear in court.

ISSUE #11: (LICENSEE IDENTIFICATION)

CSLB may share a licensee’s Social Security number with the Franchise Tax Board to see whether there are any outstanding tax liabilities. However, the board is not allowed to share it with any other state agencies, agencies like EDD that may be of use in its enforcement efforts.

Background: It would be helpful for the board to inform the Committees as to how the restriction on sharing Social Security numbers with other state agencies undermines consumer protection, cuts state revenue, and undercuts CSLB’s ability to go after dishonest contractors.

Committee Staff Recommendation: CSLB should advise the Committees of what improvements it believes are necessary to allow the board to achieve its goals.

CSLB Response:

SB 650 (Monning, Statutes of 2015) allows CSLB to share information about licensees with partnering state agencies, including the Franchise Tax Board and the Employment Development Department. The ability to share information allows CSLB to assist in identifying non-tax compliant contractors that FTB and EDD can audit in order to collect outstanding tax liabilities. Further, CSLB has the authority to suspend a license for outstanding tax liabilities.

In calendar year 2017, CSLB and the Franchise Tax Board collaborated to identify 36 licensees who failed to accurately report state payroll taxes and owed more than \$12 million, and collected more than \$7 million for the State of California. Also, in calendar year 2017, CSLB and the Employment Development Department identified 286 licensees with more than \$32 million in outstanding liabilities, which led to the collection of \$14 million. CSLB believes that the current system of information sharing allows the board to achieve its goals and has no recommendations for improvement.

ISSUE #12: (EMPLOYEE MISCLASSIFICATION)

Dishonest contractors misclassify employees as a means of evading taxes, which in turn cuts millions in state revenue and deprives workers of benefits. How does the board plan on cracking down on these bad actors?

Background: Since the last Sunset Review of CSLB by the Committees, dishonest contractors are using innovative ways more than ever to evade taxes, including purposefully misclassifying employees.

Committee Staff Recommendation: CSLB should report to the Committees on how it intends to focus its efforts and enforcement activities to combat the practice of misclassification.

CSLB Response:

Though CSLB does not have primary responsibility for regulating the misclassification of employees as does the Department of Industrial Relations Division of Labor Standards Enforcement (DLSE), it has developed partnerships with various state agencies that oversee labor laws through its participation in the Joint Enforcement Strike Force (JESF) and the Labor Enforcement Task Force (LETF) to assist DLSE in its work to address employee misclassification in the construction industry.

Historically, CSLB has received referrals from DLSE and organizations focused on unfair labor practices in the construction industry when the prime contractor was held jointly and severally liable for a civil wage and penalty assessment (CWPA) issued against a subcontractor, and who had been subsequently forced to pay wage liabilities committed by the subcontractor on a public works project.

Additionally, AB 1701 (Thurmond, Statutes of 2017) extends these obligations of the prime contractor to private commercial projects. With this legislation, CSLB anticipates conducting an increased number of investigations in response to complaints filed by prime contractors, the Department of Industrial Relations, and financially injured employees.

ISSUE #13: (ENFORCEMENT PRIORITIES)

Historically, the board has focused much of its enforcement on unlicensed activities as compared to licensed activities. How does the board balance its enforcement efforts between licensed contractors and unlicensed contractors and ensure both groups are complying with the law?

Background: Taking enforcement actions against licensed contractors who violate the law and against unlicensed contractors who disregard the licensing law requires a balancing of priorities and resources. It would be helpful for the Committees for CSLB to discuss its enforcement priorities, how it balances enforcement actions against licensed and unlicensed contractors, and what preemptive measures are being taken to prevent common violations.

Committee Staff Recommendation: CSLB should discuss with the Committees its priorities in enforcement, and how in protecting the public, it balances enforcement action against licensed contractors and unlicensed contractors. CSLB should also explain why it seems proactive on unlicensed contractors and reactive toward existing licensees.

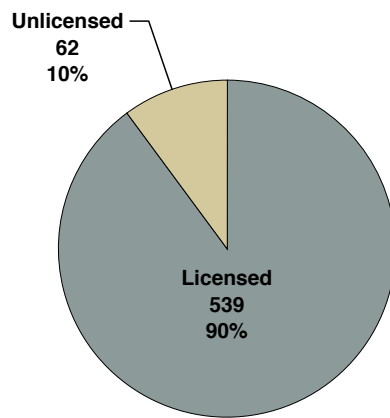
CSLB Response:

CSLB's primary enforcement activities center on consumer-initiated, or reactive, complaints to help consumers and contractors resolve their construction-related disputes and to take disciplinary action, when appropriate. The majority of enforcement staff across the state (approximately 120) focus on consumer filed complaints—approximately 70 percent of which are against licensed contractors and 30 percent against unlicensed contractors.

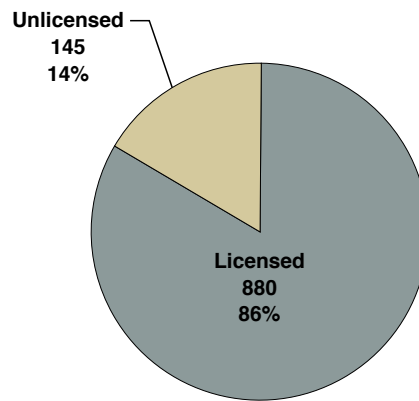
In addition to reactive complaint investigation, CSLB has 28 Enforcement Representatives (ER) assigned to a Statewide Investigative Fraud Team (SWIFT). SWIFT ERs are dedicated to performing proactive investigation of licensed and unlicensed contractors by conducting sting operations and investigating active construction sites.

Sweeps of active job sites have evolved in the past two years to increase investigation not only of unlicensed contractors, but to confirm licensed contractor compliance with contractors' state license and workers' compensation laws. In 2017, 86 percent of citations issued at sweeps were against licensed contractors.

2016 Sweep Totals

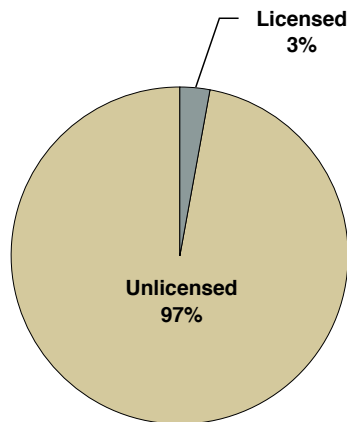


2017 Sweep Totals

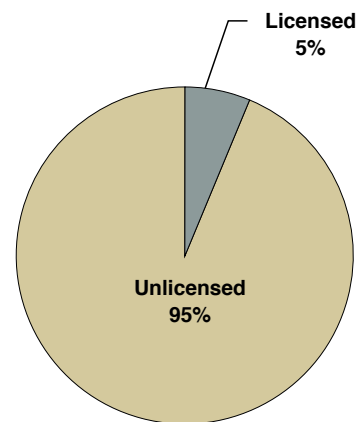


SWIFT continues to target unlicensed contractors at sting operations, resulting in more than 500 unlicensed criminal referrals per year.

2016 Sting Totals



2017 Sting Totals



ISSUE #14: (CONCERNS ABOUT UNDERGROUND INFRASTRUCTURE)

Despite the implementation of one-call centers, most contractors do not call these centers prior to excavating. How does CSLB plan on requiring contractors to call these centers beforehand?

Background: Unsafe excavation near underground electric lines can injure workers, cut telecommunications fiber, knock out 911 services, and rupture water lines, which can affect water quality and lead to sinkholes. Even when not injurious, damage to underground facilities, which are often located under streets, can be expensive and cause service outages.

Committee Staff Recommendation: The board should report to the Committees on how it plans to educate existing and future licensees on underground infrastructure. How does CSLB plan to enforce this and require contractors to call one-call centers?

CSLB Response:

In 2016, Senate Bill 661 enacted the “Dig Safe Act of 2016,” which revised the existing dig alert and excavation requirements of Government Code section 4216. As required by this new law, CSLB is working closely with the newly formed California Underground Facilities Safe Excavation Board (“Dig Safe Board”) within the office of the State Fire Marshal. The Dig Safe Board will investigate alleged violations relating to the protection of underground infrastructure and will transmit their findings to CSLB for possible action against contractors who violate these specific laws. CSLB expects to begin receiving these cases in January 2019, as the Dig Safe Board is still in the process of hiring staff.

CSLB completed a successful budget change proposal and has hired an Enforcement Representative II and an Office Technician to handle the additional workload associated with these new cases.

Additionally, CSLB includes underground infrastructure in the testing process for applicable classifications. Links to www.california811.org are also provided on various pages on the CSLB website and articles have been included in the *California Licensed Contractor* newsletter about the changes in law, as well as changes within the one-call centers (811). In addition, the Dig Safe Board will focus heavily on education and prevention.

ISSUE #15: (ARBITRATION)

The practice in CSLB's arbitration program is, and always has been, to not award attorney fees. However, CSLB has learned that, increasingly, when a contractor prevails in arbitration and receives a monetary award, the contractor will use that award as a basis to pursue a civil action to recover attorney fees associated with his/her arbitration defense. This negatively affects the arbitration program, as CSLB staff now must warn consumers that if they do not prevail in arbitration, they could lose a significant amount of money in attorney fees if the contractor takes them to court. What are some recommendations that the board believes would best mitigate this issue?

Background: CSLB was made aware of difficulties in the program related to attorney's fees, which require statutory modification to remedy. The practice in CSLB's arbitration program is, and always has been, to not award attorney fees. However, CSLB has learned that, increasingly, when a contractor prevails in arbitration and receives a monetary award, he or she will use that award as a basis to pursue a civil action to recover attorney fees associated with the arbitration defense.

Committee Staff Recommendation: CSLB should discuss with the Committees the potential impact that the current approaches to BPC §§7085-7085.9 have upon consumers. CSLB should also advise the Committees of past efforts to resolve these issues and suggest possible solutions to this issue.

CSLB Response:

A statutory change was not made, however, CSLB no longer believes this is an issue because new language on the arbitration submission forms notifies both the consumer and the contractor that they cannot collect attorney fees as part of the CSLB arbitration program. Both parties must initial this section, which states:

I understand that attorney fees will not be awarded in this CSLB arbitration. Further, pursuant to Business and Professions Code §7085.3 and the intent of CSLB's arbitration program, each party shall bear their own attorney fees, which may not be recovered in civil proceedings.

CONTINUED REGULATION OF THE PROFESSION BY THE CURRENT MEMBERS OF CSLB

ISSUE #16: (CONTINUED REGULATION BY CSLB)

Should the licensing and regulation of contractors be continued and be regulated by the current board membership?

Committee Staff Recommendation: Recommend that contractors continue to be regulated by the current CSLB members in order to protect the interests of the public and be reviewed once again in four years.

CSLB Response:

A well-regulated construction industry protects the health, safety, and welfare of consumers. CSLB believes that the current board structure should be continued to protect the public and effectively administer the licensing, regulation, and enforcement of the construction industry.



SECTION 11: NEW ISSUES

This is the opportunity for the board to inform the Committees of solutions to issues identified by the board and by the Committees. Provide a short discussion of each of the outstanding issues, and the board's recommendation for action that could be taken by the board, by DCA or by the Legislature to resolve these issues (i.e., policy direction, budget changes, legislative changes) for each of the following:

- 1. Issues that were raised under prior Sunset Review that have not been addressed.**
- 2. New issues that are identified by the board in this report.**
- 3. New issues not previously discussed in this report.**
- 4. New issues raised by the Committees.**

NEW ISSUE #1

Workers' Compensation for Specified License Classifications

As noted in the Enforcement section of this report, to maintain an active California contractor license, licensees with employees are required to have on file with CSLB either a Certificate of Workers' Compensation Insurance or a Certificate of Self-Insurance (issued by the Department of Industrial Relations). Licensees who attest to having no employees must complete and submit a Certificate of Exemption from the workers' compensation (WC) requirements to CSLB.

Fifty-five percent of all licensees currently maintain an exemption from workers' compensation. Contractors who file a false workers' compensation exemption are subject to disciplinary action and cancellation of the false exemption, which subjects the license to suspension. False exemptions are cancelled when a stop order is issued in the field by Statewide Investigative Fraud Team (SWIFT) staff and by Intake and Mediation staff who obtain an admission from the licensee that they have employees.

To more accurately assess the issue of WC avoidance through the filing of false exemptions, CSLB conducted a Workers' Compensation Pilot Program in 2017. CSLB contacted a sample of contractors in four targeted classifications that perform outdoor

construction likely to require multiple workers: C-8 (Concrete), C-12 (Earthwork/Paving), C-27 (Landscaping), and D-49 (Tree Trimming). The survey determined that a minimum of 59 percent of the contractors investigated had false workers' compensation exemptions on file with CSLB. There is, therefore, a concern that many of the exemptions on file with CSLB are false.

In late 2017, the CSLB Enforcement Committee created a two-person Advisory Sub-Committee comprised of two board members to develop strategies to address workers' compensation insurance avoidance. CSLB staff are working closely with multiple state agencies to enhance WC enforcement, including the Employment Development Department, Division of Industrial Relations Division of Labor Standards Enforcement, California Department of Insurance, and State Compensation Insurance Fund. CSLB intends to continue the efforts of the Advisory Sub-Committee to further identify classifications appropriate for a mandatory workers' compensation insurance requirement.

At its June 2018 meeting, the board discussed seeking legislation to mandate workers' compensation insurance for specific license classifications likely to employ workers (as is now in place for the C-39 Roofing classification) and precluding licensees from filing a new workers' compensation exemption with CSLB for one year if they are found to have employed workers without a workers' compensation policy. The proposal to consider legislation mandating workers' compensation insurance for specified license classifications received full support from the board at its September 2018 meeting, and was adopted as a 2019-21 strategic plan objective.

NEW ISSUE #2

Tree worker safety

Since August 2017, CSLB staff has met several times with members of the tree care industry regarding the proper CSLB license classifications to perform tree care. Members of the industry expressed concern about accidents, injuries, and fatalities among workers in this occupation.

Two CSLB license classifications can take a contract to perform stand-alone tree work: C-27 (Landscaping) and C-61/D-49 (Tree Service). Additional license classifications may perform tree work as part of a larger contract in specified circumstances.

As its licensees are primary employers in the tree-service industry, CSLB is committed to addressing these concerns in the industry as a matter of public protection. At its April 2018 meeting, the board directed staff to meet with representatives from the

Department of Industrial Relations' Division of Occupational Safety and Health (DOSH) and hold informational meetings with various stakeholders to identify possible solutions to this problem.

In these meetings, DOSH confirmed that existing tree work safety regulations require specific training and equipment for tree workers and that it may issue a citation to employers for failing to meet these requirements. However, BPC §7109.5 requires that, before CSLB can discipline a license, a contractor's violation of a safety provision must result in the death of or serious injury to an employee. Death or injury should not be a prerequisite to CSLB ensuring that licensees comply with their responsibilities as tree service employers.

At its September 20, 2018 meeting, the Board directed staff to prepare a legislative proposal for consideration by the Legislative Committee and, ultimately, the full Board. The proposal would expand BPC §7109.5 to provide CSLB authority to initiate disciplinary action against a licensee upon receipt of a DOSH finding that a licensee violated tree worker safety requirements and require that DOSH forward findings of such violations to CSLB.

NEW ISSUE #3

LLC Liability Policy and Secretary of State Compliance Reporting

BPC section 7071.19 requires that a CSLB-licensed limited liability company (LLC) maintain a general liability insurance policy at all times as a condition of licensure. Current law provides that CSLB must suspend the license if a current policy is not on file. CSLB has discovered that additional time is required for insurance companies to provide renewed certificates to CSLB, and for CSLB to process the documents. CSLB proposes modifying BPC section 7071.19 to provide 45 days for CSLB to accept the certificate required by this section of law. The licensee would still be required to timely submit the certificate without a break in general liability insurance coverage, or the suspension would still apply; the change would give applicants more time to provide the document to CSLB.

BPC section 7076.2 provides that a CSLB license not registered and in good standing with the Secretary of State (SOS), if required, shall be automatically suspended 30 days from the date of the registrar's notice of noncompliance with SOS. It can reasonably take more than 30 days for a licensee to reconcile records with the Secretary of State. CSLB proposes extending the 30-day period to 60 days to provide licensees additional time to update SOS records to remain active and in good standing.

NEW ISSUE #4
Staffing

As noted in CSLB's response to issue 1 in section 10, Board Action and Response to Prior Sunset Issues, CSLB has 405 authorized positions, with an anticipated 407 positions for fiscal year 2018-19, and operates at a vacancy rate of less than 10 percent. Positions open and are filled on an ongoing basis; however, no positions are held vacant for salary saving purposes. The board believes that staffing will become an issue as workload continues to increase and have identified areas where additional staffing resources would ensure that CSLB has adequate staffing resources to fulfill its consumer protection mandate.

Over the last year, the board has seen significant growth in the number of consumer-filed complaints. For fiscal year 2017-18, CSLB Enforcement division staff operated at higher-than-optimum workloads. The target maximum number of complaints per Enforcement Representative is 35, but as of July 2018, staff averaged 39 cases per Enforcement Representative.

An analysis of consumer complaints received during the last four fiscal years shows an increase of 1,872 complaints in fiscal year 2017-18, as compared to fiscal year 2016-17. This equates to approximately 150 more complaints per month, or a 10 percent increase. CSLB Enforcement management continues to work closely with both CSLB and DCA Human Resources to fill staff vacancies. CSLB's 2019-21 strategic plan includes an objective to attend job fairs to promote employment opportunities at CSLB.

CSLB also continues to deal with the redirection of resources for disaster response. In 2017, CSLB personnel staffed almost two dozen local assistance centers (established by the Governor's Office of Emergency Services) and federal disaster relief centers (established by FEMA) in 20 different counties. Although the level of staffing required contributions from many CSLB units, most staff assigned to these centers came from the Enforcement division. During the year, 52 different CSLB employees worked a total of almost 3,600 hours at the relief centers—the equivalent of 90 work weeks. This total does not include the extensive post-disaster enforcement efforts conducted by CSLB during community rebuilding.

With thousands of staff hours redirected to the disaster areas, the impact on the Enforcement division has been substantial, and has led to a decrease in the timely handling of complaints. Unfortunately, all indications are that 2017 was not an anomaly. It appears that the frequency and severity of wildfires in California will continue to outpace

historical averages and continue to adversely affect CSLB's routine operations.

Additionally, in fiscal year 2012-13, CSLB was required to eliminate 21.5 positions, pursuant to Budget Letter 12-03. Recognizing the significant impact on board operations, the Department of Consumer Affairs authorized the board to re-establish eliminated positions in the temporary help fund. CSLB has re-established all 21.5 positions, with 12 positions in Enforcement, 8.5 positions in Licensing and Testing, and one position in Administration. Re-authorizing the board's 999 positions would help ensure that CSLB continues to meet its consumer protection mandate.

The board will also continue to pursue staff augmentations through the budget change proposal process to address workload demands.

NEW ISSUE #5

License Suspension for Unsatisfied Judgments

CSLB has authority to suspend a license if it learns of an unsatisfied construction-related judgment imposed on the licensee, pursuant to BPC section 7071.17. When the license is suspended for this reason, any qualifying individual or member of personnel on the license record is automatically prohibited from serving in those capacities on another license until the judgment is satisfied. This prohibition also causes suspension of the license of any other license entity with any of these same members of personnel as the license subject to the judgment (until those members disassociate from the license or the judgment is satisfied). Therefore, when a judgment is imposed on a license, the suspension extends to the individuals via their association with the judgment debtor license and other licenses.

However, the reverse is not true: If a judgment is entered against an individual without naming the licensed entity, the statutory language does not authorize CSLB to suspend the license on which the individual appears. As a result, an individual named on a construction-related judgment can remain on a license. The proposed clarifying change to BPC section 7071.17 would preclude license applicants, if they are subject to an unsatisfied final judgment, from becoming licensed until that judgment is satisfied. Additionally, it would preclude an individual named in an unsatisfied judgment from appearing on an active license until the judgment is satisfied.

NEW ISSUE #6

C-10 (Electrician) Contractor Fee

Business and Professions Code section 7137 provides that CSLB “may charge a fee not to exceed twenty dollars (\$20)” to C-10 (Electrician) and C-7 (Low Voltage Systems) contractors for the enforcement of the electrician certification requirement. CSLB does not currently charge this fee. There are over 30,500 active electrical contractors who, if they use employees in the manner described in Labor Code section 108.2 must ensure that these employees are certified. CSLB does not have resources allotted to ensure compliance with this requirement, as only one staff person is dedicated to enforce a contractor’s failure to use certified electricians. As a result, CSLB cannot effectively enforce this requirement. Rather than set this fee by regulation, which can take a number of years, CSLB proposes to make the change in statute to fund more staff to increase enforcement of electrician certification.

The proposed change to BPC section 7137 would replace the phrase “may charge a fee” with “shall charge a \$20 fee” so that CSLB has the resources necessary to enforce the electrician certification requirement. Additionally, the proposal would strike the reference to C-7 (Low Voltage Systems) contractors because they are not subject to Labor Code section 108.2 electrician certification requirements.



SECTION 12: ATTACHMENTS

- a. **Board Administrative Procedure Manual**
- b. **Board Committee Membership**
(cf., Section 1, Question 1)
- c. **DCA Quarterly Performance Measures**
- d. **Major Study—SB 465 Settlement Reporting**
(cf., Section 1, Question 4)
- e. **CSLB Organizational Charts**
(cf., Section 3, Question 15)
- f. **CSLB Strategic Plans**
- g. **CSLB Brochure "Contracting for Success"**
- h. **CSLB Brochure "Terms of Agreement"**
- i. **Memos Related to Conduct at Undercover Operations**

ATTACHMENTS

Board Administrative Procedure Manual



2017

BOARD MEMBER ADMINISTRATIVE
PROCEDURE MANUAL



**CONTRACTORS STATE
LICENSE BOARD**

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Chapter 1. Introduction

Overview

The Contractors State License Board (CSLB) was created by the California Legislature in 1929 as the Contractors License Bureau under the Department of Professional and Vocational Standards to safeguard the public's health, safety, and welfare. Today, CSLB is one of the boards, bureaus, commissions, and committees within the Department of Consumer Affairs (DCA), part of the Business, Consumer Services and Housing Agency under the aegis of the Governor. The Department is responsible for consumer protection and representation through the regulation of licensed professions and the provision of consumer services. While DCA provides administrative oversight and support services, CSLB has policy autonomy and sets its own policies and procedures, and initiates its own regulations.

The Board is comprised of 15 members. By law, nine are public members (eight non-contractors and one local building official), five are contractors, and there is one labor representative. Eleven appointments are made by the Governor. The Senate Rules Committee and the Speaker of the Assembly each appoint two public members. Board members may serve up to two full four-year terms. Board members fill non-salaried positions, but are paid \$100 per day for each meeting day or day spent in the discharge of official duties (see Section entitled "Salary Per Diem") and are reimbursed for travel expenses.

This Board Member Administrative and Procedures Manual is provided to Board members as a ready reference of important laws, regulations, DCA policies, and Board policies to guide the actions of Board members and ensure Board effectiveness and efficiency.

Mission, Vision, and Values

Mission

CSLB protects consumers by regulating the construction industry through licensure, enforcement, and education.

Vision

CSLB is a model consumer protection agency, providing regulatory oversight of the construction industry as essential to the protection of consumers and licensed contractors.

Values

CSLB provides the highest quality throughout its programs by:

- Being responsive and treating all consumers and contractors fairly;
- Focusing on prevention 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.

General Rules of Conduct

- Board Members shall not speak or act for the Board without proper authorization from the Board Chair.
- Board members shall maintain the confidentiality of confidential documents and information.
- Board members shall commit the time to prepare for Board responsibilities.
- Board members shall recognize the equal role and responsibilities of all Board members.
- Board members shall act fairly, be nonpartisan, impartial, and unbiased in their role of protecting the public.
- Board members shall treat all applicants and licensees in a fair and impartial manner.
- Board Members' actions shall serve to uphold the principle that the Board's primary mission is to protect the public.
- Board members shall not use their positions on the Board for personal, familial, or financial gain.

Chapter 2. Board Meeting Procedures

Bagley-Keene Open Meeting Act

All meetings of the CSLB are subject to the Bagley-Keene Open Meeting Act ("Act"), which governs meetings of the state regulatory boards and committees of those boards. The Act specifies meeting notice and agenda requirements, and prohibits discussing or taking action on matters not included on the agenda.

This Act is summarized in the "Guide to the Bagley-Keene Open Meeting Act" developed by DCA's Legal Affairs Division, available on-line at www.dca.ca.gov and distributed to Board Members at the beginning of each calendar year.

Frequency of meetings

(Business & Professions Code sections 7006)

The Board shall meet at least once each calendar quarter for the purpose of transacting such business as may properly come before it. Regular Board Meeting dates are established by fiscal year (July 1 through June 30).

Location

(Board Policy)

CSLB chooses meeting locations that are ADA (The Americans with Disabilities Act) compliant and easily accessible to the public. CSLB will hold board meetings in different locations throughout the state. CSLB also recognizes its responsibility regarding the public's concern for the judicious use of public funds when choosing meeting facilities and overnight accommodations.

Board Member Attendance at Board Meetings

(Board Policy)

Board Members shall attend each meeting of the Board. If a member is unable to attend, he or she must contact the Board Chair or the Registrar and ask to be excused from the meeting for a specific reason. Should a member miss two consecutive meetings, the CSLB Chair may notify the Director of the DCA.

Quorum

(B&P Code section 7007)

Eight Board members constitute a quorum for the transaction of business. The concurrence of a majority (more than one-half of the entire body) who are present and voting at a meeting shall be necessary to constitute an act or decision of the Board.

Agenda Items

(Board Policy)

The CSLB Chair, with the assistance of the Registrar, shall prepare the agenda and tentative meeting timeframe. Any Board member may submit items for a Board meeting agenda to the Registrar 15 days prior to the meeting.

Notice of Meetings

(Government Code section 11120 et seq.; Business and Professions Code section 101.7)

Meeting notices (including agendas for Board meetings) shall be sent to persons on the Board's mailing or email list at least 10 calendar days in advance. The agenda mailing list shall include a staff person's name, work address, and work telephone number who can provide further information prior to the meeting. The mailing list shall include all CSLB Board Members, as well as those parties who have requested notification.

Notice of Meetings to be Posted on the Internet

(Government Code Section 11125 et seq.)

Unless the meeting meets the requirements for a special or emergency meeting under the Act, notice shall be given and also made available on the Internet at least 10 calendar days in advance of the meeting, and shall include the name, address, and telephone number of a staff person who can provide further information prior to the meeting, but need not include a list of witnesses expected to appear at the meeting. The written notice shall additionally include the Internet address where notices required by the Act are made available.

Record of Meetings

(Board Policy)

The minutes are a summary, not a transcript, of each Board meeting. They shall be prepared by Board staff and submitted for review by Board members before the next Board meeting. The minutes must contain a record of how each member present voted for each item on which a vote was taken. Board minutes shall be approved at the next scheduled meeting of the Board. When approved, the minutes shall serve as the official record of the meeting.

Voting on Motions

All votes must be taken publicly. Secret ballots and proxy votes are prohibited. A majority of the board or committee vote is determined by the votes actually cast. Abstentions are recorded, but not counted, unless a law provides otherwise.

Options for Board members:

- 1) Support / in Favor / Yes / Aye
- 2) Oppose / No / Nay
- 3) Abstain (not counted as a vote)
- 4) Recused (not counted as a vote)

Audio/Visual Recording

(Board Policy)

The meeting may be audio/video recorded and/or broadcast live via the Internet. Recordings may be disposed of upon Board approval of the minutes; broadcasts may be available in perpetuity. If a webcast of the meeting is intended, it shall be indicated on the agenda notice.

Meeting Rules

(Board Policy)

The Board will use Robert's Rules of Order, to the extent that it does not conflict with state law (e.g., Bagley-Keene Open Meeting Act), as a guide when conducting the meetings.

Public Attendance at Board Meetings

(Government Code section 11120 et seq.)

All meetings are open for public attendance.

Public Comment

(Board Policy)

Discussion of items not on a noticed agenda violates the Act's advance notice provision. However, the Board may accept public testimony on an item not on the agenda, provided that the Board takes no action or does not discuss the item at the same meeting. For items not on the agenda that the Board wishes to address, the Chair may refer a member of the public to staff or the Registrar, or refer the matter for placement on a future agenda. The Board cannot prohibit public criticism of the Board's policies or services. The Chair may set reasonable time limitations.

Public comment must be allowed on open session agenda items before or during discussion of each item and before a vote, unless the public was provided an opportunity to comment at a previous committee meeting of the Board, where the committee consisted exclusively of Board members. If the item has been substantially changed since the Committee meeting, the Board must provide another opportunity for comment at a later meeting.

Due to the need for the Board to maintain fairness and neutrality when performing its adjudicative function, the Board shall 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 or criminal administrative 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 instructed to refrain from making such comments. The Board may ask or direct a staff member to speak with the person directly outside the confines of the meeting room.
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, the Board will address the matter as follows:
 - a. Where the allegation involves errors of procedure or protocol, 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.
 - b. Where the allegation involves significant staff misconduct, the Board may designate one of its members to review the allegation and to report back to the Board.

3. The Board may deny a person the right to address the Board and have the person removed if such person becomes disruptive at the Board meeting.

Closed Session

(Government Code Section 11126)

Examples of types of Closed Session meetings include:

- Discuss and vote on disciplinary or enforcement matters under the Administrative Procedure Act (APA);
- Prepare, approve, or grade examinations;
- Discuss pending litigation; or;
- Discuss the appointment, employment, or dismissal of the Registrar unless the Registrar requests that such action be taken in public.

If the agenda contains matters which are appropriate for closed session, the agenda shall cite the particular statutory section and subdivision authorizing the closed session.

No members of the public are allowed to remain in the meeting room for closed sessions. At least one staff member must be present at all closed sessions to record topics discussed and decisions made. Closed session must be specifically noticed on the agenda (including the topic and legal authority). Before going into closed session the Board Chair should announce in open session the general nature of the item or items to be discussed. If the item involves the Registrar's employment, appointment, or dismissal, and action is taken in closed session, CSLB must report that action and any roll call vote that was taken at the next public meeting.

OTHER TYPES OF BOARD MEETINGS

Teleconference Meetings

(Government Code Section 11123)

Special Rules for Notice of Teleconference Meetings are as follows:

- Same 10-day notice requirement as in-person meetings.
- Notice and agenda must include teleconference locations.
- Every teleconference location must be open to the public and at least one Board Member must be physically present at every noticed location. All Board Members must attend the meeting at a publicly noticed location.
- Additional locations may be listed on the agenda that allow the public to observe or address the Board by electronic means.

Special Meetings

(Government Code Section 11125.4; Business and Professions Code Section 7006)

Four members can call a special meeting held with 48 hours' notice in specified situations (e.g., consideration of proposed legislation) and a meeting can be held where two-thirds of the Board members find that there is a "substantial hardship on the state body or immediate action is required to protect the public interest."

Emergency Meetings

(Government Code Section 11125.5)

An emergency meeting may be held after finding by a majority of the Board at a prior meeting or at the emergency meeting that an emergency situation exists due to work stoppage or crippling disaster. [A quorum is required for the Board to meet in the event of emergency, such as a work stoppage or crippling disaster.] Emergency meetings require a one hour notice.

Chapter 3. Committee Meetings

Standing Committees of the Board:

- Enforcement
- Licensing
- Legislative
- Public Affairs
- Executive

The Board Chair appoints each Committee Member, with the exception of the Executive Committee, which shall be comprised of the current Board Chair, the Vice Chair, the Secretary, and the immediate past Board chair.

Each Committee shall have a Chairperson, designated by the Board Chair, and who is tasked with:

- Running committee meetings
- Opening and adjourning committee meetings
- Coordinating the creation of the summary reports with staff
- Presenting committee meeting reports and minutes to the Board

Committee Appointments

(Board Policy)

At the beginning of each fiscal year, the newly appointed Board Chair will ask CSLB Board Members if they wish to participate on a committee for the following year. The Registrar's Executive Assistant will compile a list of interested parties and supply it to the Chair. The Chair shall establish or abolish additional committees, as he or she deems necessary. Composition of the committees and the appointment of the members shall be determined by the Board Chair in consultation with the Registrar. When committees include the appointment of non-Board members, all interested parties should be considered. Committee Officers term lengths are for one year, beginning July 1 of the next fiscal year.

Attendance at committee meetings

(Board Policy)

If a board member wishes to attend a committee meeting of which he or she is not a member, the Board member shall obtain permission to attend from the Board Chair and shall notify the committee chair and staff. Board members who are not members of the committee that is meeting cannot vote during the committee meeting. If there is a quorum of the Board at a committee meeting, Board members who are not members of the committee must sit in the audience and cannot participate in committee deliberations.

Participation at Committee Meetings

(Government Code section 11122.5 et seq.)

When a majority of the members of the Board are in attendance at an open and noticed meeting of a standing committee, members of the Board who are not members of the standing committee may attend only as observers. Board members who are members of a committee where a majority of the members of the Board are present, cannot ask questions, talk or sit with the members of the committee at the meeting table.

Committee Meetings Quorum

A quorum is majority (more than one-half) of those committee members appointed by the Board Chair. Committees can include no more than seven members in order to avoid a full quorum of the Board, which would constitute a full Board meeting.

Chapter 4. Selection of Officers

Officers of the Board

(B&P Code section 7005)

The Board shall elect from its members a Chair, a Vice Chair, and a Secretary to hold office for one year or until their successors are duly elected and qualified.

Nomination of Officers

(Board Policy)

The Board Chair shall appoint a Nominations Committee prior to the last meeting of the fiscal year and shall give consideration to appointing a public and a professional member of the Board to the Committee. The Committee's charge will be to recommend a slate of officers for the following year. The Committee's recommendation will be based on the qualifications, recommendations, and interest expressed by the Board members. A survey of Board members may be conducted to obtain interest in each officer position. A Nominations Committee member is not precluded from running for an officer position. If more than one Board member is interested in an officer position, the Nominations Committee will make a recommendation to the Board and others will be included on the ballot for a runoff if they desire. The results of the Nominations Committee's findings and recommendations will be provided to the Board members. Notwithstanding the Nominations Committee's recommendations, Board members may be nominated from the floor at the meeting.

Election of Officers

(B&P Code section 7005)

The Board shall elect the officers at the last meeting of the fiscal year. Officers shall serve a term of one year, beginning July 1 of the next fiscal year. All officers may be elected on one motion or ballot as a slate of officers unless more than one Board member is running per office. An officer may be re-elected and serve for more than one term.

Officer Vacancies

(Board Policy)

If an office becomes vacant during the year, an election shall be held at the next meeting. If the office of the Chair becomes vacant, the Vice Chair shall assume the office of the Chair. Elected officers shall then serve the remainder of the term.

Chapter 5. Travel and Salary Policies and Procedures

Travel Approval

(DCA Memorandum 96-01)

Board Members shall have Board Chair approval for all travel except for regularly scheduled Board and Committee Meetings to which the Board Member is assigned.

Travel Arrangements

(Board Policy)

Board Members are encouraged to coordinate with the Registrar's Executive Assistant for any Board-related travel arrangements, including air or train transportation, car rental, and lodging through Cal Travel Store's online booking tool, Concur. The Registrar's Executive Assistant will setup Board Members' Concur accounts.

CSLB Board Members must also utilize the most economic source of transportation available. For example, if the hotel provides a shuttle from the airport to the hotel it is not fiscally responsible to rent a car or take a taxi. Reimbursements may be reduced or denied if the most economical sources are not used.

Concur

All Board-related travel must be booked using Cal Travel Store's self-service reservation system, Concur, if a Board member seeks reimbursement.

Lodging

In advance of Board and Committee Meetings, the Registrar's Executive Assistant will provide Members information detailing the name and address of the chosen hotel where a room block has been established for lodging. The Registrar's Executive Assistant is available to assist in making these travel reservations, or Board Members may coordinate them on their own.

Out-of-State Travel

(SAM Section 700 et seq.)

Out-of-state travel for all persons representing the state of California is controlled and must be approved by the Governor's Office.

Travel Reimbursements

(SAM section 700 et seq. and DCA Memorandum 96-01)

Rules governing reimbursement of travel expenses for Board Members are the same as for management-level state staff. Board members must submit the originals of all receipts, with the exception of meals, and, when applicable, a copy of the airline itinerary and hotel receipt showing the balance paid, to the Registrar's Executive Assistant. Reimbursement requests for personal vehicle mileage must include where the trip originated from, where it ended, and the license plate number of the vehicle driven. All travel must be booked through Concur if the Board Member seeks reimbursement.

The Registrar's Executive Assistant completes Travel Expense Claim reimbursements in CalATERS Global and maintains copies of these reports and submitted receipts. It is advisable for Board Members to submit their travel expenses immediately after returning from a trip and not later than two weeks following the trip.

Salary Per Diem

(B&P Code section 103)

Compensation in the form of salary per diem and reimbursement of travel and other related expenses for Board Members is regulated by B&P Code section 103.

In relevant part, this section provides for the payment of salary per diem for Board members "for each day actually spent in the discharge of official duties," and provides that the Board member "shall be reimbursed for traveling and other expenses necessarily incurred in the performance of official duties."

Accordingly, the following general guidelines shall be adhered to in the payment of salary per diem or reimbursement for travel:

1. No salary per diem or reimbursement for travel-related expenses shall be paid to Board members except for attendance at official Board or committee meetings, unless a substantial official service is performed by the Board Member. Attendance at gatherings, events, hearings, conferences or meetings other than official Board or committee meetings in which a substantial official service is performed shall be approved in advance by the Board Chair. The Registrar shall be notified of the event and approval shall be obtained from the Board Chair prior to Board Member's attendance.

2. The term “day actually spent in the discharge of official duties” shall mean such time as is expended from the commencement of a Board Meeting or Committee Meeting to the conclusion of that meeting. Where it is necessary for a Board Member to leave early from a meeting, the Board Chair shall determine if the member has provided a substantial service during the meeting and, if so, shall authorize payment of salary per diem and reimbursement for travel-related expenses.

For Board-specified work, Board Members will be compensated for actual time spent performing work authorized by the Board Chair. That work includes, but is not limited to, authorized attendance at other gatherings, events, meetings, hearings, or conferences, and NASCLA or CLEAR committee work. That work does not include preparation time for Board or committee meetings. Board Members cannot claim salary per diem for time spent traveling to and from a Board or Committee Meeting.

Chapter 6. Board Administration and Staff Responsibilities

Board Administration

(DCA Reference Manual)

Board members should be concerned primarily with formulating decisions on Board policies rather than decisions concerning the means for carrying out a specific course of action. It is inappropriate for Board members to become involved in the details of program delivery. Strategies for the day-to-day management of programs and staff shall be the responsibility of the Registrar.

Board Budget

(Board Policy)

The Secretary shall serve as the Board's budget liaison with staff and shall assist staff in the monitoring and reporting of the budget to the Board. Staff will conduct an annual budget briefing with the Board with the assistance of the Secretary.

The Registrar or the Registrar's designee will attend and testify at legislative budget hearings and shall communicate all budget issues to the Administration and Legislature.

Strategic Planning

(Board Policy)

The Executive Committee shall have overall responsibility for the Board's Strategic Planning Process. The Vice Chair shall serve as the Board's strategic planning liaison with staff and shall assist staff in monitoring and reporting of the strategic plan to the Board. The Board will conduct a biennial strategic planning session and may utilize a facilitator to conduct the strategic planning process.

Legislation

(Board Policy)

In the event that time constraints preclude Board action, the Board delegates to the Chair of the Legislative Committee for the authority to take action on legislation that would change Contractors State License Law that impacts a previously established Board policy or affects the public's health, safety, or welfare. Prior to taking a position on legislation, the Registrar shall consult with the Chair of the Legislative Committee. The Board shall be notified of such action as soon as possible.

Registrar Evaluation*(Board Policy)*

Board members shall evaluate the performance of the Registrar of Contractors on an annual basis. The Board Chair will use Board Members' surveys to complete a written summary of the evaluations and then meet with the Registrar to discuss his/her performance during a closed session of a Board Meeting. The original evaluation is signed by the Board Chair and the Registrar and sent to the DCA Human Resources Office for placement in the Registrar's Official Personnel File.

Board Staff*(DCA Reference Manual)*

Employees of the Board, with the exception of the Registrar, are civil service employees. Their employment, pay, benefits, advancement, discipline, termination, and conditions of employment are governed by civil service laws, regulations, and collective bargaining labor agreements. Because of this complexity, it is most appropriate that the Board delegate all authority and responsibility for management of the civil service staff to the Registrar. Board Members shall not intervene or become involved in specific day-to-day personnel transactions or matters.

Chapter 7. Representations on Behalf of the CSLB

Communication, Other Organizations and Individuals

(Board Policy)

All communication relating to any Board action or policy to any individual or organization, including, but not limited to, NASCLA and CLEAR, shall be made only by the Chair of the Board, his or her designee, or the Registrar. Any Board member who is contacted by any of the above should immediately inform the Board Chair or Registrar of the contact. All correspondence shall be issued on the Board's standard letterhead and will be created and disseminated by the Registrar's office.

Public or News Media Inquiries

(Board Policy)

All technical, licensing, or disciplinary inquiries to a CSLB Board or committee member from applicants, licensees, or members of the public should be referred to the Registrar. Contact of a Board or committee member by a member of the news media should be referred to the Chief of Public Affairs.

Stationery

(Board Policy)

- **Business Cards**

Business cards will be provided to each Board Member with the Board's name, address, telephone and fax number, and website at the Board Member's request.

- **Letterhead**

Only correspondence that is transmitted directly by the CSLB office may be printed or written on CSLB letterhead stationery. Any correspondence from a Board or committee member requiring the use of CSLB stationery or the CSLB logo should be transmitted to the CSLB office for finalization and distribution.

Chapter 8. Training

Once a Board Member is appointed, the Registrar's Executive Assistant will send an email containing a list of all the required trainings, their due dates, and instructions about their completion. Board Members should send the certificate of completion or signature page to the Registrar's Executive Assistant who maintains Board Members records. For additional information, Board Members may refer to DCA's online Board Member Resource Center which may be found at: www.dca.boardmembers.ca.gov

Board Member Orientation Training

(Business and Professions Code section 453)

Newly appointed and reappointed Board Members must attend a Board Member orientation training course offered by DCA within one year of assuming office. The orientation covers information regarding required training, in addition to other topics that will ensure a members' success, including an overview of DCA.

Board Member Ethics Training

(AB 2179)

With the passage of AB 2179 (1998 Chapter 364), state appointees and employees in exempt positions are required to take an ethics orientation within the first six months of their appointment and every two years thereafter. To comply with that directive, Board or committee members may take the interactive course provided by the Office of the Attorney General, which can be found at www.oag.ca.gov/ethics.

Sexual Harassment Prevention Training

(Government Code section 12950.1)

Board members are required to undergo sexual harassment prevention training and education once every two years, in odd years. Staff will coordinate the training with the Department of Consumer Affairs.

Defensive Drivers Training

(SAM section 0751)

All state employees, which includes board and committee members, who drive a vehicle (state vehicle, vehicles rented by the state, or personal vehicles for state business) on official state business must complete the Department of General Services (DGS) approved defensive driver training (DDT) within the first six months of their appointment and every four years thereafter.

CHAPTER 9. Other Policies and Procedures

Board Member Disciplinary Actions

(Board Policy)

A member may be censured by the Board if, after a hearing before the Board, the Board determines that the member has acted in an inappropriate manner.

The Chair of the Board shall sit as chair of the hearing unless the censure involves the Chair's own actions, in which case the Vice Chair of the Board shall sit as hearing chair. In accordance with the Bagley-Keene Open Meetings Act, the censure hearing shall be conducted in open session.

Removal of Board Members

(Business and Professions Code sections 106, 106.5, 7005)

The Governor has the power to remove from office at any time any member of any board appointed by him or her for continued neglect of duties required by law or for incompetence or unprofessional or dishonorable conduct. The Governor also may remove from office a Board member who directly or indirectly discloses examination questions to an applicant for examination for licensure.

Resignation of Board Members

(Government Code section 1750)

In the event that it becomes necessary for a Board member to resign, a letter shall be sent to the appropriate appointing authority (Governor, Senate Rules Committee, or Speaker of the Assembly) with the effective date of the resignation. Written notification is required by state law. A copy of this letter also shall be sent to the director of the Department, the Board Chair, and the Registrar.

Conflict of Interest

(Government Code section 87100)

No Board Member may make, participate in making, or in any way attempt to use his or her official position to influence a governmental decision in which he or she knows or has reason to know he or she has a financial interest. Any Board member who has a financial interest shall disqualify him- or herself from making or attempting to use his or her official position to influence the decision. Any Board Member who feels he or she is entering into a situation where there is a potential for a conflict of interest should immediately consult the Registrar or the Board's legal counsel. The question of whether or not a CSLB Member has a financial interest that would present a legal conflict of interest is complex and must be decided on a case-by-case review of the particular facts involved. For more information on disqualifying yourself because of a possible conflict of interest, please refer to the Fair Political Practice Committee's manual on their website: www.fppc.ca.gov.

Financial Disclosure

The Conflict of Interest Code also requires CSLB Board Members to file annual financial disclosure statements by submitting a Form 700 – Statement of Economic Interest. New CSLB Board Members are required to file a disclosure statement within 30 days after assuming office or, if subject to Senate confirmation, 30 days after being appointed or nominated. Annual financial statements must be filed no later than April 1 of each calendar year.

A "leaving of office statement" must be filed within 30 days after an affected CSLB Board Member or other official leaves office.

CSLB Board Members are not required to disclose all of their financial interests. Government Code Section 87302 (b) explains when an item is reportable:

An investment, interest in real property, or income shall be made reportable by the Conflict of Interest Code if the business entity in which the investment is held, the interest in real property, or the income or source of income may foreseeably be affected materially by any decision made or participated in by the designated employee by virtue of his or her position.

Refer to DCA's Conflict of Interest Code to determine what investments, interests in property, or income must be reported by a CSLB Member. Questions concerning particular financial situations and related requirements should be directed to DCA's Legal Office.

Incompatible Activities

(Government Code Section 19990)

Following is a summary of the employment, activities, or enterprises that might result in or create the appearance of being inconsistent, incompatible, or in conflict with the duties of state officers:

- Using the prestige or influence of a state office or employment for the officers or employees private gain or advantage, or the private gain or advantage of another.
- Using state time, facilities, equipment, or supplies for the officers or employees private gain or advantage, or the private gain or advantage of another.
- Using confidential information acquired by the virtue of state employment for the officer's or employee's private gain or advantage or advantage of another.
- Receiving or accepting money, or any other consideration, from anyone other than the state for the performance of an act which the officer or employee would be required or expected to render in the regular course or hours of his or her state employment or as a part of his or her duties as a state officer or employee.
- Performance of an act other than in his or her capacity as a state officer or employee knowing that such an act may later be subject, directly or indirectly, to the control, inspection, review, audit, or enforcement by such officer or employee of the agency by which he or she is employed. (This would not preclude an "industry" member of CSLB from performing normal functions of his or her occupation.)
- Receiving or accepting, directly or indirectly, any gift, including money, any service, gratuity, favor, entertainment, hospitality, loan, or any other thing of value from anyone who is seeking to do business of any kind with the state or whose activities are regulated or controlled in any way by the state, under circumstances from which it reasonably could be inferred that the gift was intended to influence him or her in his or her official duties or was intended as a reward for any official action on his or her part.

The aforementioned limitations do not attempt to specify every possible limitation on employee activity that might be determined and prescribed under the authority of Section 19990 of the Government Code. DCA's Incompatible Work Activities Policy and Procedure OHR 10-01 are included in Appendix A.

Contact with License Applicants

Board Members shall not intervene on behalf of an applicant for licensure for any reason; they should forward all contacts or inquiries to the Registrar.

Gifts from License Applicants

Gifts of any kind to Board Members or staff from license applicants shall not be permitted.

Request for Records Access

No Board Member may access the file of a licensee or applicant without the Registrar's knowledge and approval of the conditions of access. Records or copies of records shall not be removed from CSLB's office.

Ex Parte Communications

(Government Code section 11430.10 et seq.)

The Government Code contains provisions prohibiting ex parte communications. An "ex parte" communication is a communication to the decision-maker made by one party to an enforcement action without participation by the other party. While there are specified exceptions to the general prohibition, the key provision is found in subdivision (a) of section 11430.10, which states:

"While the proceeding is pending, there shall be no communication, direct or indirect, regarding any issue in the proceeding to the presiding officer from an employee or representative of an agency that is a party or from an interested person outside the agency, without notice and an opportunity for all parties to participate in the communication."

Board members are prohibited from ex parte communications with Board enforcement staff while a proceeding is pending.

Occasionally, an applicant who is being formally denied licensure, or a licensee against whom disciplinary action is being taken, will attempt to directly contact Board members.

If the communication is written, the person should read only far enough to determine the nature of the communication. Once he or she realizes it is from a person against whom an action is pending, they should reseal the documents and send them to the Chief of Enforcement.

If a Board member receives a telephone call from an applicant or licensee against whom an action is pending, he or she should immediately tell the person that discussion about the matter is not permitted; that he or she will be required to recuse him or herself from any participation in the matter; and continued discussion is of no benefit to the applicant or licensee. The Board member should end the conversation in a firm and cordial manner.

If a Board member believes that he or she has received an unlawful ex parte communication, he or she should contact the Board's assigned legal office counsel.

Abbreviations and Acronyms Glossary

ALJ	Administrative Law Judge
ACD	Automated Call Distribution system
ACT	Bagley-Keene Open Meeting Act
ADA	The Americans with Disabilities Act
ADR	Alternative Dispute Resolution
AG	Office of the Attorney General
AGENCY	Business, Consumer Services and Housing Agency
AMCC	Arbitration Mediation Conciliation Center
APA	Administrative Procedure Act
APP	Application for contractor license or Home Improvement Salesperson registration
App Fee	Application Fee Number
ASB	Asbestos Certification
B&P	Business and Professions Code
BCP	Budget Change Proposal
BQI	Bond of Qualifying Individual
Cal/OSHA	DIR Division of Occupational Safety & Health
CAT	Computer Assisted Testing CB Contractor's Bond
CCCP	California Code of Civil Procedure
CCR	California Code of Regulations Cite Citation
CLC	California Licensed Contractor newsletter
CLEAR	Council on Licensure Enforcement and Regulations
CP/CORP	Corporation
CSLB	Contractors State License Board
CSR	Consumer Services Representative
DAG	Deputy Attorney General
DB	Disciplinary Bond
DBA	Doing Business As
DCA	Department of Consumer Affairs
DDT	Defensive Drivers Training
DGS	Department of General Services
DIR	Department of Industrial Relations
DLSE	Division of Labor Standards Enforcement
DOI	Department of Insurance
DOL	Department of Labor
DOSH	DIR Division of Occupational Safety & Health (also referred to as Cal/OSHA)
EDD	Employment Development Department

EO	Executive Officer / Registrar of Contractors
ER	Enforcement Representative
ES	Enforcement Supervisor
FSR	Feasibility Study Report
FTA	Failure to Appear
FTB	Franchise Tax Board
HAZ	Hazardous Substances Removal Certification
HIS	Home Improvement Salesperson
IC	Investigative Center
IE	Industry Expert
IEP	Industry Expert Program
IMC	Intake and Mediation Center
IT	Information Technology
IVR	Interactive Voice Response system (automated telephone system)
JV	Joint Venture
LEG	State Legislature, legislative
LETF	Labor Enforcement Task Force
MARB	Mandatory Arbitration Program
MOU	Memoranda(um) of Understanding MSC Mandatory Settlement Conference
NASCLA	National Association of State Contractors Licensing Agencies
NTA	Notice to Appear
OA	Occupational Analysis
OSN	On-Site Negotiation Program
PAO	Public Affairs Office
PD	Proposed Decision
PT	Partnership
QPT	Qualifying Partner
RFP	Request for Proposal
RME	Responsible Managing Employee
RMO	Responsible Managing Officer
SAM	State Administrative Manual
SCIF	State Compensation Insurance Fund
SME	Subject Matter Expert
SOI	Statement of Issues
SSN	Social Security Number
SWIFT	Statewide Investigative Fraud Team
TVDS	Test Validation and Development Specialist
VARB	Voluntary Arbitration Program



CONTRACTORS STATE LICENSE BOARD

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SACRAMENTO, CA 95826-0026

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ATTACHMENTS

Board Committee Membership



The Board committees and current members (2018-19) are as follows:

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

ENFORCEMENT COMMITTEE
Kevin Albanese, Chair
Agustin Beltran
Linda Clifford
David Dias
Susan Granzella
Johnny Simpson
Vacant - Public Member

- **Executive Committee** – Helps enhance organizational effectiveness and improves the quality of service in all programs.

EXECUTIVE COMMITTEE
Marlo Richardson, Chair
Johnny Simpson, Vice Chair
Linda Clifford, Secretary
Kevin Albanese, Past Chair

- **Legislative Committee** – Helps ensure that statutes, regulations, policies, and procedures strengthen and support CSLB operations.

LEGISLATIVE COMMITTEE
Linda Clifford, Chair
Kevin Albanese
Agustin Beltran
David Dias
Susan Granzella
Johnny Simpson
Vacant - Public Member

- **Licensing Committee** – Helps ensure that all applicants and licensees meet minimum qualifications to provide construction services.

LICENSING COMMITTEE
Frank Schetter, Chair
David De La Torre
Joan Hancock
Michael Layton
Nancy Springer
Vacant - Public Member
Vacant - Industry Member

- **Public Affairs Committee** – Educates consumers about making informed choices related to construction services and provides information to licensed contractors so they can improve their technical, management, and service skills.

PUBLIC AFFAIRS COMMITTEE
Joan Hancock, Chair
David De La Torre
Michael Layton
Frank Schetter
Nancy Springer
Vacant - Public Member
Vacant - Industry Member

ATTACHMENTS

DCA Quarterly Performance Measures



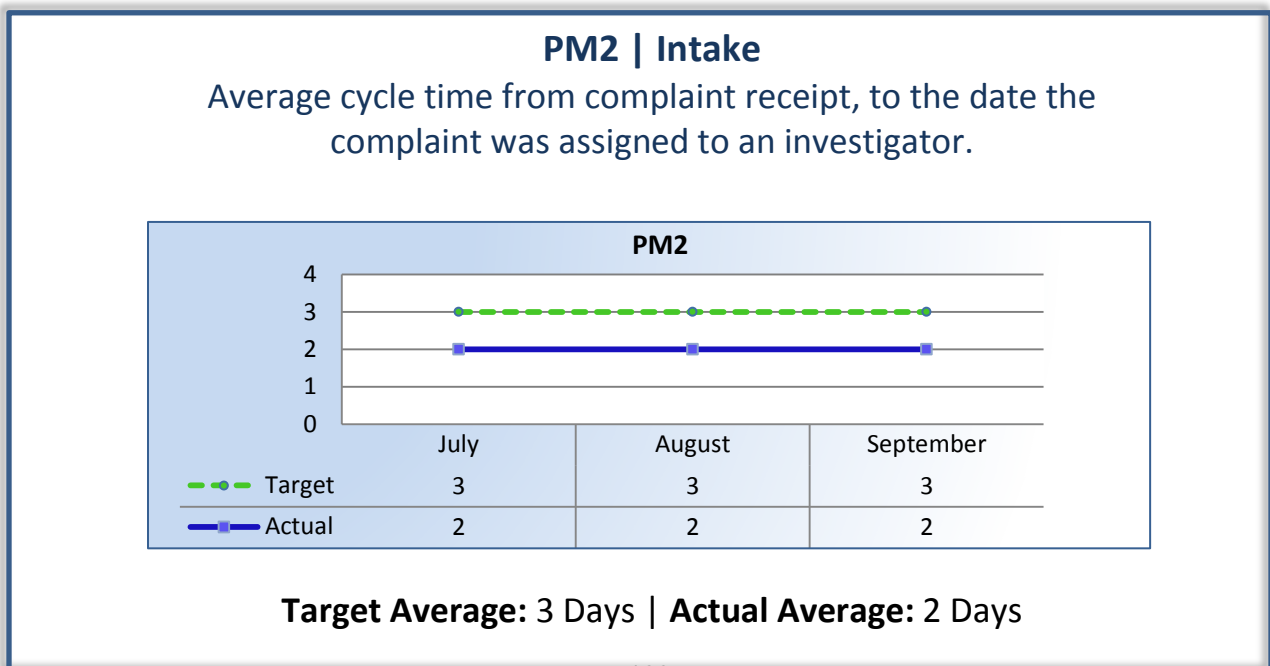
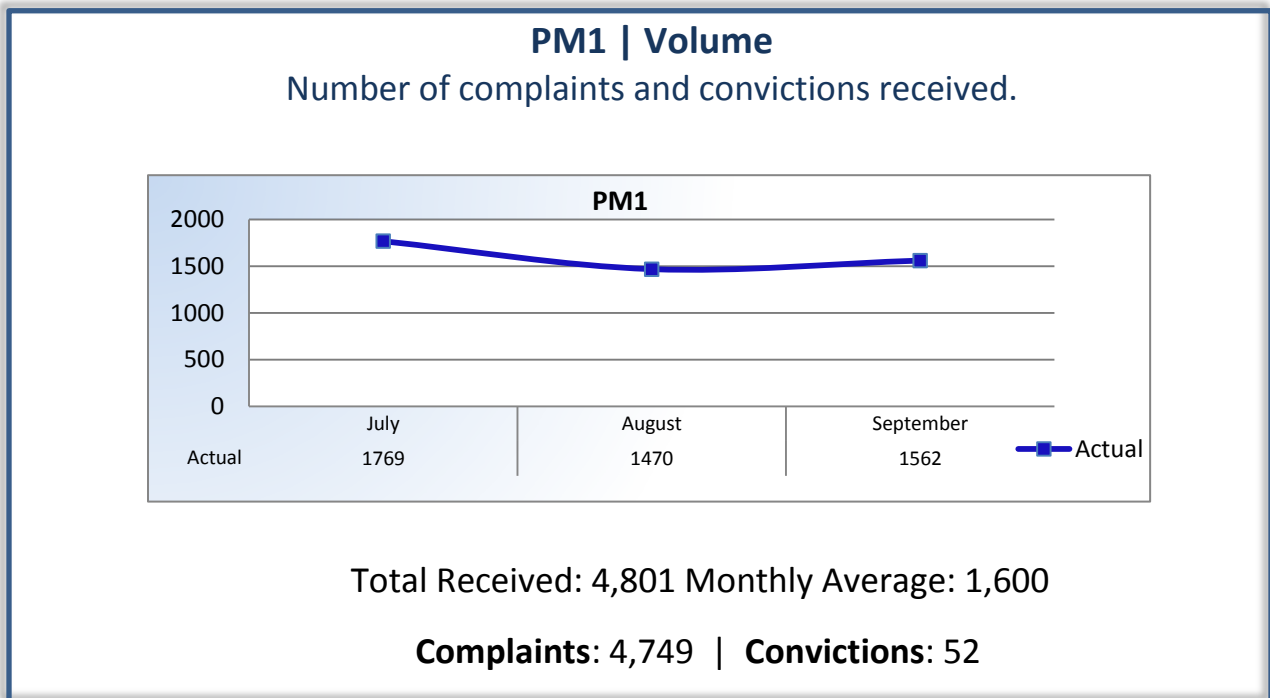
Contractors State

License Board

Performance Measures

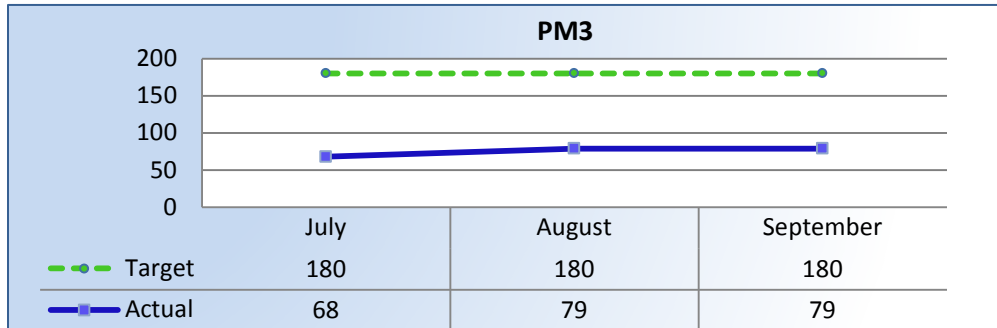
Q1 Report (July - September 2014)

To ensure stakeholders can review the Board's progress toward meeting its enforcement goals and targets, we have developed a transparent system of performance measurement. These measures will be posted publicly on a quarterly basis.



PM3 | Intake & Investigation

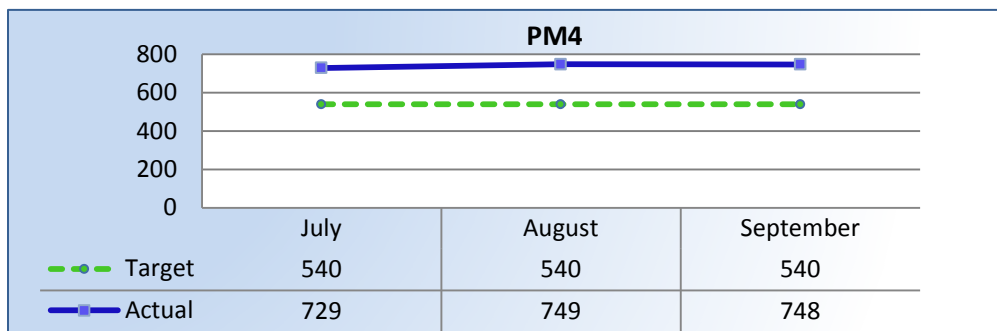
Average cycle time from complaint receipt to closure of the investigation process. Does not include cases sent to the Attorney General or other forms of formal discipline.



Target Average: 180 Days | Actual Average: 75 Days

PM4 | Formal Discipline

Average number of days to complete the entire enforcement process for cases resulting in formal discipline. (Includes intake and investigation by the Board and prosecution by the AG).

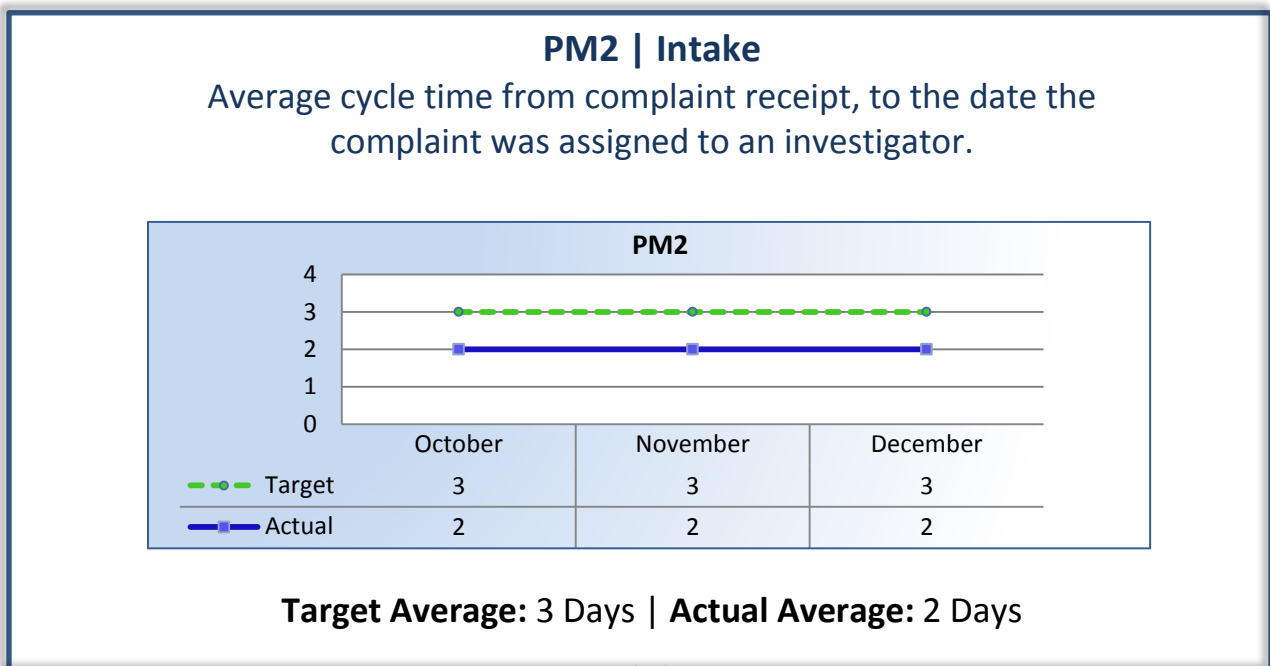
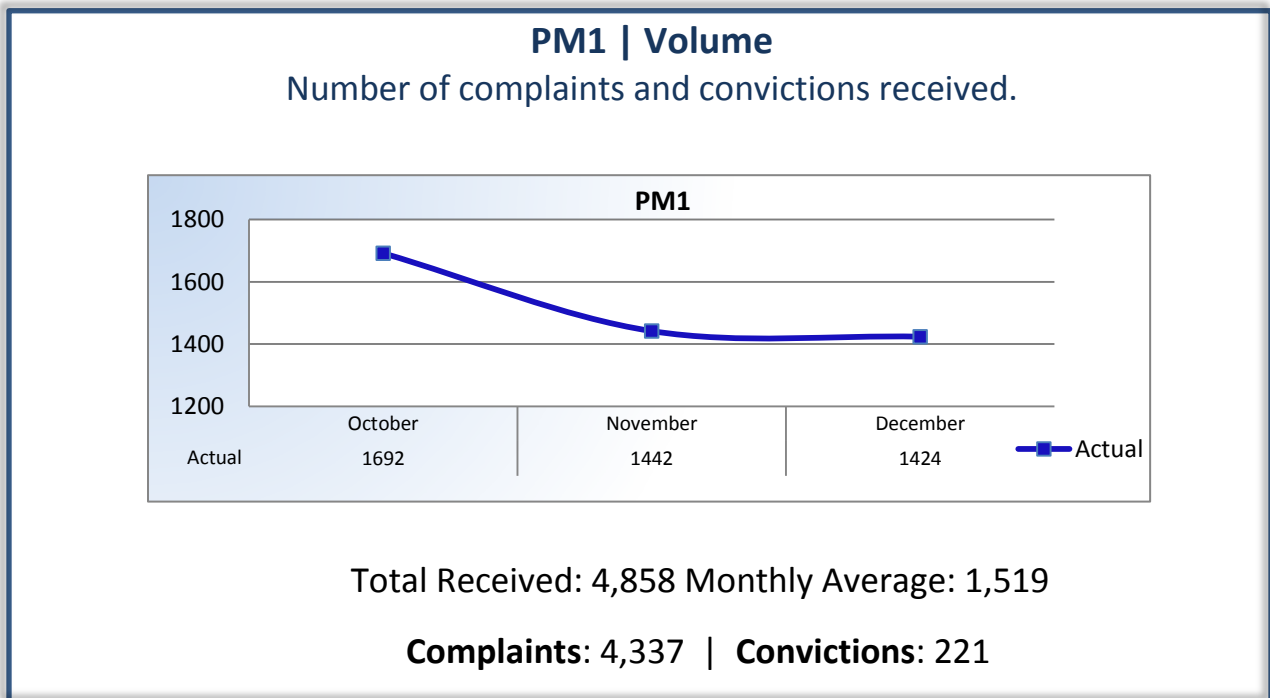


Target Average: 540 Days | Actual Average: 742 Days

Performance Measures

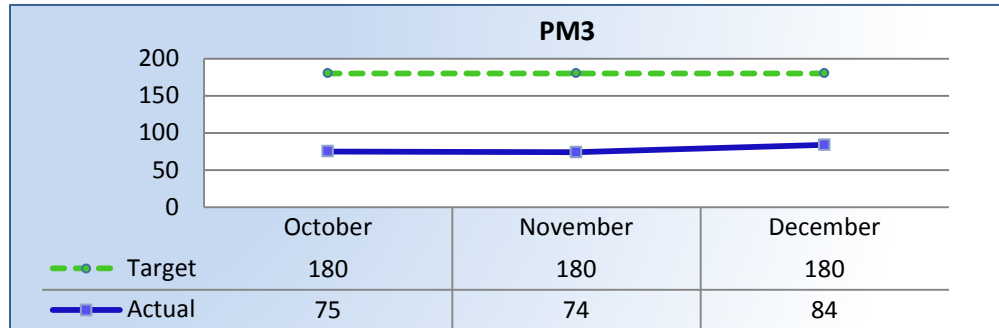
Q2 Report (October - December 2014)

To ensure stakeholders can review the Board's progress toward meeting its enforcement goals and targets, we have developed a transparent system of performance measurement. These measures will be posted publicly on a quarterly basis.



PM3 | Intake & Investigation

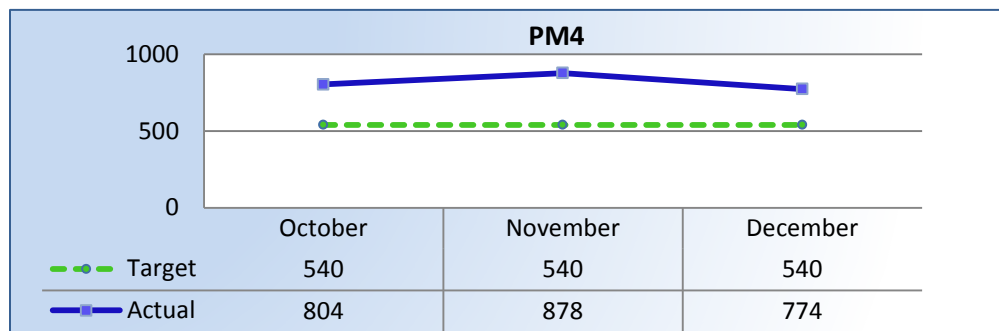
Average cycle time from complaint receipt to closure of the investigation process. Does not include cases sent to the Attorney General or other forms of formal discipline.



Target Average: 180 Days | Actual Average: 78 Days

PM4 | Formal Discipline

Average number of days to complete the entire enforcement process for cases resulting in formal discipline. (Includes intake and investigation by the Board and prosecution by the AG).



Target Average: 540 Days | Actual Average: 819 Days

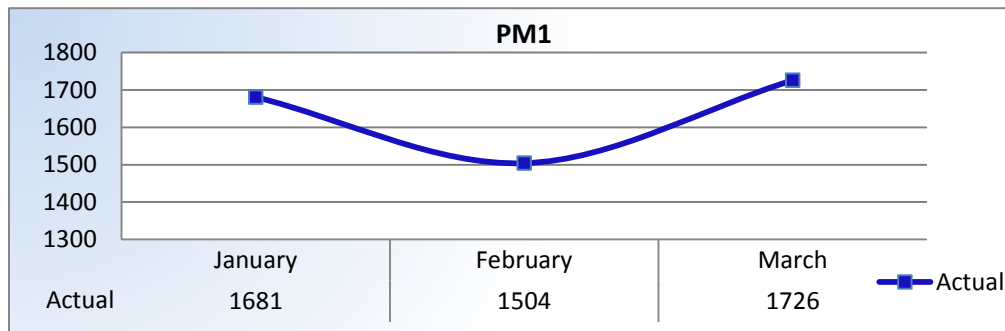
Performance Measures

Q3 Report (January - March 2015)

To ensure stakeholders can review the Board's progress toward meeting its enforcement goals and targets, we have developed a transparent system of performance measurement. These measures will be posted publicly on a quarterly basis.

PM1 | Volume

Number of complaints and convictions received.

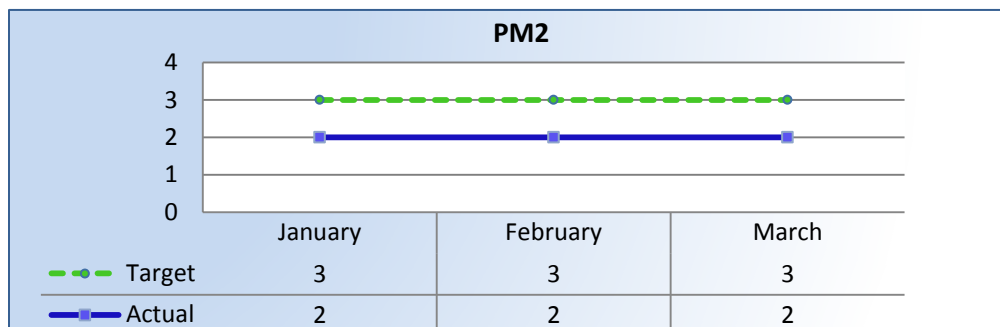


Total Received: 4,911 Monthly Average: 1,637

Complaints: 4,497 | Convictions: 414

PM2 | Intake

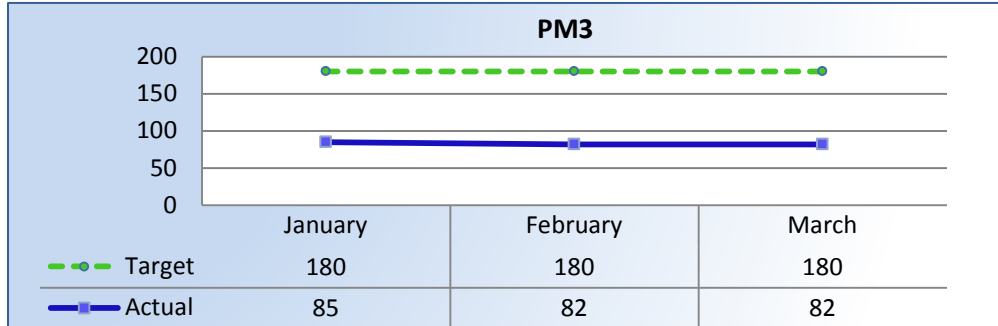
Average cycle time from complaint receipt, to the date the complaint was assigned to an investigator.



Target Average: 3 Days | Actual Average: 2 Days

PM3 | Intake & Investigation

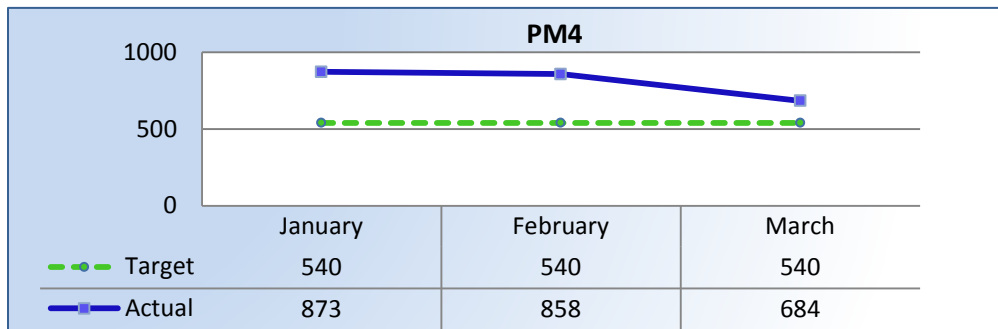
Average cycle time from complaint receipt to closure of the investigation process. Does not include cases sent to the Attorney General or other forms of formal discipline.



Target Average: 180 Days | Actual Average: 83 Days

PM4 | Formal Discipline

Average number of days to complete the entire enforcement process for cases resulting in formal discipline. (Includes intake and investigation by the Board and prosecution by the AG).



Target Average: 540 Days | Actual Average: 823 Days

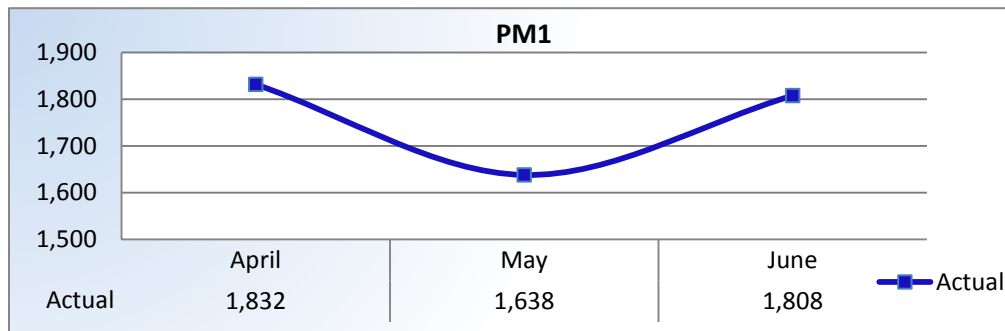
Performance Measures

Q4 Report (April - June 2015)

To ensure stakeholders can review the Board's progress toward meeting its enforcement goals and targets, we have developed a transparent system of performance measurement. These measures will be posted publicly on a quarterly basis.

PM1 | Volume

Number of complaints and convictions received.

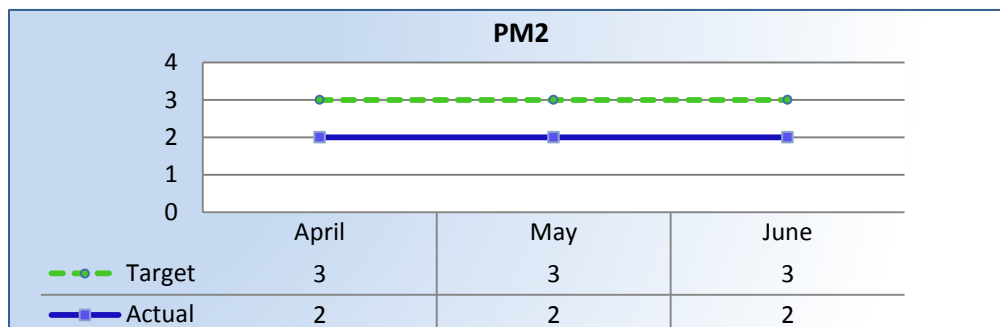


Total Received: 5,278 Monthly Average: 1,759

Complaints: 4,938 | Convictions: 340

PM2 | Intake

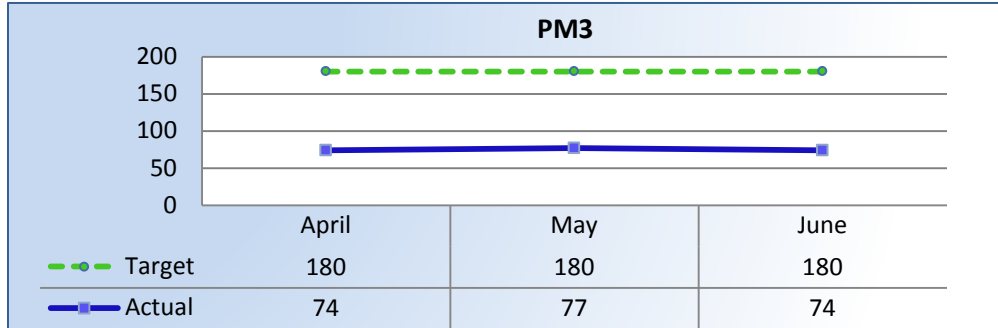
Average cycle time from complaint receipt, to the date the complaint was assigned to an investigator.



Target Average: 3 Days | Actual Average: 2 Days

PM3 | Intake & Investigation

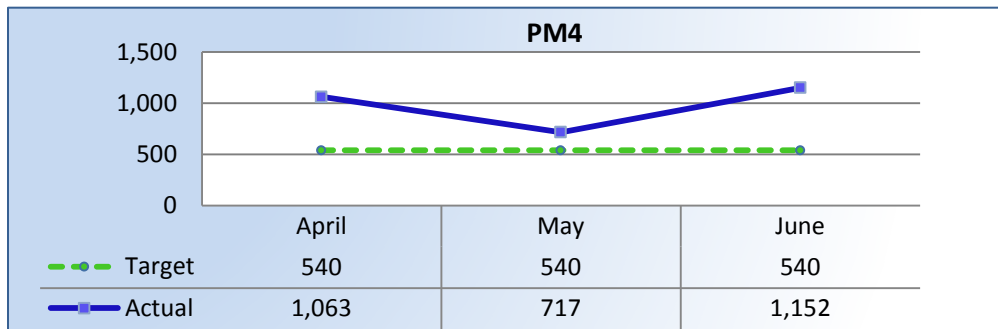
Average number of days to complete the entire enforcement process for cases not transmitted to the AG. (Includes intake and investigation)



Target Average: 180 Days | Actual Average: 75 Days

PM4 | Formal Discipline

Average number of days to complete the entire enforcement process for cases transmitted to the AG for formal discipline. (Includes intake, investigation, and transmittal outcome)



Target Average: 540 Days | Actual Average: 987 Days

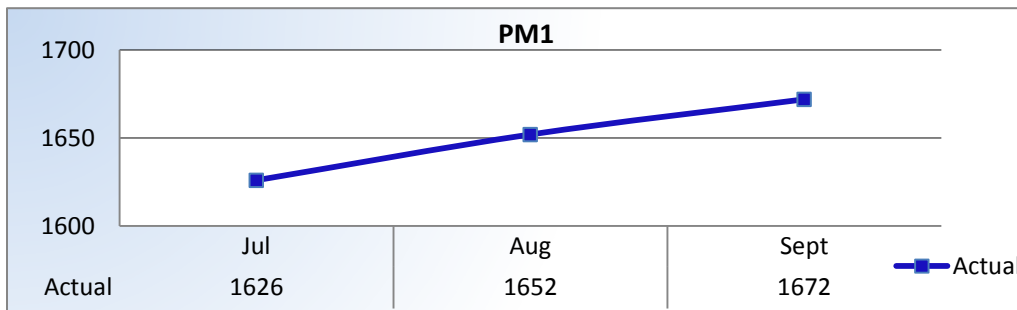
Performance Measures

Q1 Report (July - September 2015)

To ensure stakeholders can review the Board's progress toward meeting its enforcement goals and targets, we have developed a transparent system of performance measurement. These measures will be posted publicly on a quarterly basis.

PM1 | Volume

Number of complaints and convictions received.

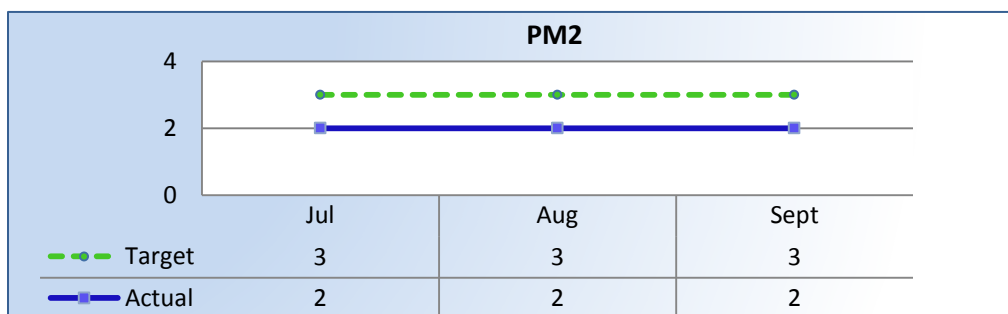


Total Received: 4,950 Monthly Average: 1,650

Complaints: 4,655 | Convictions: 295

PM2 | Intake

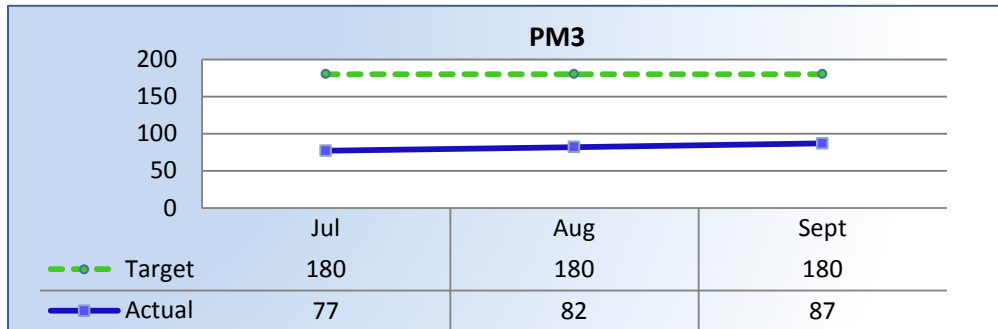
Average cycle time from complaint receipt, to the date the complaint was assigned to an investigator.



Target Average: 3 Days | Actual Average: 2 Days

PM3 | Intake & Investigation

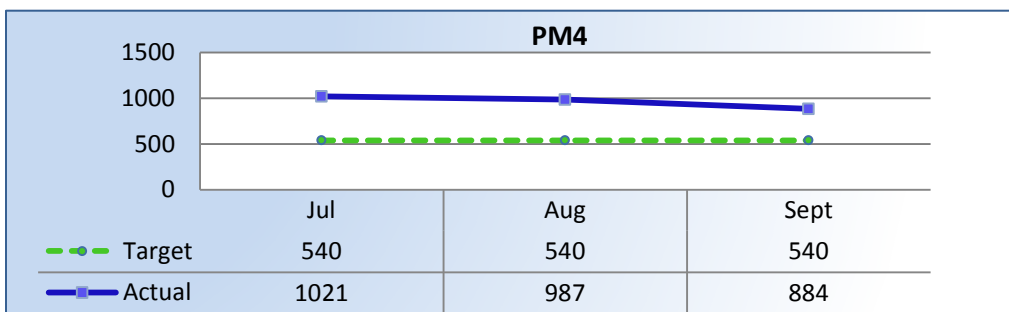
Average number of days to complete the entire enforcement process for cases not transmitted to the AG. (Includes intake and investigation)



Target Average: 180 Days | Actual Average: 82 Days

PM4 | Formal Discipline

Average number of days to complete the entire enforcement process for cases transmitted to the AG for formal discipline. (Includes intake, investigation, and transmittal outcome)

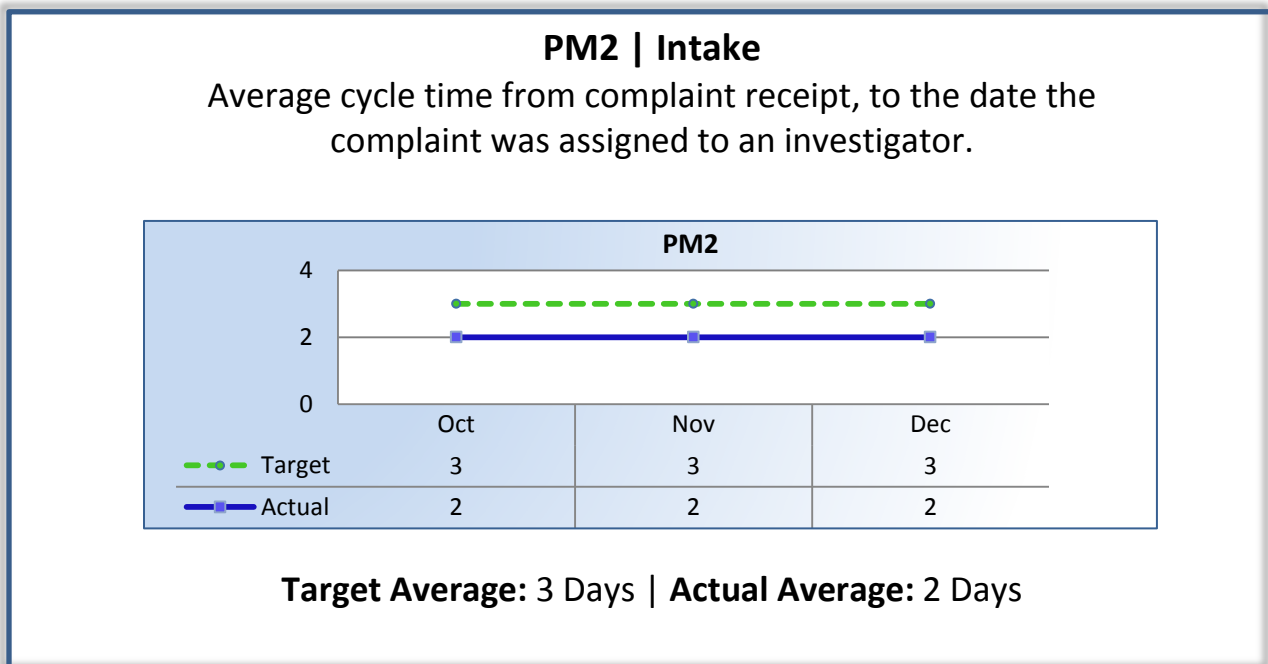
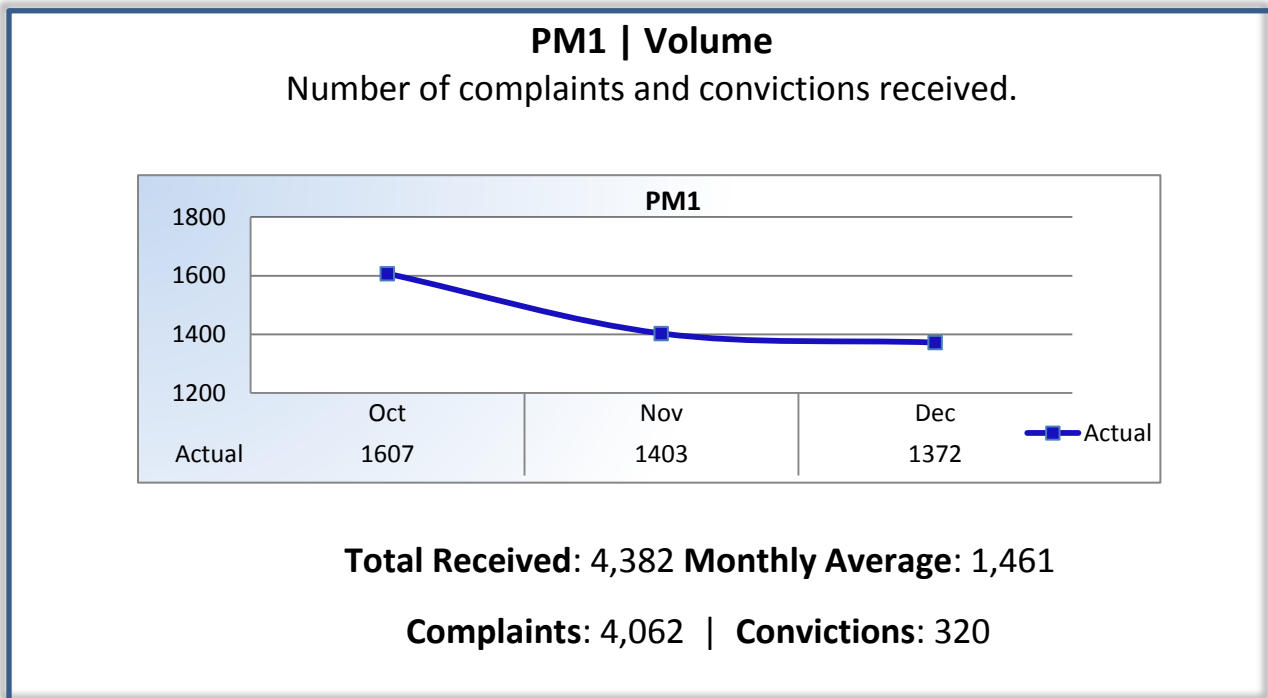


Target Average: 540 Days | Actual Average: 985 Days

Performance Measures

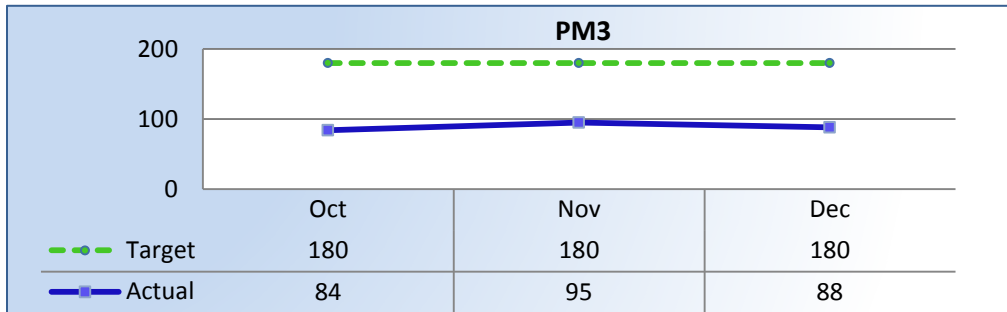
Q2 Report (October - December 2015)

To ensure stakeholders can review the Board's progress toward meeting its enforcement goals and targets, we have developed a transparent system of performance measurement. These measures will be posted publicly on a quarterly basis.



PM3 | Intake & Investigation

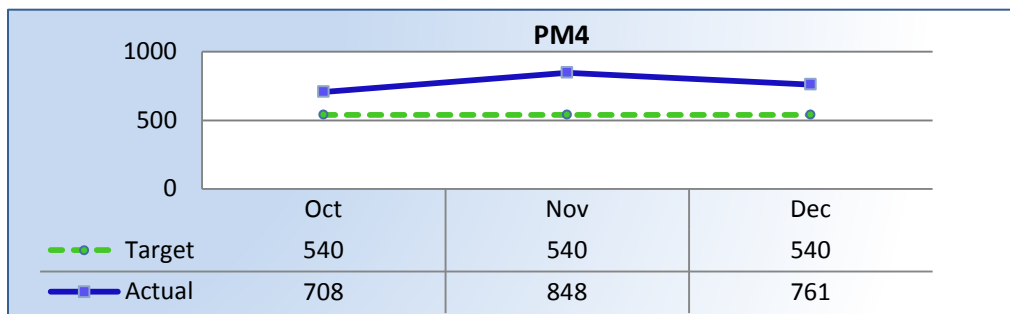
Average number of days to complete the entire enforcement process for cases not transmitted to the AG. (Includes intake and investigation)



Target Average: 180 Days | Actual Average: 89 Days

PM4 | Formal Discipline

Average number of days to complete the entire enforcement process for cases transmitted to the AG for formal discipline. (Includes intake, investigation, and transmittal outcome)



Target Average: 540 Days | Actual Average: 766 Days

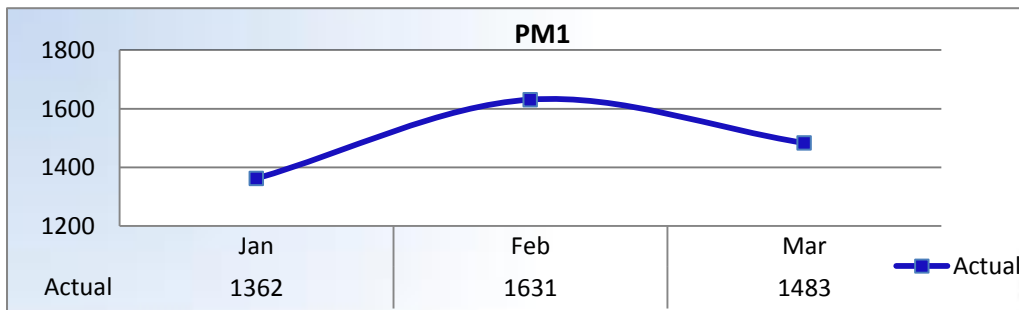
Performance Measures

Q3 Report (January – March 2016)

To ensure stakeholders can review the Board's progress toward meeting its enforcement goals and targets, we have developed a transparent system of performance measurement. These measures will be posted publicly on a quarterly basis.

PM1 | Volume

Number of complaints and convictions received.

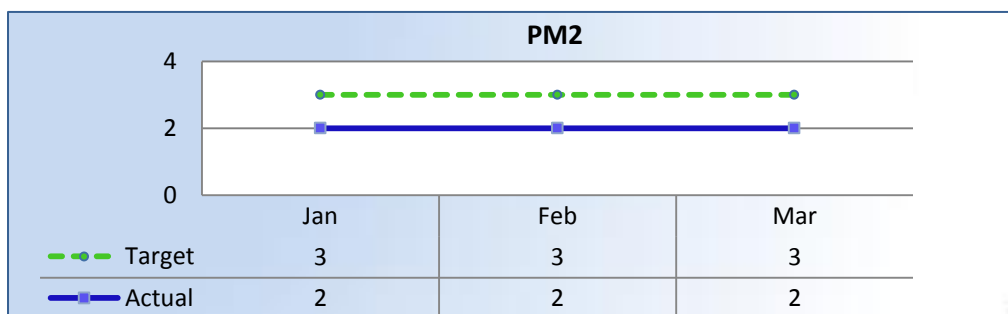


Total Received: 4,476 Monthly Average: 1,492

Complaints: 4,215 | Convictions: 261

PM2 | Intake

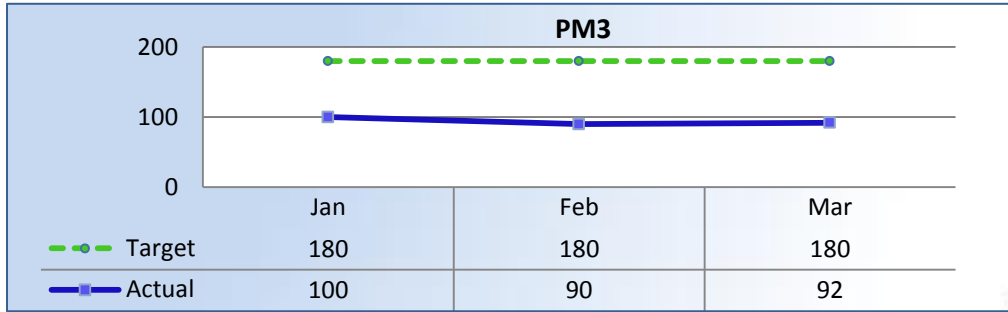
Average cycle time from complaint receipt, to the date the complaint was assigned to an investigator.



Target Average: 3 Days | Actual Average: 2 Days

PM3 | Intake & Investigation

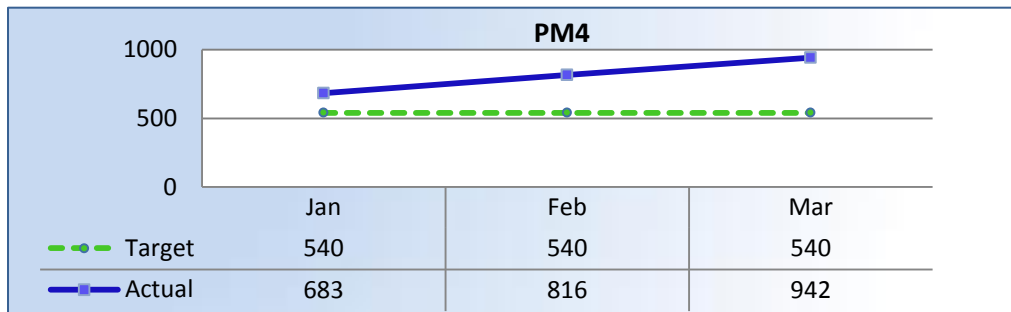
Average number of days to complete the entire enforcement process for cases not transmitted to the AG. (Includes intake and investigation)



Target Average: 180 Days | Actual Average: 94 Days

PM4 | Formal Discipline

Average number of days to complete the entire enforcement process for cases transmitted to the AG for formal discipline. (Includes intake, investigation, and transmittal outcome)



Target Average: 540 Days | Actual Average: 834 Days

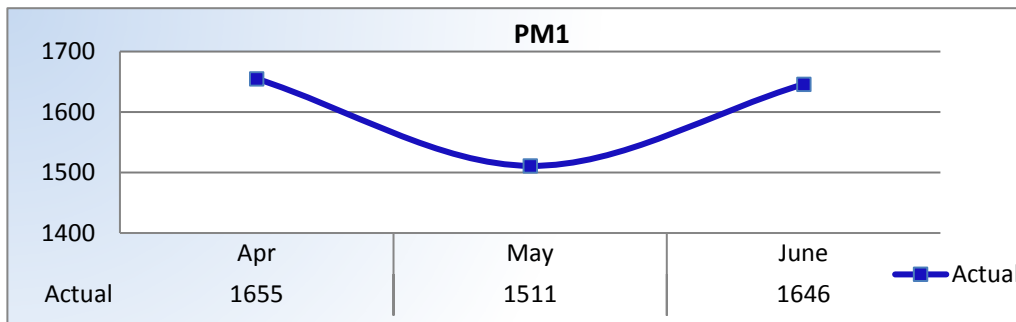
Performance Measures

Q4 Report (April - June 2016)

To ensure stakeholders can review the Board's progress toward meeting its enforcement goals and targets, we have developed a transparent system of performance measurement. These measures will be posted publicly on a quarterly basis.

PM1 | Volume

Number of complaints and convictions received.

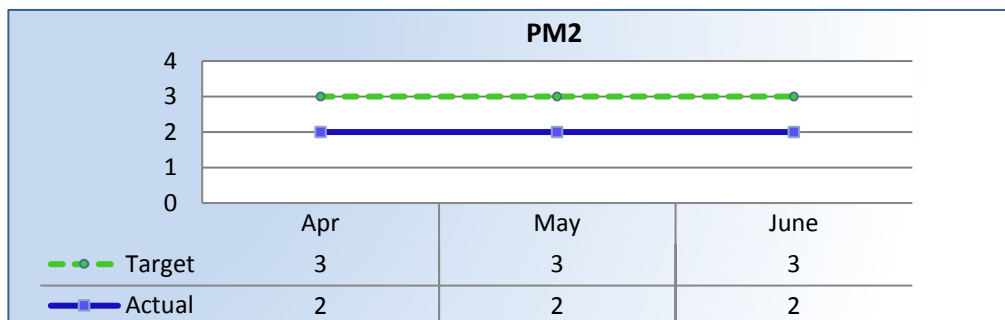


Total Received: 4,812 Monthly Average: 1,604

Complaints: 4,435 | Convictions: 377

PM2 | Intake

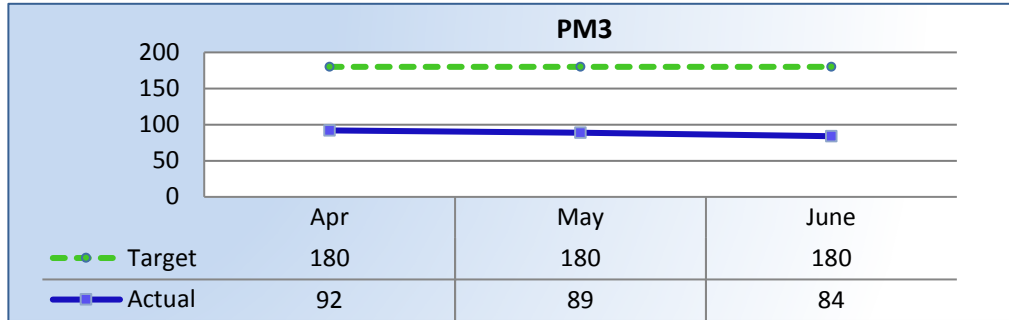
Average cycle time from complaint receipt, to the date the complaint was assigned to an investigator.



Target Average: 3 Days | Actual Average: 2 Days

PM3 | Intake & Investigation

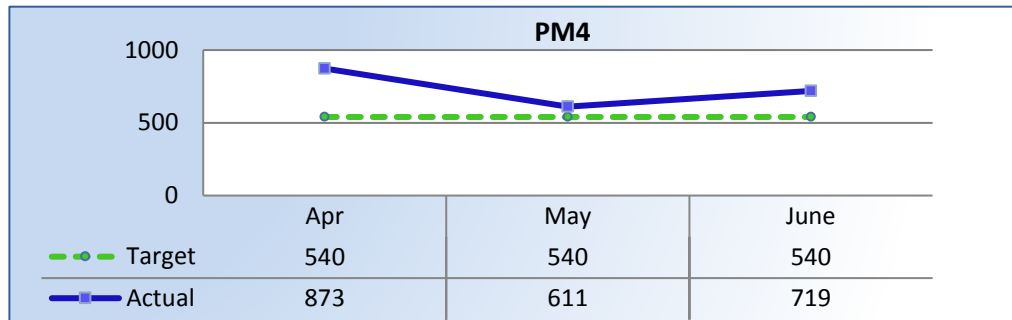
Average number of days to complete the entire enforcement process for cases not transmitted to the AG. (Includes intake and investigation)



Target Average: 180 Days | Actual Average: 88 Days

PM4 | Formal Discipline

Average number of days to complete the entire enforcement process for cases transmitted to the AG for formal discipline. (Includes intake, investigation, and transmittal outcome)

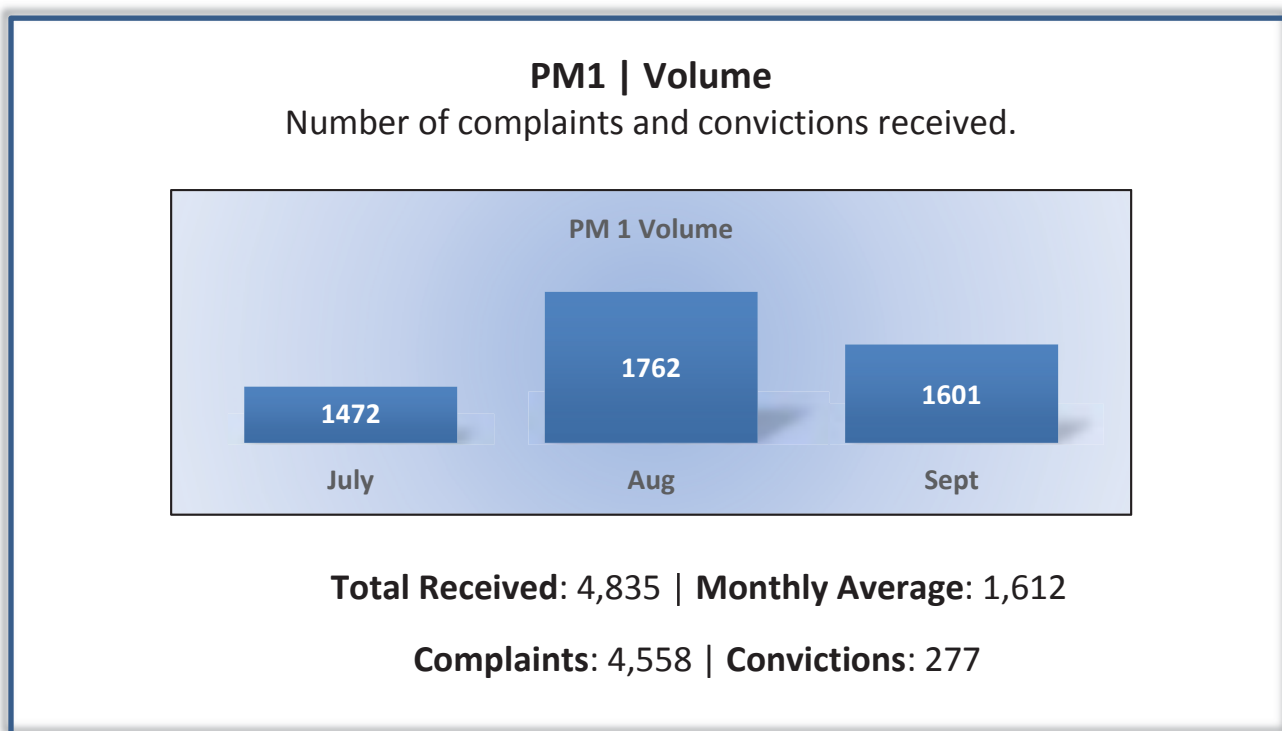


Target Average: 540 Days | Actual Average: 744 Days

Enforcement Performance Measures

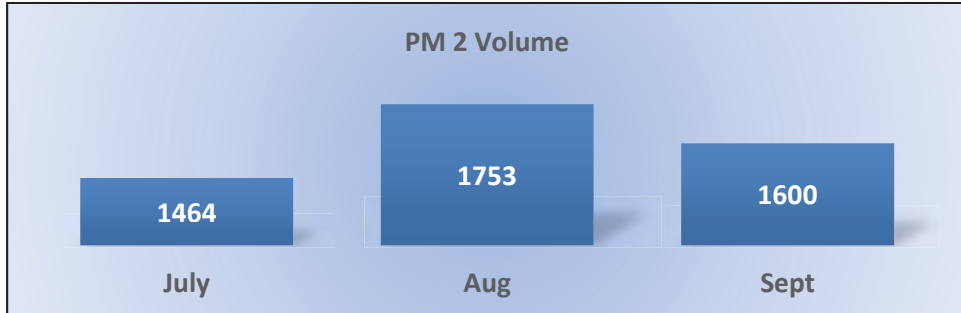
Q1 Report (July - September 2016)

To ensure stakeholders can review the Board's progress toward meeting its enforcement goals and targets, we have developed a transparent system of performance measurement. These measures will be posted publicly on a quarterly basis.



PM2 | Intake – Volume

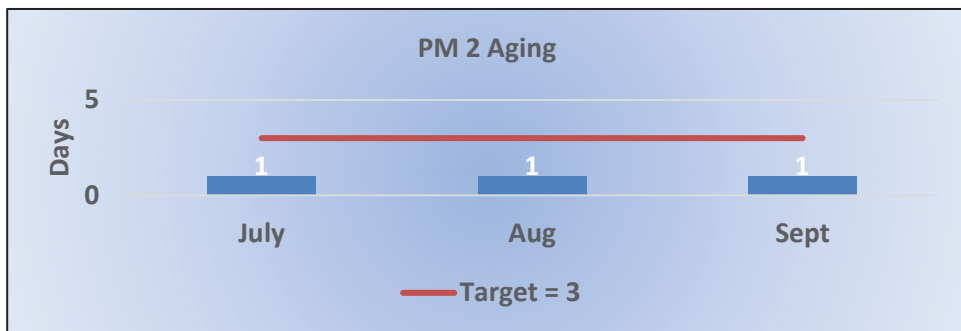
Number of complaints closed or assigned to an investigator.



Total: 4,817 | Monthly Average: 1,606

PM2 | Intake – Cycle Time

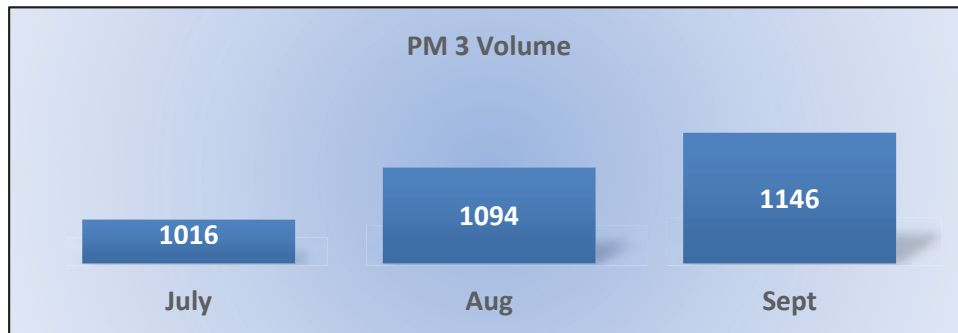
Average number of days from complaint receipt, to the date the complaint was closed or assigned to an investigator.



Target Average: 3 Days | Actual Average: 1 Day

PM3 | Investigations – Volume

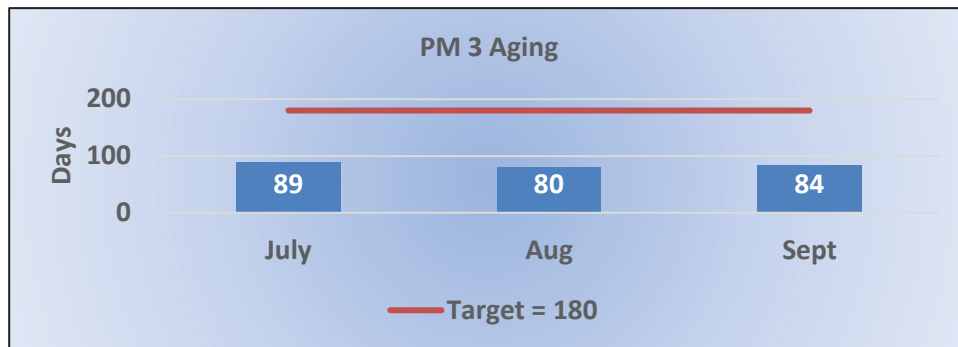
Number of investigations closed (not including cases transmitted to the Attorney General).



Total: 3,256 | Monthly Average: 1,085

PM3 | Investigations – Cycle Time

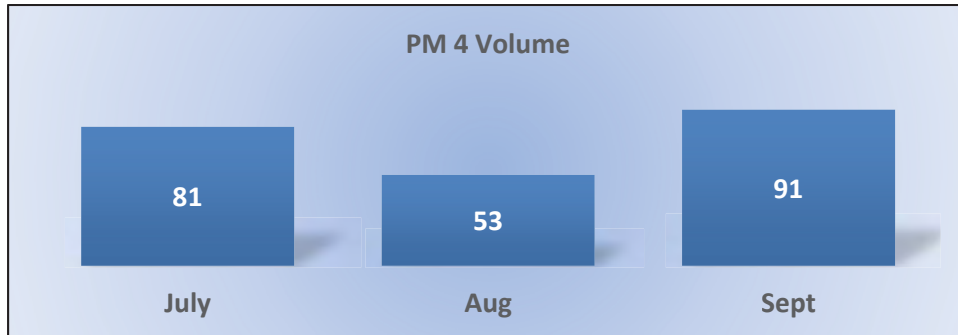
Average number of days to complete the entire enforcement process for cases not transmitted to the Attorney General.
(Includes intake and investigation)



Target Average: 180 Days | Actual Average: 84 Days

PM4 | Formal Discipline – Volume

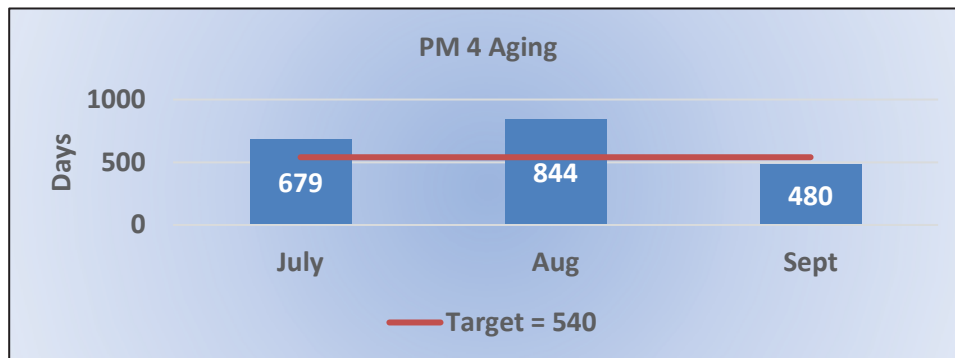
Cases closed, of those transmitted to the Attorney General.



Total: 225 | Monthly Average: 75

PM4 | Formal Discipline – Cycle Time

Average number of days to complete the entire enforcement process for cases transmitted to the Attorney General.
(Includes intake, investigation, and case outcome.)

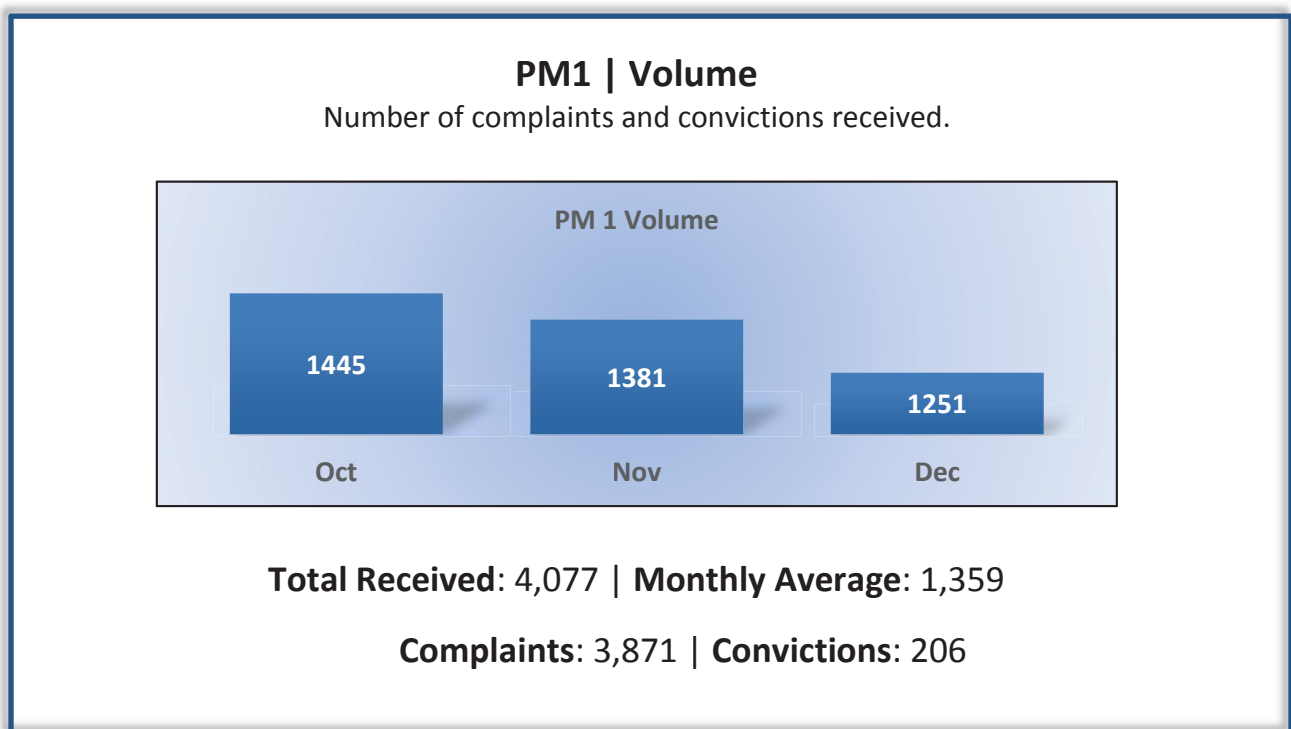


Target Average: 540 Days | Actual Average: 637 Days

Enforcement Performance Measures

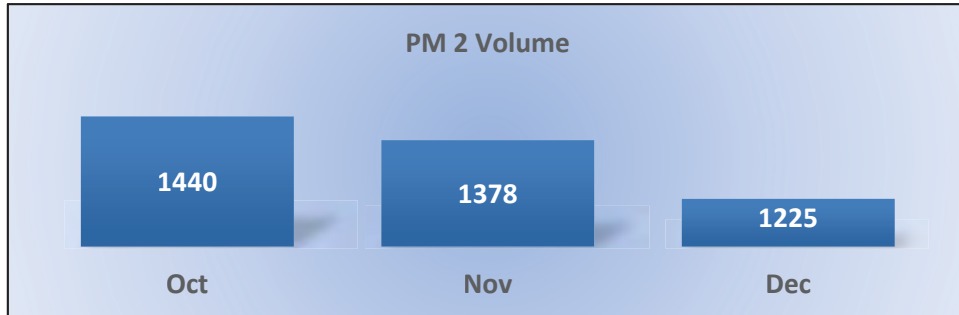
Q2 Report (October - December 2016)

To ensure stakeholders can review the Board's progress toward meeting its enforcement goals and targets, we have developed a transparent system of performance measurement. These measures will be posted publicly on a quarterly basis.



PM2 | Intake – Volume

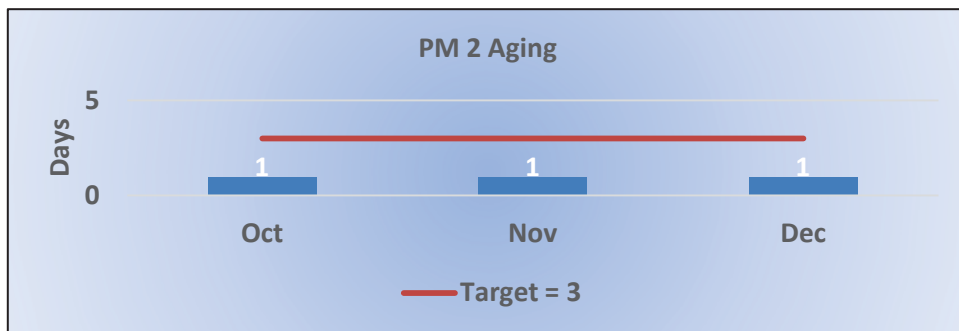
Number of complaints closed or assigned to an investigator.



Total: 4,043 | Monthly Average: 1,348

PM2 | Intake – Cycle Time

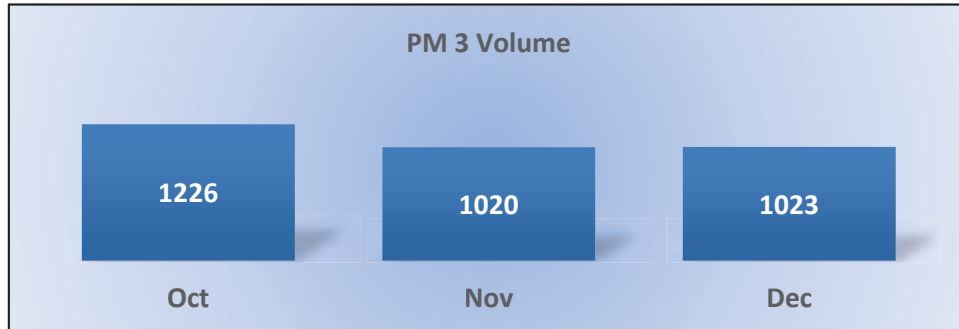
Average number of days from complaint receipt, to the date the complaint was closed or assigned to an investigator.



Target Average: 3 Days | Actual Average: 1 Day

PM3 | Investigations – Volume

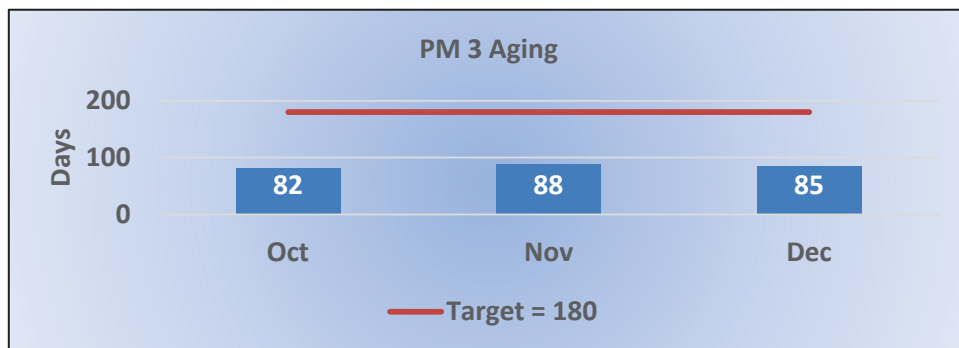
Number of investigations closed (not including cases transmitted to the Attorney General).



Total: 3,269 | Monthly Average: 1,090

PM3 | Investigations – Cycle Time

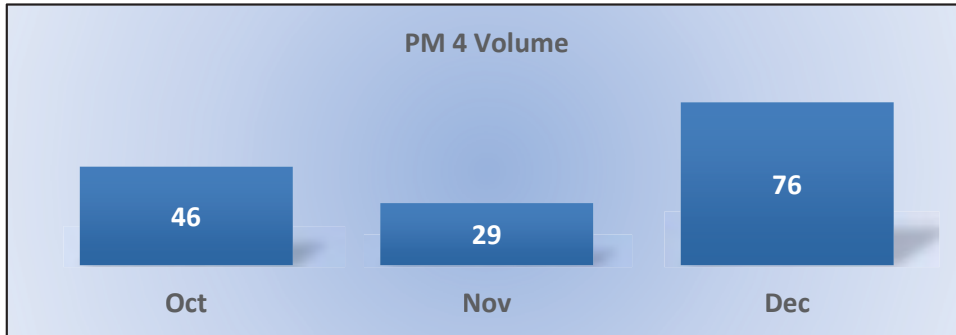
Average number of days to complete the entire enforcement process for cases not transmitted to the Attorney General. (Includes intake and investigation.)



Target Average: 180 Days | Actual Average: 85 Days

PM4 | Formal Discipline – Volume

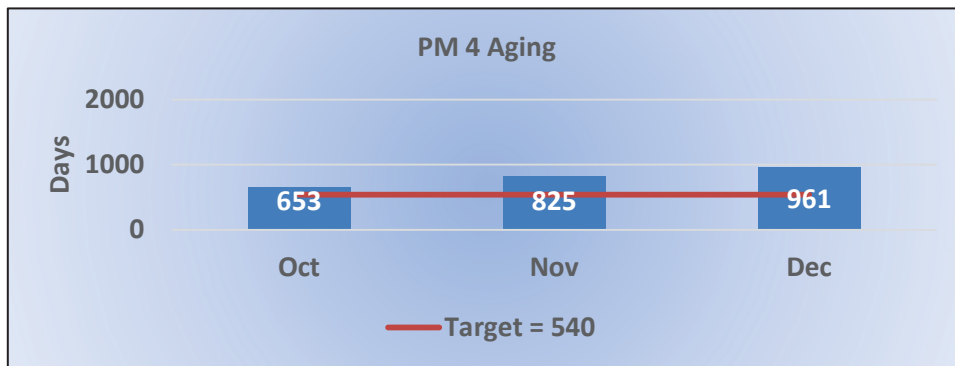
Cases closed after transmission to the Attorney General for formal disciplinary action. This includes formal discipline, and closures without formal discipline (e.g., withdrawals, dismissals, etc.).



Total: 151 | Monthly Average: 50

PM4 | Formal Discipline – Cycle Time

Average number of days to complete the entire enforcement process for cases transmitted to the Attorney General. (Includes intake, investigation, and case outcome.)

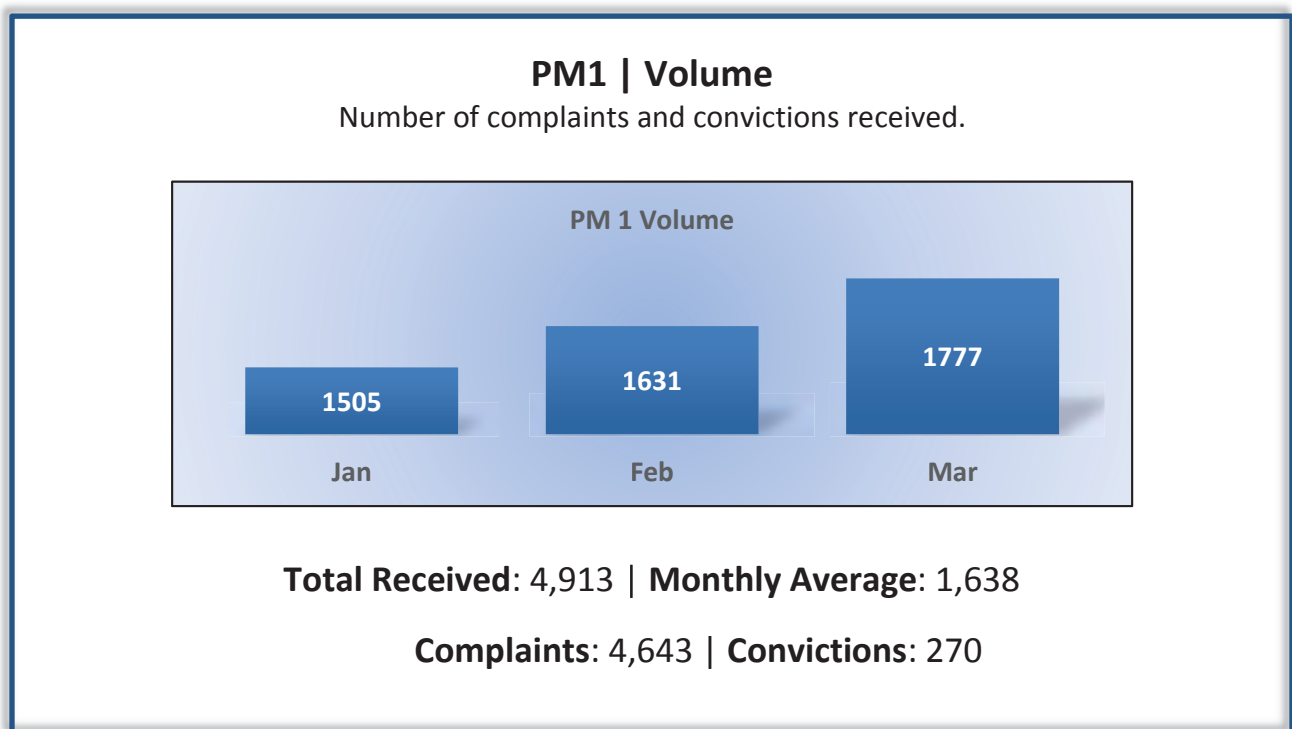


Target Average: 540 Days | Actual Average: 841 Days

Enforcement Performance Measures

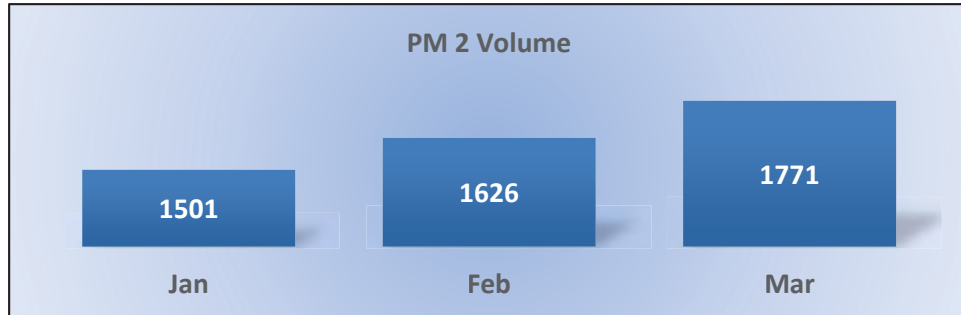
Q3 Report (January – March 2017)

To ensure stakeholders can review the Board's progress toward meeting its enforcement goals and targets, we have developed a transparent system of performance measurement. These measures will be posted publicly on a quarterly basis.



PM2 | Intake – Volume

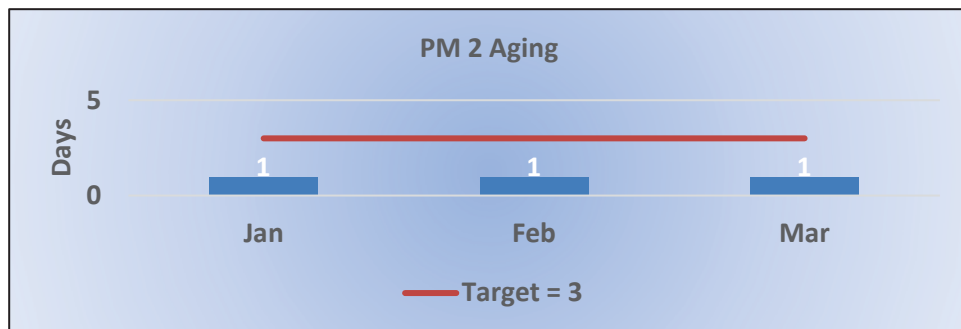
Number of complaints closed or assigned to an investigator.



Total: 4,898 | Monthly Average: 1,633

PM2 | Intake – Cycle Time

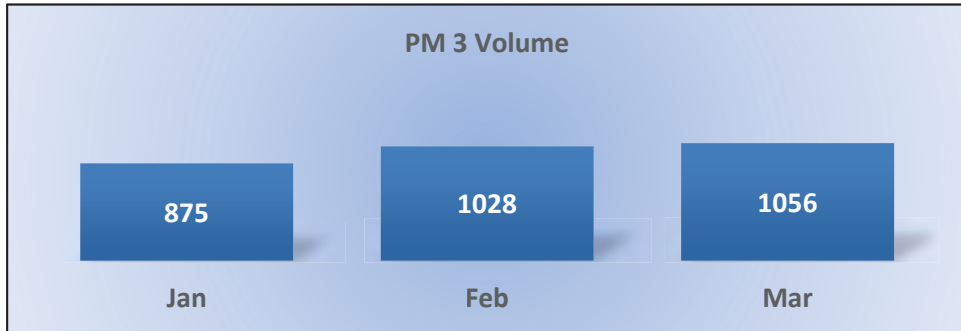
Average number of days from complaint receipt, to the date the complaint was closed or assigned to an investigator.



Target Average: 3 Days | Actual Average: 1 Day

PM3 | Investigations – Volume

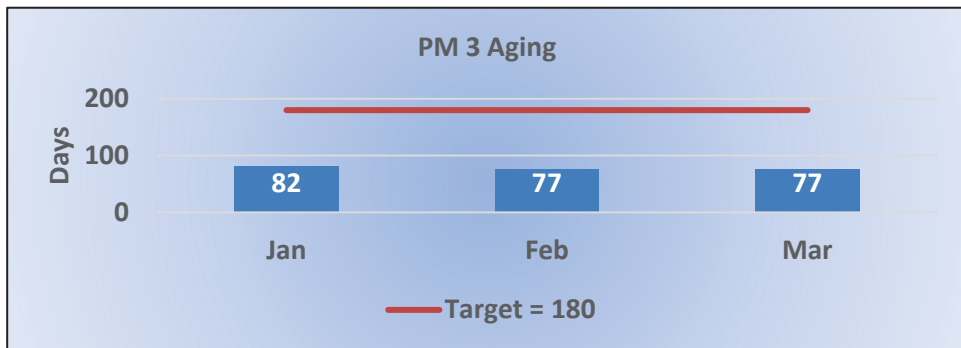
Number of investigations closed (not including cases transmitted to the Attorney General).



Total: 2,959 | Monthly Average: 986

PM3 | Investigations – Cycle Time

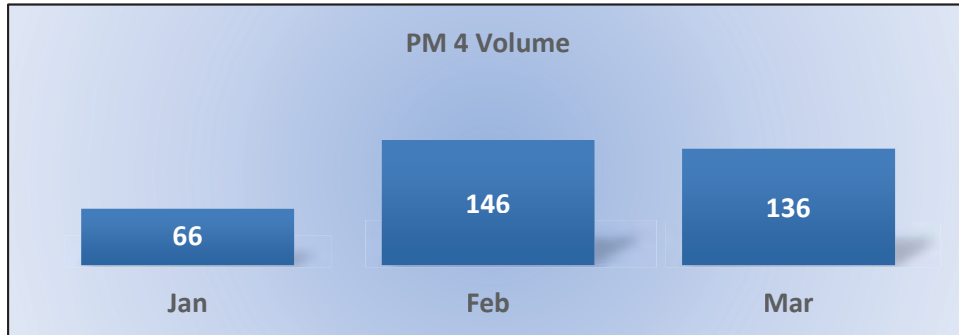
Average number of days to complete the entire enforcement process for cases not transmitted to the Attorney General. (Includes intake and investigation.)



Target Average: 180 Days | Actual Average: 78 Days

PM4 | Formal Discipline – Volume

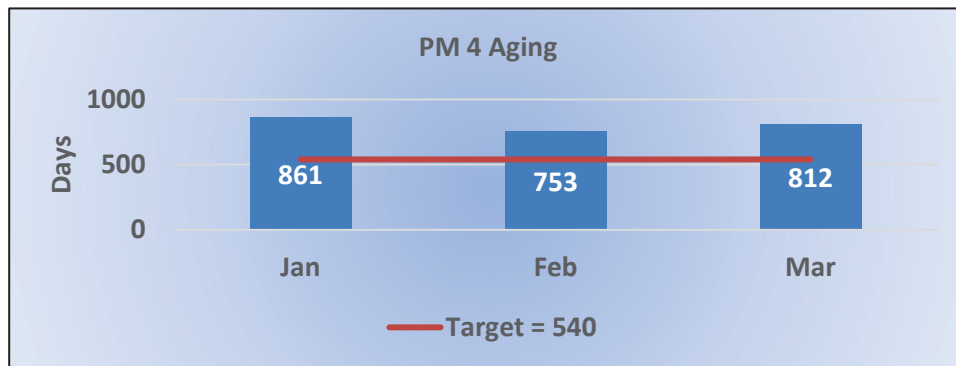
Cases closed after transmission to the Attorney General for formal disciplinary action. This includes formal discipline, and closures without formal discipline (e.g., withdrawals, dismissals, etc.).



Total: 348 | Monthly Average: 116

PM4 | Formal Discipline – Cycle Time

Average number of days to complete the entire enforcement process for cases transmitted to the Attorney General. (Includes intake, investigation, and case outcome.)

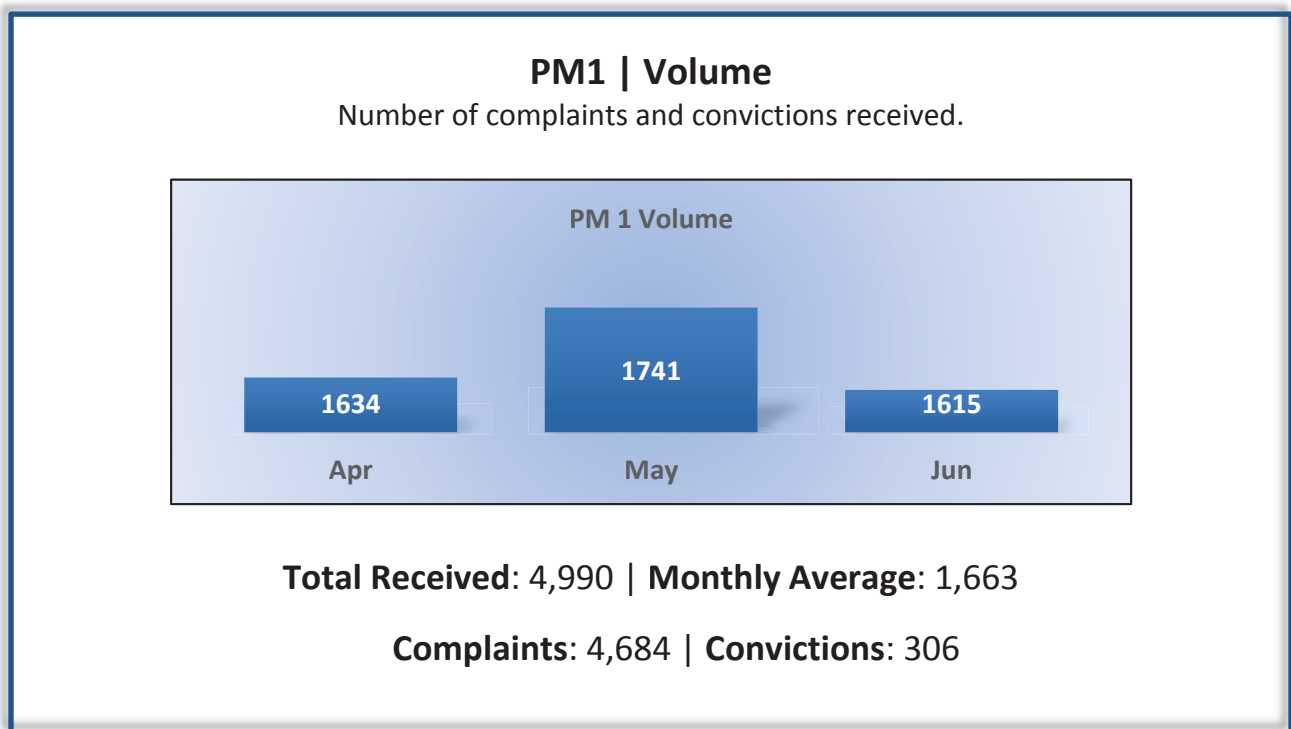


Target Average: 540 Days | Actual Average: 797 Days

Enforcement Performance Measures

Q4 Report (April - June 2017)

To ensure stakeholders can review the Board's progress toward meeting its enforcement goals and targets, we have developed a transparent system of performance measurement. These measures will be posted publicly on a quarterly basis.



PM2 | Intake – Volume

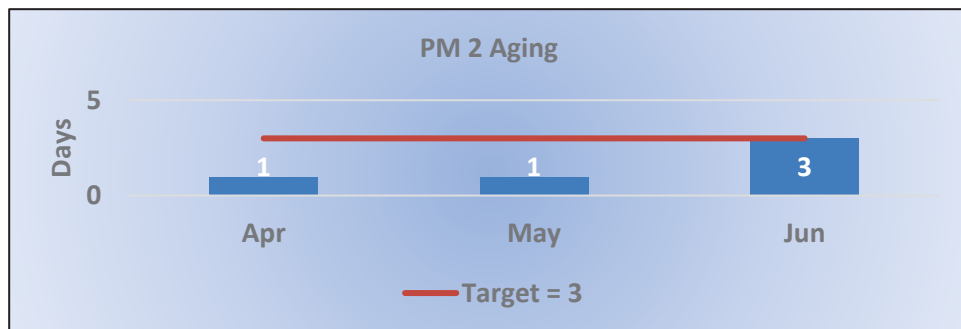
Number of complaints closed or assigned to an investigator.



Total: 4,956 | Monthly Average: 1,652

PM2 | Intake – Cycle Time

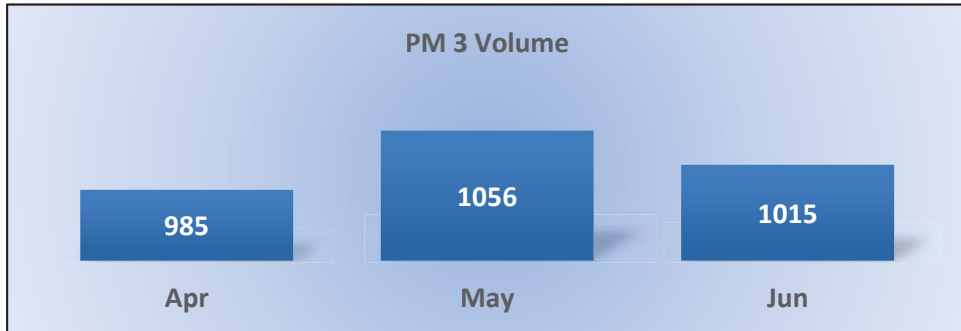
Average number of days from complaint receipt, to the date the complaint was closed or assigned to an investigator.



Target Average: 3 Days | Actual Average: 2 Days

PM3 | Investigations – Volume

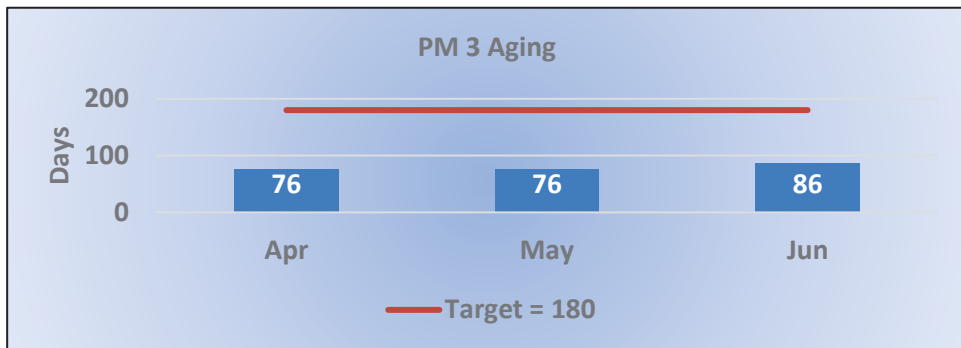
Number of investigations closed (not including cases transmitted to the Attorney General).



Total: 3,056 | Monthly Average: 1,019

PM3 | Investigations – Cycle Time

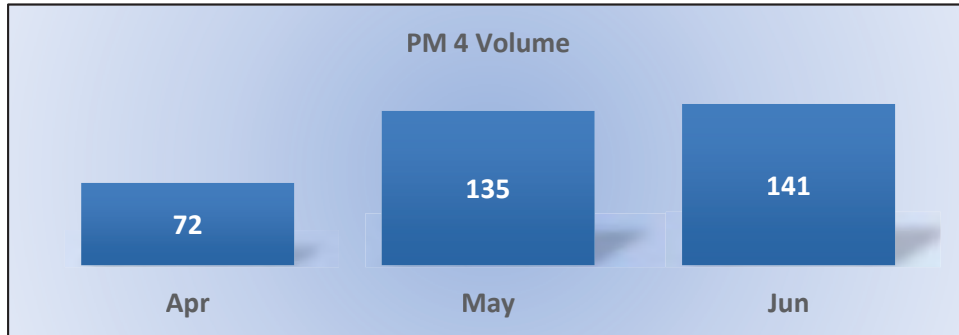
Average number of days to complete the entire enforcement process for cases not transmitted to the Attorney General.
(Includes intake and investigation.)



Target Average: 180 Days | Actual Average: 79 Days

PM4 | Formal Discipline – Volume

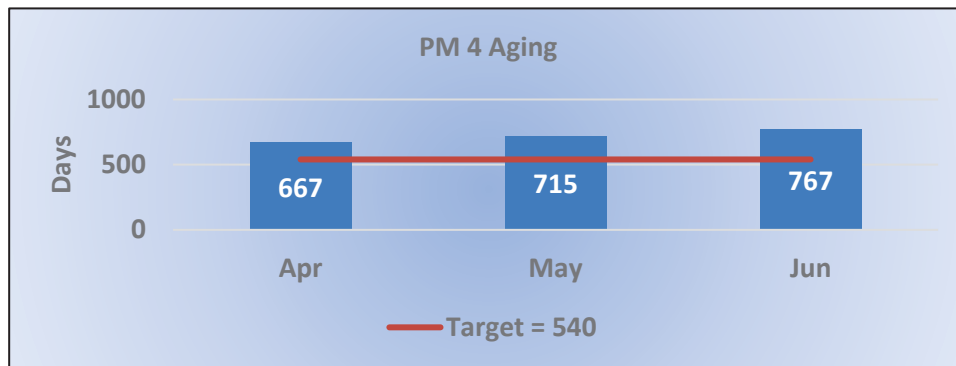
Cases closed after transmission to the Attorney General for formal disciplinary action. This includes formal discipline, and closures without formal discipline (e.g., withdrawals, dismissals, etc.).



Total: 348 | Monthly Average: 116

PM4 | Formal Discipline – Cycle Time

Average number of days to complete the entire enforcement process for cases transmitted to the Attorney General. (Includes intake, investigation, and case outcome.)

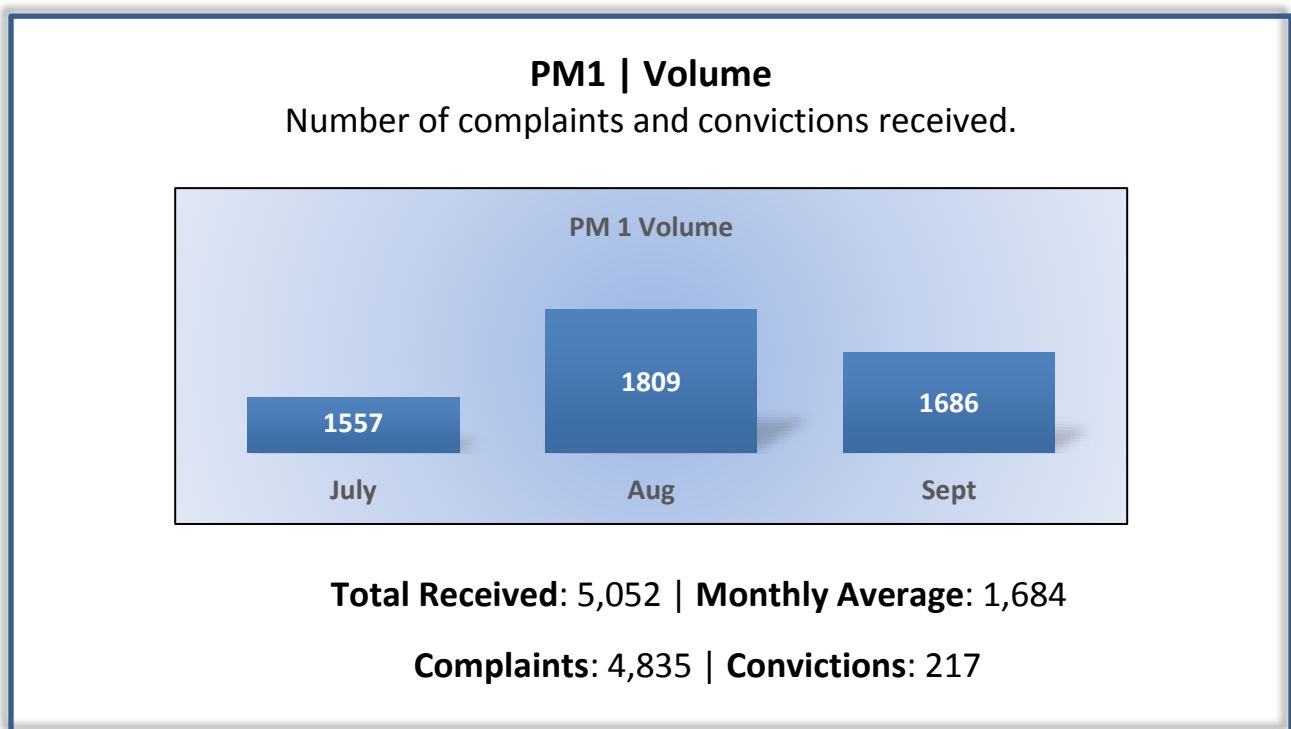


Target Average: 540 Days | Actual Average: 726 Days

Enforcement Performance Measures

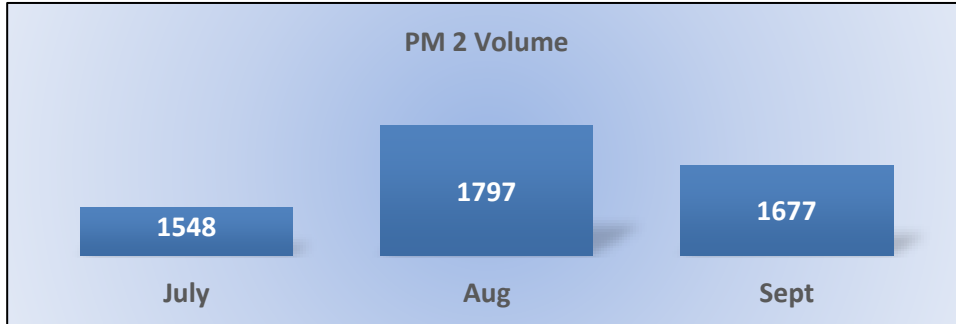
Q1 Report (July - September 2017)

To ensure stakeholders can review the Board's progress toward meeting its enforcement goals and targets, we have developed a transparent system of performance measurement. These measures will be posted publicly on a quarterly basis.



PM2 | Intake – Volume

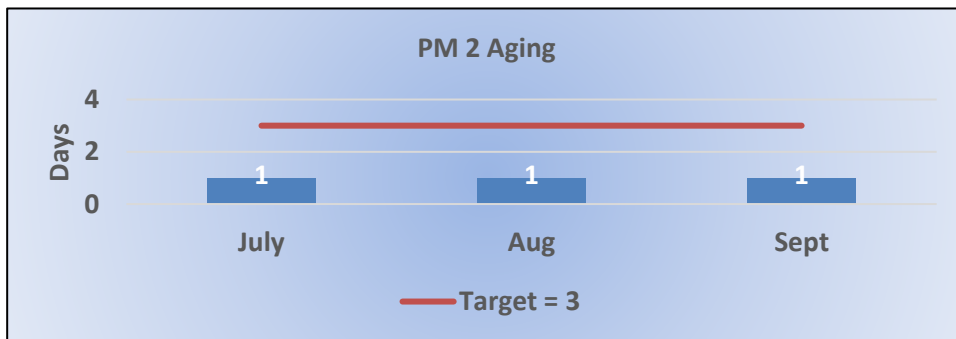
Number of complaints closed or assigned to an investigator.



Total: 5,022 | Monthly Average: 1,674

PM2 | Intake – Cycle Time

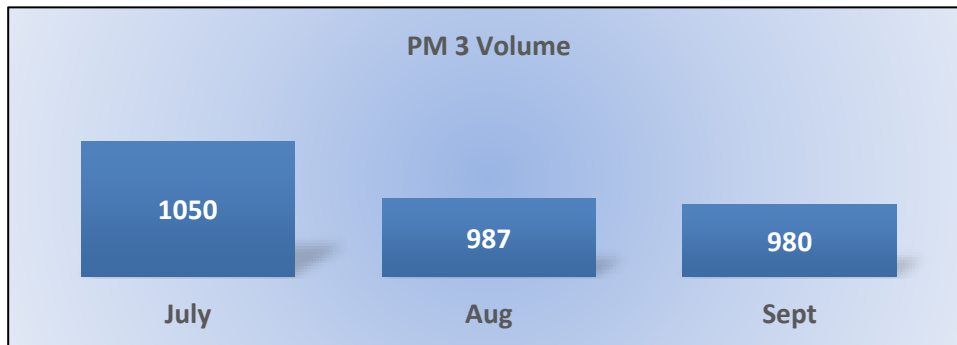
Average number of days from complaint receipt, to the date the complaint was closed or assigned to an investigator.



Target Average: 3 Days | Actual Average: 1 Days

PM3 | Investigations – Volume

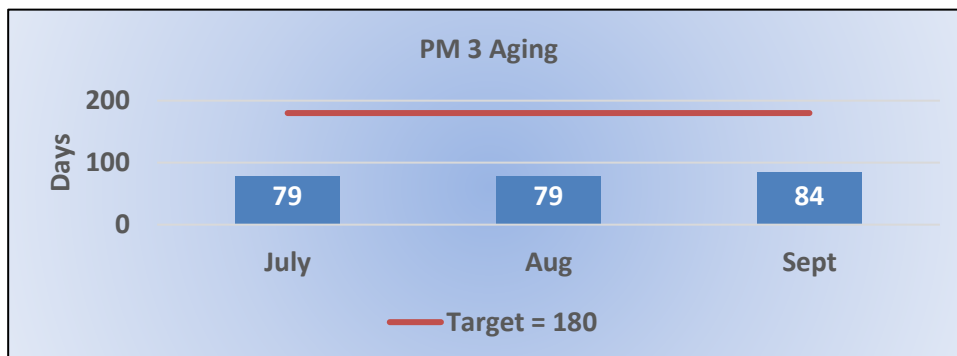
Number of investigations closed (not including cases transmitted to the Attorney General).



Total: 3,017 | Monthly Average: 1,006

PM3 | Investigations – Cycle Time

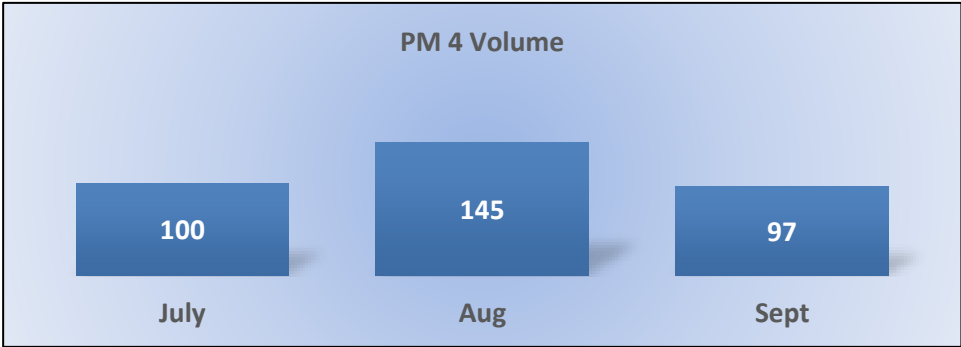
Average number of days to complete the entire enforcement process for cases not transmitted to the Attorney General.
(Includes intake and investigation)



Target Average: 180 Days | Actual Average: 81 Days

PM4 | Formal Discipline -- Volume

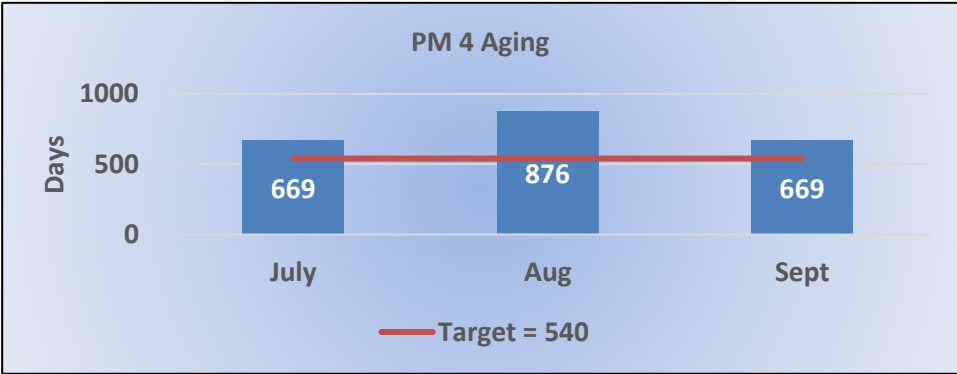
Cases closed, of those transmitted to the Attorney General.



Total: 342 | Monthly Average: 114

PM4 | Formal Discipline – Cycle Time

Average number of days to complete the entire enforcement process for cases transmitted to the Attorney General. (Includes intake, investigation, and transmittal outcome)



Target Average: 540 Days | Actual Average: 757 Days

PM7 | Probation Intake – Volume

Number of new probation cases.

The Board does not have licensees in a probationary status.

PM7 | Probation Intake – Cycle Time

Average number of days from monitor assignment, to the date the monitor makes first contact with the probationer.

The Board does not have licensees in a probationary status.

PM8 | Probation Violation Response – Volume

Number of probation violation cases.

The Board does not have licensees in a probationary status.

PM8 | Probation Violation Response – Cycle Time

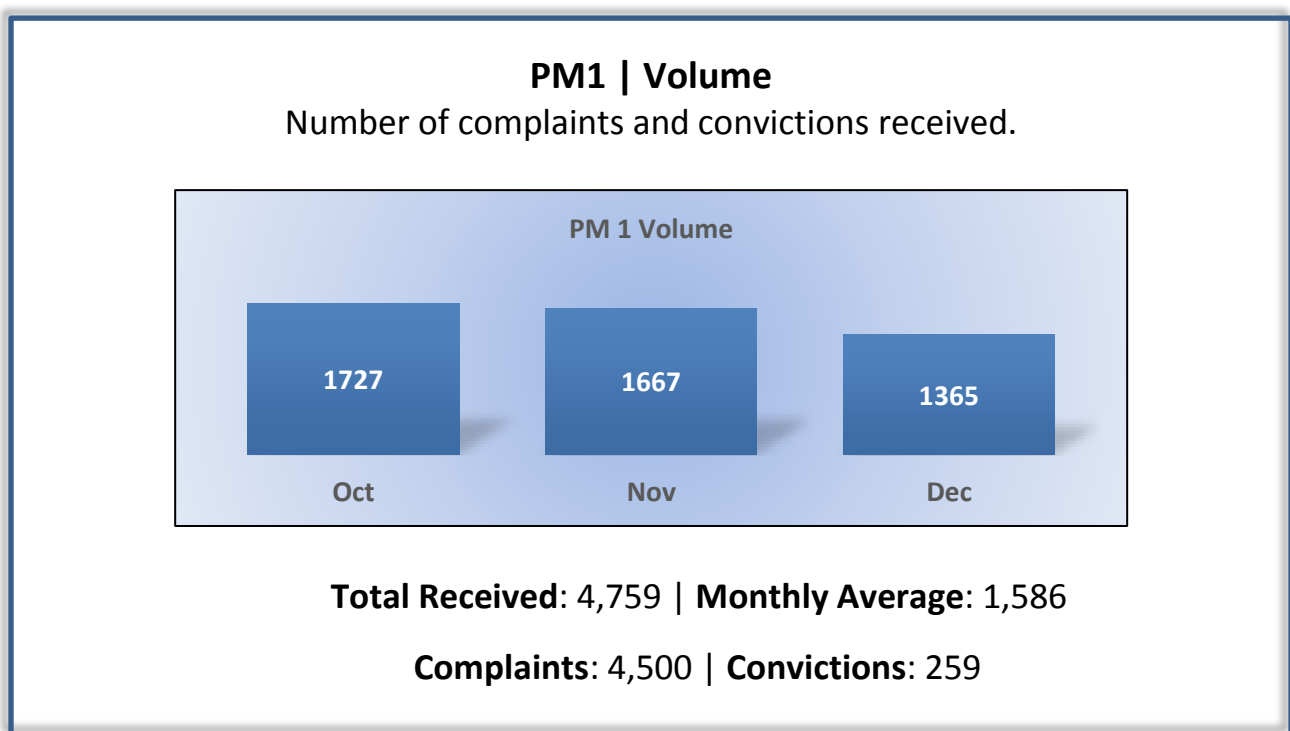
Average number of days from the date a violation of probation is reported, to the date the assigned monitor initiates appropriate action.

The Board does not have licensees in a probationary status.

Enforcement Performance Measures

Q2 Report (October – December 2017)

To ensure stakeholders can review the Board's progress toward meeting its enforcement goals and targets, we have developed a transparent system of performance measurement. These measures will be posted publicly on a quarterly basis.



PM2 | Intake – Volume

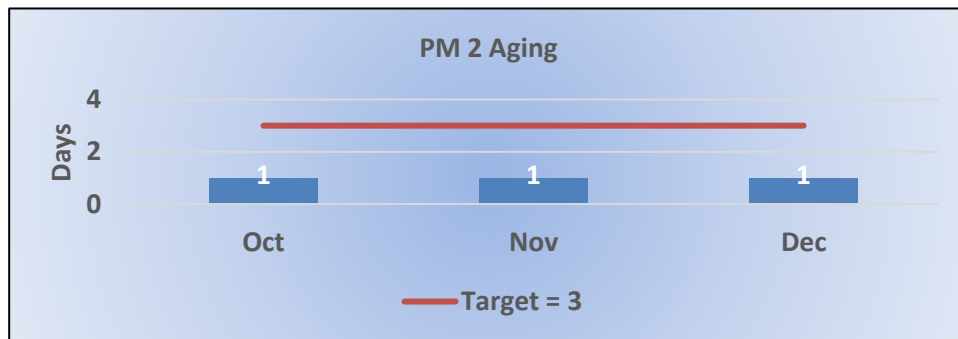
Number of complaints closed or assigned to an investigator.



Total: 4,743 | Monthly Average: 1,581

PM2 | Intake – Cycle Time

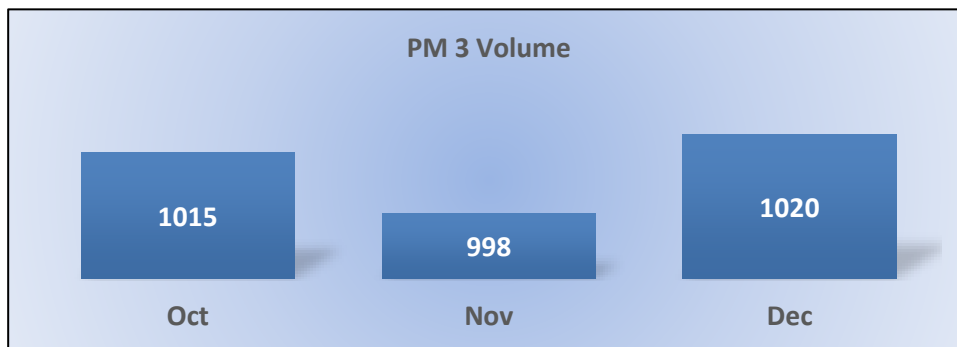
Average number of days from complaint receipt, to the date the complaint was closed or assigned to an investigator.



Target Average: 3 Days | Actual Average: 1 Days

PM3 | Investigations – Volume

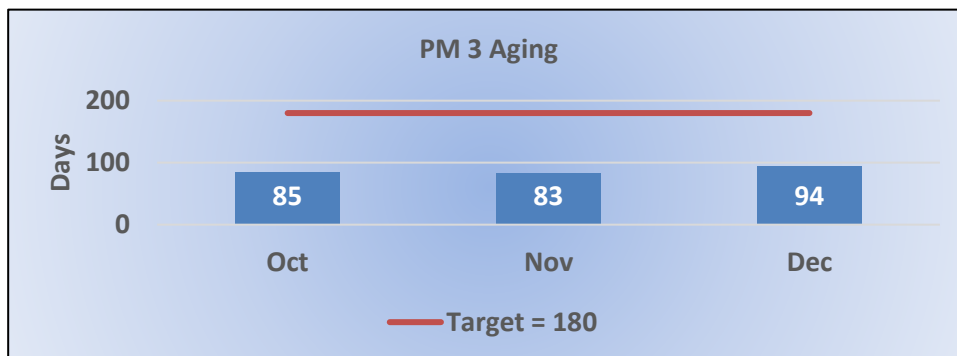
Number of investigations closed (not including cases transmitted to the Attorney General).



Total: 3,033 | Monthly Average: 1,011

PM3 | Investigations – Cycle Time

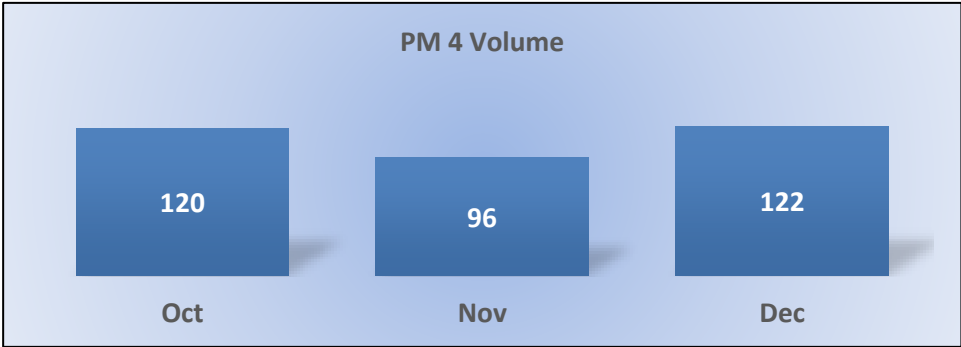
Average number of days to complete the entire enforcement process for cases not transmitted to the Attorney General.
(Includes intake and investigation)



Target Average: 180 Days | Actual Average: 87 Days

PM4 | Formal Discipline -- Volume

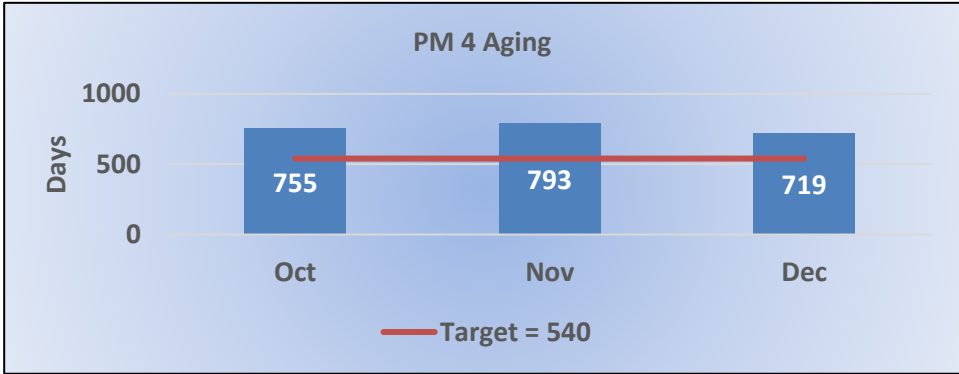
Cases closed, of those transmitted to the Attorney General.



Total: 338 | Monthly Average: 113

PM4 | Formal Discipline – Cycle Time

Average number of days to complete the entire enforcement process for cases transmitted to the Attorney General. (Includes intake, investigation, and transmittal outcome)



Target Average: 540 Days | Actual Average: 753 Days

PM7 | Probation Intake – Volume

Number of new probation cases.

The Board does not have licensees in a probationary status.

PM7 | Probation Intake – Cycle Time

Average number of days from monitor assignment, to the date the monitor makes first contact with the probationer.

The Board does not have licensees in a probationary status.

PM8 | Probation Violation Response – Volume

Number of probation violation cases.

The Board does not have licensees in a probationary status.

PM8 | Probation Violation Response – Cycle Time

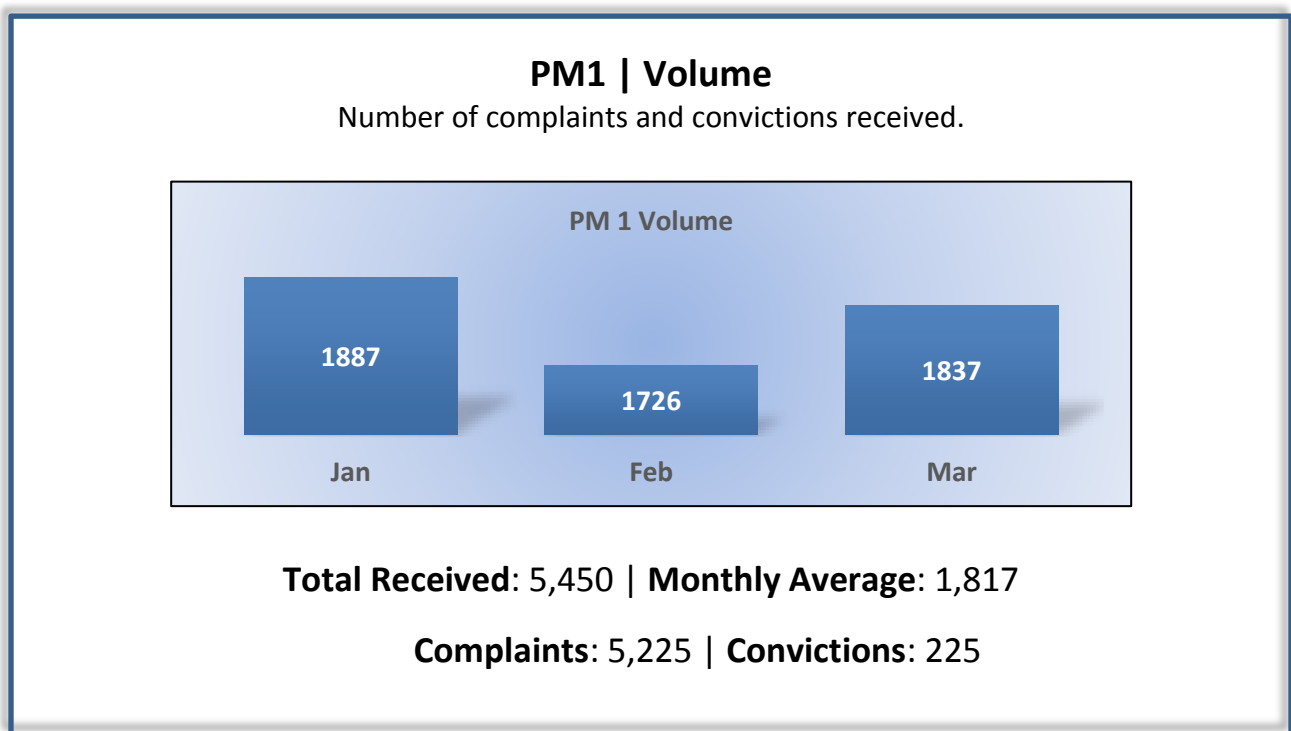
Average number of days from the date a violation of probation is reported, to the date the assigned monitor initiates appropriate action.

The Board does not have licensees in a probationary status.

Enforcement Performance Measures

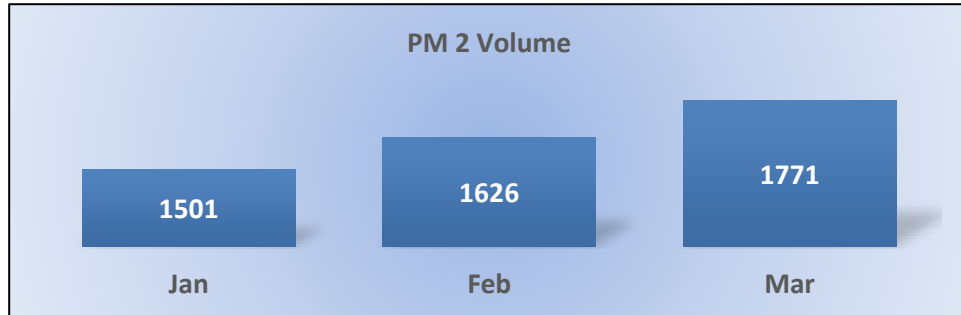
Q3 Report (Jan - March 2018)

To ensure stakeholders can review the Board's progress toward meeting its enforcement goals and targets, we have developed a transparent system of performance measurement. These measures will be posted publicly on a quarterly basis.



PM2 | Intake – Volume

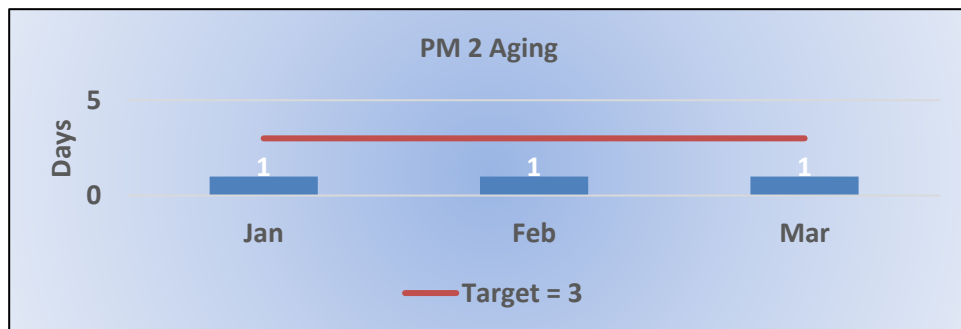
Number of complaints closed or assigned to an investigator.



Total: 5,434 | Monthly Average: 1,811

PM2 | Intake – Cycle Time

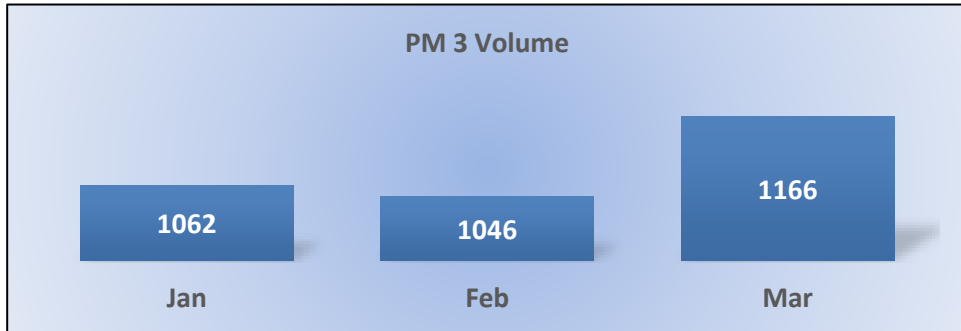
Average number of days from complaint receipt, to the date the complaint was closed or assigned to an investigator.



Target Average: 3 Days | Actual Average: 1 Day

PM3 | Investigations – Volume

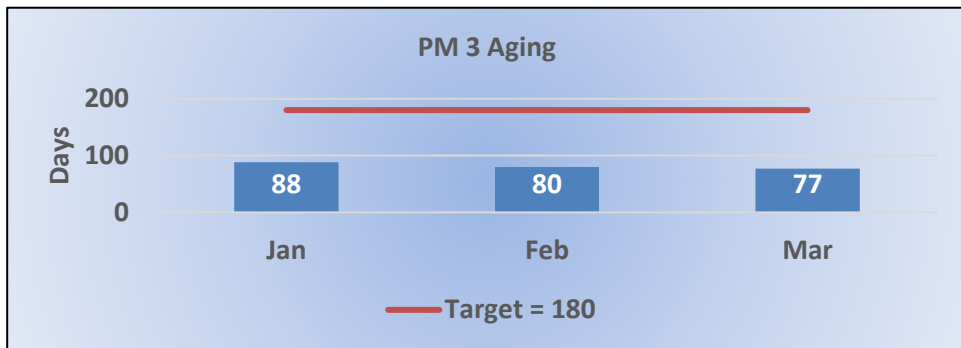
Number of investigations closed (not including cases transmitted to the Attorney General).



Total: 3,274 | Monthly Average: 1,091

PM3 | Investigations – Cycle Time

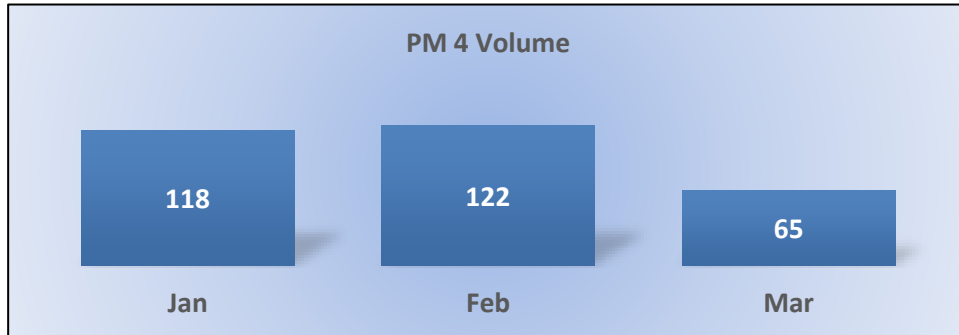
Average number of days to complete the entire enforcement process for cases not transmitted to the Attorney General.
(Includes intake and investigation.)



Target Average: 180 Days | Actual Average: 82 Days

PM4 | Formal Discipline – Volume

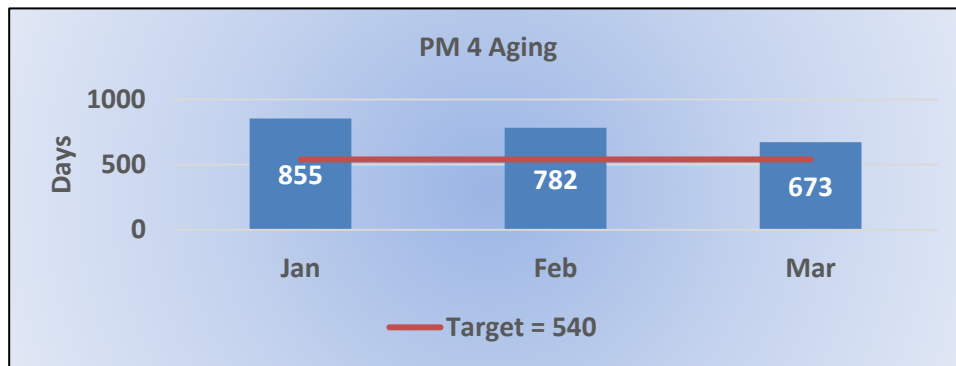
Cases closed after transmission to the Attorney General for formal disciplinary action. This includes formal discipline, and closures without formal discipline (e.g., withdrawals, dismissals, etc.).



Total: 305 | Monthly Average: 102

PM4 | Formal Discipline – Cycle Time

Average number of days to complete the entire enforcement process for cases transmitted to the Attorney General. (Includes intake, investigation, and case outcome.)



Target Average: 540 Days | Actual Average: 787 Days

PM7 | Probation Intake – Volume

Number of new probation cases.

*The Board does not have licensees
in a probationary status.*

PM7 | Probation Intake – Cycle Time

Average number of days from monitor assignment, to the date the monitor makes first contact with the probationer.

*The Board does not have licensees
in a probationary status.*

PM8 | Probation Violation Response – Volume

Number of probation violation cases.

*The Board does not have licensees
in a probationary status.*

PM8 | Probation Violation Response – Cycle Time

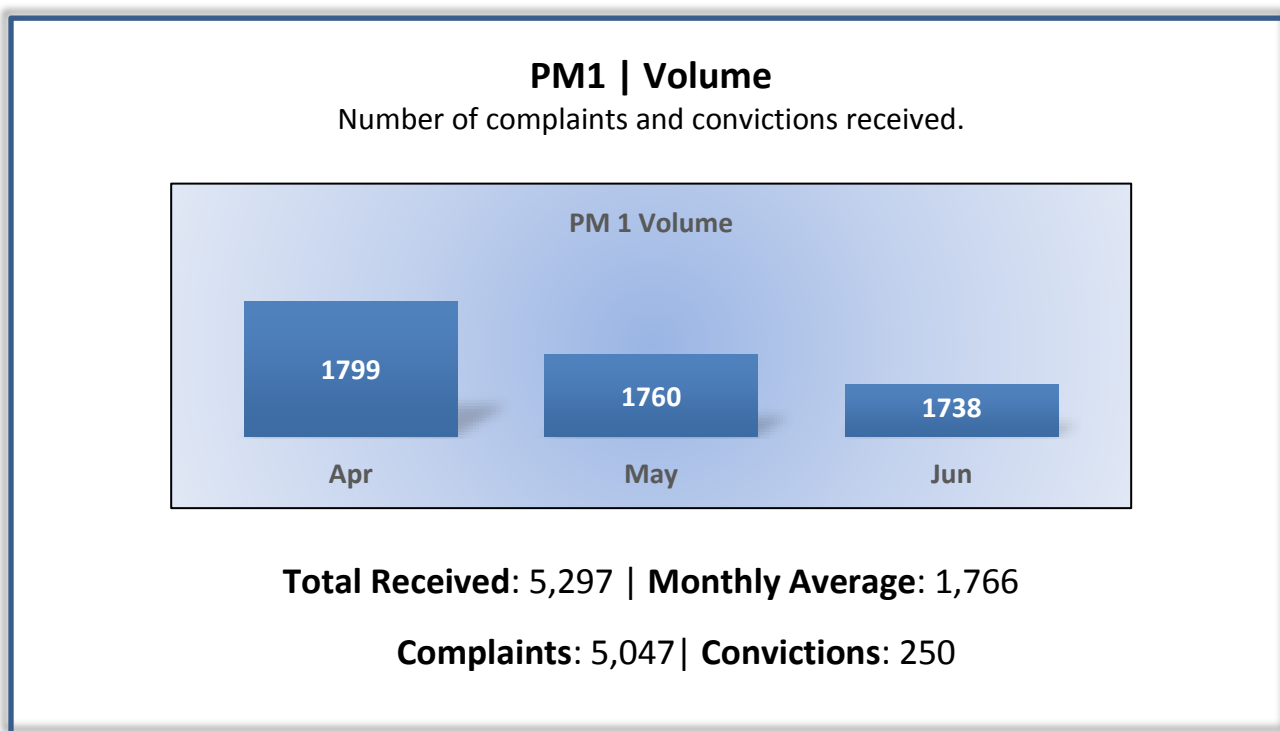
Average number of days from the date a violation of probation is reported,
to the date the assigned monitor initiates appropriate action.

*The Board does not have licensees
in a probationary status.*

Enforcement Performance Measures

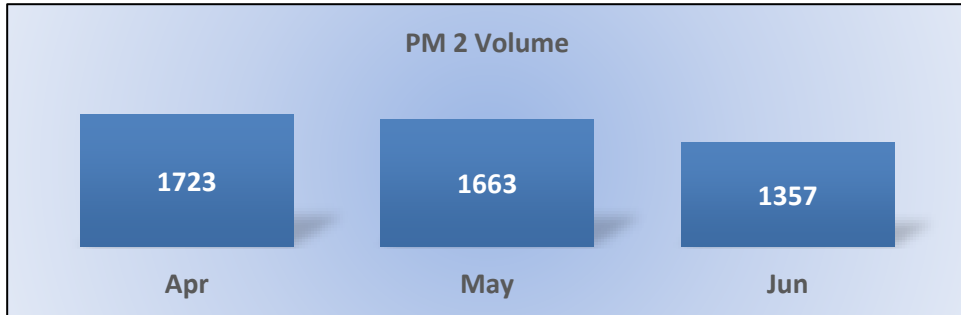
Q4 Report (April - June 2018)

To ensure stakeholders can review the Board's progress toward meeting its enforcement goals and targets, we have developed a transparent system of performance measurement. These measures will be posted publicly on a quarterly basis.



PM2 | Intake – Volume

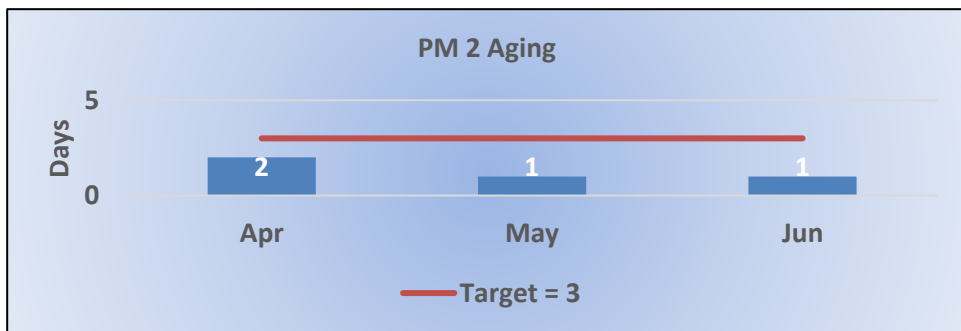
Number of complaints closed or assigned to an investigator.



Total: 4,743 | Monthly Average: 1,581

PM2 | Intake – Cycle Time

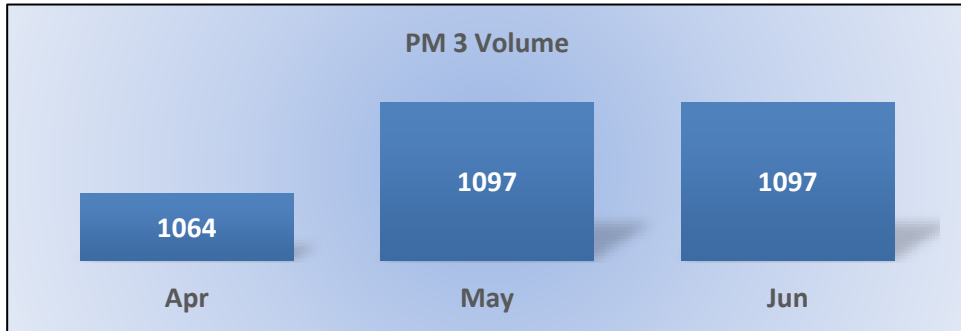
Average number of days from complaint receipt, to the date the complaint was closed or assigned to an investigator.



Target Average: 3 Days | Actual Average: 2 Days

PM3 | Investigations – Volume

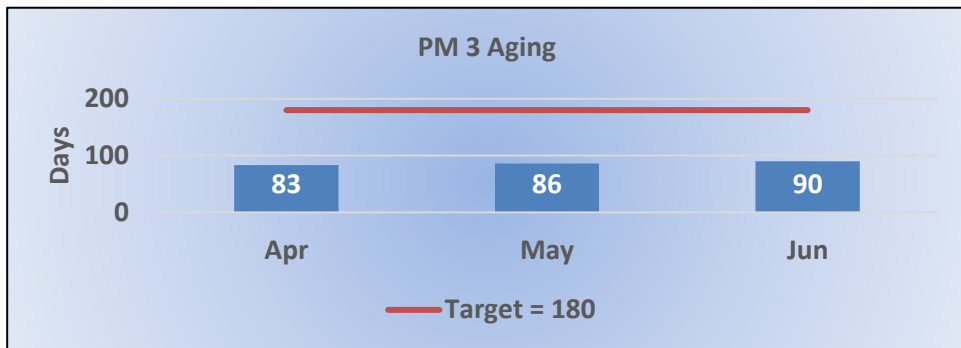
Number of investigations closed (not including cases transmitted to the Attorney General).



Total: 3,258 | Monthly Average: 1,086

PM3 | Investigations – Cycle Time

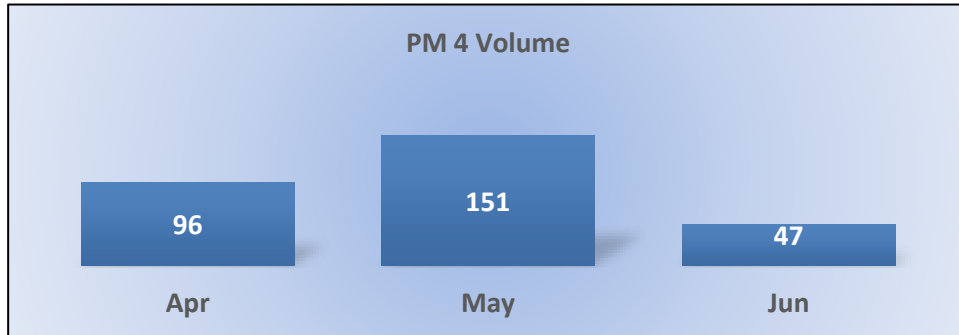
Average number of days to complete the entire enforcement process for cases not transmitted to the Attorney General.
(Includes intake and investigation.)



Target Average: 180 Days | Actual Average: 86 Days

PM4 | Formal Discipline – Volume

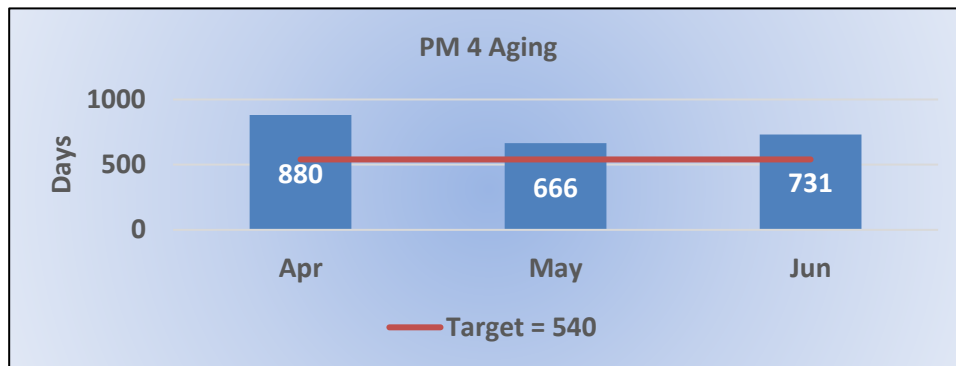
Cases closed after transmission to the Attorney General for formal disciplinary action. This includes formal discipline, and closures without formal discipline (e.g., withdrawals, dismissals, etc.).



Total: 294 | Monthly Average: 98

PM4 | Formal Discipline – Cycle Time

Average number of days to complete the entire enforcement process for cases transmitted to the Attorney General. (Includes intake, investigation, and case outcome.)



Target Average: 540 Days | Actual Average: 762 Days

PM7 | Probation Intake – Volume

Number of new probation cases.

*The Board does not have licensees
in a probationary status.*

PM7 | Probation Intake – Cycle Time

Average number of days from monitor assignment, to the date the monitor makes first contact with the probationer.

*The Board does not have licensees
in a probationary status.*

PM8 | Probation Violation Response – Volume

Number of probation violation cases.

*The Board does not have licensees
in a probationary status.*

PM8 | Probation Violation Response – Cycle Time

Average number of days from the date a violation of probation is reported,
to the date the assigned monitor initiates appropriate action.

*The Board does not have licensees
in a probationary status.*

ATTACHMENTS

Major Study—SB 465 Settlement Reporting





Contractors State License Board

Report to the Legislature

Senate Bill 465 (Hill) Study

Edmund G. Brown Jr., Governor

Kevin J. Albanese, Chair, Contractors State License Board

David R. Fogt, Registrar, Contractors State License Board

December 2017



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- C. Abstract 2

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 - Data 5
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 - Background 9
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INTRODUCTION

A. Senate Bill 465

Section 7071.18 of the Business and Professions Code, added by Statutes 2016, Chapter 372, Section 2 (Senate Bill 465), became effective on January 1, 2017.

Subparagraph (b) subdivision (1) provides that the Contractors State License Board prepare a study of judgments, arbitration awards, and settlements that were the result of claims for construction defects for rental residential units.

The statute provides that the study includes the following criteria:

- 1. Criteria used by insurers or others to differentiate between settlements that are for nuisance value and those that are not**
- 2. Whether settlement information or other information can help identify licensees who may be subject to an enforcement action**
- 3. If there is a way to separate subcontractors from general contractors when identifying licensees who may be subject to an enforcement action**
- 4. Whether reporting should be limited to settlements resulting from construction defects that resulted in death or injury**
- 5. The practice of other boards within the department**
- 6. Any other criteria considered reasonable by the board.**

B. Question Presented

The question posed for response by subparagraph (b) subdivision (1) of Business and Professions Code Section 7071.18 is whether the results of the study demonstrate that 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 construction defect claims for residential units. Section 7000.6 of the Business and Professions Code provides:

Protection of the public shall be the highest priority for the Contractors' State License Board in exercising its licensing, regulatory, and disciplinary functions. Whenever the protection of the public is inconsistent with other interests sought to be promoted, the protection of the public shall be paramount.

C. Abstract

The data collected for this study is briefly summarized in the “Data Collected” chart below. The six criteria that are identified within subparagraph (b) subdivision (1) Section 7071.18 of the Business and Professions Code make up each of the six sections of this study. Each of the six sections of the study are divided into three parts as follows: (1) a background of the criterion topic, as it relates to the Contractors State License Board (CSLB) or to the issue of construction defects for rental residential units generally; (2) presentation of the data (if any) relevant to each criterion; and (3) analysis of the data relevant to each criterion, with an intermediate conclusion.

The study ends with a Board recommendation. The recommendation is that the ability of the Board 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 construction defect claims for rental residential units.

There are also 9 Exhibits referenced throughout this study. For purposes of confidentiality, and to ensure compliance with Business and Professions Code Section 7071.18 subparagraph (b) subdivision (2), the Exhibits are not published with this study. This study is available for download at www.cslb.ca.gov; please contact the CSLB Executive Office at 916-255-4000 to request a paper copy of the study.

DATA COLLECTED FOR THIS STUDY

The following chart (**Figure 1**) summarizes the data CSLB has collected (excluding research articles reflected in the endnotes of this study) to prepare a study of



judgments, arbitration awards, and settlements that were the result of claims for construction defects for rental residential units.

DATA	TIME PERIOD COVERED	CASES / RESPONSES
Construction Defect Civil Cases from Construction Dockets	2016 – Present	651
Arbitration Cases involving Construction Defect	2016 – Present	2
Settlements, Verdicts, Judgment Summaries involving Construction Defect and Rental Residential Units	2012 - 2017	17
Civil Case Memoranda Documenting Construction Defect Settlements	2012 – 2017	3
Judgments for Breach of Contract or Negligence	2016 – 2017	2
CSLB “Disclosure Survey” Responses – Licensed Contractors	September and October 2017	3,999
CSLB “Disclosure Survey” Responses – Formerly Licensed Contractors	September and October 2017	37
CSLB “Disclosure Survey” Responses – Consumers	September and October 2017	2,414
CSLB “Disclosure Survey” Responses – Insurers	September and October 2017	273

Figure 1

STUDY CRITERIA AND ANALYSIS

1. Criteria used by insurers or others to differentiate between settlements that are for nuisance value and those that are not

Background

What Is Nuisance Value?

In its 3,200-definition Glossary of Insurance and Risk Management Terms,¹ the International Risk Management Institute, Inc. (IRMI) does not provide a definition of “nuisance value” or “nuisance settlement.” The absence of a definition of these terms from an organization that defines itself as the premier authority and educator for risk management, insurance, and legal professionals² tends to lend credence to one commentator’s claim that insurance adjusters “won’t usually use the term ‘nuisance



value' when making settlement offers."³ According to Black's Law Dictionary, a "nuisance settlement" is defined as:

"A settlement in which the defendant pays the plaintiff purely for economic reasons — as opposed to any notion of responsibility — because without the settlement the defendant would spend more money in legal fees and expenses caused by protracted litigation than in paying the settlement amount."⁴

It is necessary to differentiate between "nuisance claim," "nuisance value," and "nuisance settlement." A nuisance claim is the claim that led to the nuisance settlement.⁵ For example, a nuisance claim may be defined in terms of a "squeaking floor" or conditions resulting from "normal wear and tear"⁶, or a claim that [an insurance company may believe] is worth nothing at all.⁷ An insurer may begin negotiations on a claim by denying coverage and refusing to defend an injured party's demand for settlement or by offering the nuisance value settlement.⁸

The nuisance value, then, is the actual amount for which the "nuisance" claim ultimately settled.⁹ Legal practitioners have defined the nuisance value in terms of an amount less than the cost of trial¹⁰ or the cost to defend the claim.¹¹ Some of the costs of litigation may include the insurer's appointing and paying competent defense counsel as well as experts and other reasonable costs, and defending the entire action, including both claims that are potentially covered and claims that are not.¹²

Are Construction Defect Cases Settled for Nuisance Value?

In an industry in which approximately ninety-five percent of all construction defect cases are settled before trial¹³, the answer may be inferred to be "yes." Just to what extent, however, is difficult to define, as statistics of defense costs and indemnity dollar costs relating to construction defect claims are for the most part unavailable.¹⁴ As one commentator states, there is a startling lack of data from which one can draw any conclusions about the degree to which nuisance lawsuits infect the judicial system.¹⁵

However, where the insurance industry has generally claimed to have suffered substantial losses from construction defect claims¹⁶, nuisance value decisions are



certainly made every day in deciding whether to settle or go to trial. The first criteria CSLB examined in researching the Question Presented is the extent to which actual settlements could be distinguished in terms of whether they were settled for a nuisance value or not.

Data

The CSLB consulted with four liability insurers¹⁷ who currently report civil judgments, settlements and awards to licensing agencies to identify which criteria are useful for differentiating between settlements that are nuisance value and those that are not.

Four criteria for identifying nuisance settlements were identified after consulting with insurers: (1) the cost to litigate versus the cost to settle; (2) the size of the case and related damages; (3) the insured has little to no liability; and (4) the number of parties involved. The CSLB then developed a nine-question survey, and with the assistance of the Department of Insurance, distributed the survey to 1,300 insurers. A total of 273 participated in the survey. The survey and its responses are reproduced in its entirety at **Exhibit 1**.

Question 6 of this survey asked, “What criteria does your company use to differentiate between settlements that are for nuisance value and those that are not? (Please select all that apply).” The six answer choices to Question 6 were:

- 1) If the insured has little to no liability
- 2) The size of the case and the damages
- 3) The number of parties involved
- 4) If the potential cost of litigation is more than the cost to settle
- 5) None
- 6) Other (please specify).

Forty-four of the insurer respondents provided 110 responses to Question 6; therefore, each respondent selected between two and three of the criteria above as criteria that are relevant for identifying whether a settlement was for a nuisance value. Thirty-six of



the forty-four respondents selected answer choice number (4). Twenty-nine selected answer choice number (2). Twenty-five selected answer choice number (1). Two of the forty-four respondents provided the answer “Other” in response to Question 6. The written responses of the two insurers who selected “Other” are as follows.

1. *“All of the above – case by case evaluation”;*
2. *“Nuisance value settlements are approved primarily in cases where the insured’s liability is remote or non-existence, and the anticipated likelihood of prevailing at trial are substantial. Although settlement amounts approved may vary depending upon the magnitude of the injuries claimed, approved settlements tend to be properly characterized as nominal or diminimus; i.e, less than \$25K; often less than \$10K.”*

In response to Question 9 to insurers, which asked for general comments on the topic of construction defect settlements, two other insurers responded with the following:

1. *“Cost of litigation often exceeds settlement especially with subcontractors. Nuisance value settlements are often made when even liability is questionable.”*
2. *“First, these are disputed liability cases. Secondly, because of the joint and several laws of California, you can never be assured that the amount reflected in settlement is solely related to negligence of the party that paid the claim. Then, you have to realize that there are a multitude of factors that play into a settlement that is paid by an individual insurance company on behalf of a subcontractor. There may be 3 drywall subs in the same litigation, and 6 insurance companies that pay a claim for those 3 subs. There is no accurate picture of liability. In addition, the amounts paid may include indemnity money for the defense of another party.”*

Analysis

Cost, Not Responsibility, a Factor

The data from this survey demonstrates that of insurers who report civil settlements to licensing boards who answered Question 6, the majority (82 %) of the insurers identify the potential cost of litigation exceeding the cost to settle as the primary indicator of a nuisance value settlement, followed by the size of the case and the damages (66%). Whether the insured appears to be liable was the third most significant factor (57%).



The number of parties to the claim was a factor for 32% of the respondents. See **Figure 2***, below.

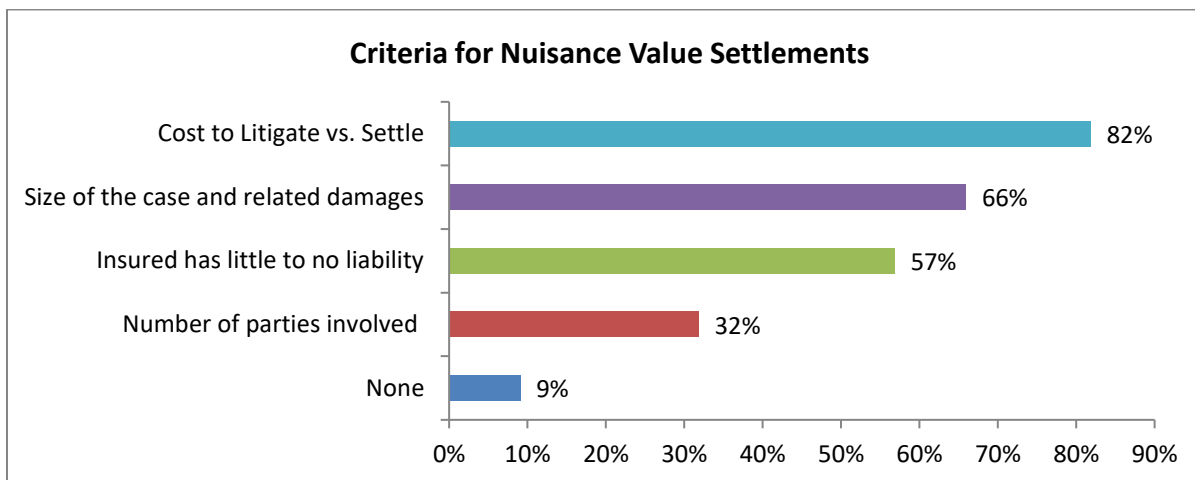


Figure 2

*percentages rounded up to nearest 10th

Both the research conducted by CSLB on the topic of nuisance settlements and the survey responses from insurers regarding nuisance value criteria support the conclusion that the cost of litigation and potential damages is significantly more heavily weighed (by a combined 17%) toward the decision about whether to settle for a nuisance value than is the question of whether there is clear responsibility on either side. This finding supports the general definition of a nuisance value – that it represents an economic decision more than a decision about merits or responsibility.

However, the fact that the insured’s responsibility is not as heavily weighed when deciding whether a claim is a nuisance does not mean that the insured has no responsibility or liability in the underlying claim at all. A nuisance settlement does not necessarily mean that the case in fact has no merits.¹⁸ It may simply reflect a decision that a defendant has decided it is not economically viable to go to trial, regardless of the plaintiff’s case.¹⁹ Indeed, the terms “nuisance lawsuit” and “frivolous lawsuit” are not interchangeable.²⁰

To this extent, a nuisance determination seems to be more of a negotiation tool to prevent trial than it is an assessment of parties’ relative responsibility in the action.



Should Nuisance Value Be a Consideration at All?

The consideration of whether a construction defect settlement is “nuisance value” – for the purposes of this study – is most likely a criterion for analysis because it goes to the question of the CSLB workload if settlement reporting were to be required. That is, it likely derives from the idea that filtering out nuisance value settlements would prevent the CSLB from having to receive settlements in which there is no major issue of fault. However, the analysis of this question changes upon the realization that construction defect is not traditionally covered by insurance unless the “defect” causes other property damage. Furthermore, the insurance company has a duty to investigate all claims regardless of coverage – or, settle early on (for nuisance value).

For the purposes of insurance and risk management, the IRMI defines “construction defect,” in part, as follows:

A deficiency in the design or construction of a building or structure resulting from a failure to design or construct in a reasonably workmanlike manner, and/or in accordance with a buyer's reasonable expectation...Whether, and to what extent, coverage applies in liability policies for claims alleging construction defects is a matter of serious debate both in insurance circles and in the courts.²¹

In the construction industry, modern insurance policies often exclude coverage for faulty design, workmanship, and/or materials.²² As such, defective construction by itself is not an “occurrence” or “property damage” for the purpose of triggering coverage under a commercial general liability insurance policy.²³ Therefore, in most cases contractors (and subcontractors) are not insured for defective construction per se.²⁴

In settling construction defect cases, insurers do not simply refuse to settle on the grounds there is no coverage, because they bear all responsibility if coverage is found.²⁵ This means that an insurer may refuse to defend a construction defect claim only if the policy clearly does not cover the claim as set forth in the civil complaint and as might be discovered by reasonable investigation.²⁶ The insurer must continue to defend the insured until the lawsuit is concluded or until the insurer conclusively shows that there is no potential for coverage.²⁷



This duty to defend may be one reason why “nuisance-value” settlement in construction litigation is a consideration at all. If settlements for nuisance value are settled more for cost than responsibility, it does not seem prudent to eliminate them from contention for consideration by the CSLB if additional investigation – which litigating parties have chosen to forgo by settling – could identify responsibility.

2. Whether settlement information or other information can help identify licensees who may be subject to an enforcement action

Background

Access to Existing Settlement Information

“When insurance companies pay out tens of millions of dollars for construction defect claims, they require a full and complete release for all current and future claims as well as strict confidentiality...In the end, Homeowners Associations are willing to accept these terms in order to receive these large recoveries that are required to rebuild their communities.”²⁸

Settlement information is difficult to obtain. In almost every case, only the parties know that a settlement has taken place and what the terms of the agreement are.²⁹ The California Evidence Code provides that statements made during mediation and settlements are protected from disclosure by Sections 1119 and 1152 of the code, which make the discussions confidential and inadmissible.³⁰ The lack of available settlement information severely undermines the ability of researchers to draw conclusions about nuisance (or other kinds of) settlements.³¹

One stakeholder, an attorney specializing in construction litigation, provided a sample of a confidentiality clause that was identified as representative, generally, of clauses that are common in civil settlement agreements that are negotiated in California:

The Parties agree that they shall keep confidential all settlement negotiations, the terms under which the Parties have settled, and the terms and conditions of this Settlement Agreement (except for the Confidentiality clause itself) and that the settlement terms contained herein are confidential and are intended to remain confidential following execution. The Parties further agree that all correspondence, this



Settlement Agreement and writings as defined by California Evidence Code § 250, and of any other type that pertain to or make reference to the terms and conditions of this Settlement Agreement, shall remain confidential. Notwithstanding the foregoing, the Parties may disclose the terms of this Settlement Agreement in any action or proceeding to enforce the terms hereof, to their lawyers and accountants, **to government agencies, as required by law**, and, to the extent required by law, to the court, or pursuant to any other compulsory process or law, including disclosure pursuant to Rule 3.770 of the California Rules of Court, if required.

The provision of this settlement language “to government agencies, as required by law” (bolded above) is an exception to the confidentiality restrictions. That is, if a law required the settlement to be disclosed to a government agency, the settlement would not be confidential for that purpose.

Settlement Information – Knowing What to Look for (Parties)

Settlement information is easier to obtain if the researcher knows what (i.e. “who”) it is looking for. As one attorney stakeholder informed this writer during a telephone conversation, “the existence of a settlement itself is not what’s confidential; what may be confidential is the terms, who paid, and how much.”

For example, in locating settlement information about the licensed general contractor who constructed the building at the source of a balcony collapse in Berkeley, California in June 2015 that tragically ended six lives, CSLB was able to research individual county superior court records by a search using that contractor’s business name. This uncovered docket records of lawsuits naming the contractor as a party.

From this, CSLB was able to obtain, in some cases by paying for, copies of court motions and judgments that referenced actions that were resolved by settlement. The motions and judgments did not include the settlements themselves.³² The contents of the different court documents were used to identify an amount in settlements that the general contractor was party to, which involved three separate civil cases in Santa Clara County against the same general contractor totaling an amount of \$22,999,792.32 in settlements.³³ These documents are provided in their entirety at [Exhibit 2](#).

*Settlement Information – Knowing What to Look for (Case Type and Causes of Action)*

In the absence of individual party names to search (which makes locating lawsuits easier), when locating settlement information pursuant to this study, CSLB is limited to searching court records by either cause of action (the legal basis for suing, e.g., negligence, breach of warranty, etc.) or by case type (a “construction defect” lawsuit).

However, “construction defect” is merely a type of case or claim about something that has gone wrong, not a cause of action itself (i.e., not a legal basis to sue in itself).

California courts have recognized the validity of several causes of action for the pursuit of a construction defect claim.³⁴ Some examples are: statutory causes of action (e.g. the SB 800 Homebuilder “Fix It” Construction Resolution Law in Civil Code Sections 895 through 945.5);³⁵ strict liability; breach of implied warranty; negligence; fraud; and destruction of subjacent and lateral support.³⁶ Other common causes of action alleged in construction defect cases include breach of contract and misrepresentation.

Data

In compiling settlement information pursuant to this study, to determine whether settlement information or other information can help identify licensees who may be subject to an enforcement action, the CSLB gained access to a paid third-party online legal research service that provided a California civil court case research tool.³⁷

Preliminary search efforts based on construction defect causes of action (e.g. negligence, breach of warranty, etc.) proved fruitless, as those causes of action encompass an infinite number of claims that exceed the scope of construction defect. However, the third-party legal research service provided a court docket search option, as well as settlement, arbitration, verdict, and judgment search options, all of which contained information on cases filed in California state courts. The databases were able to be searched by case “type,” of which “Construction Defect” was an available type.

This allowed CSLB to research construction defect civil actions in two different ways: (1) a search of court dockets for “construction defect” case types; and (2) a search of construction defect verdicts, judgments, settlements, and arbitrations.



(1) Construction Defect – Dockets

The first settlement information research effort was conducted searching California court docket information dated after December 31, 2015 through November 9, 2017 for the key word “construction defect” as a case type. The docket search is limited to the dockets themselves as prepared by court clerks. It does not search actual court case document files themselves.

Therefore, this search located all California court cases identified in a court docket by court personnel as a construction defect case. The intent of this search was to understand how many construction defect actions are on California court calendars in recent years and whether those results could immediately identify licensed contractors.

The search located 651 individual court cases involving construction defect in California.

One “court case,” as used in this section, refers to a single entry that includes two adverse party names (e.g. Party A v. Party B), a date, a superior court name, a case number, and case type “construction defect.” A complete table of the 651 results is provided within **Exhibit 3**.

The CSLB analyzed the 651 court cases to attempt to identify California licensed contractors. Because the entries provided party name only, without additional identifying information about the party, the CSLB was not able to *positively* identify individual license qualifiers in CSLB license records and match them to the parties named in the 651 adverse party names.³⁸ However, in most of the cases in the dockets, the adverse party names very likely identify licensed California contractors,³⁹ sufficient to produce the charts below (**Figures 3 and 4**).

As a result, **CSLB was able to match 463 of its licensees in the 651 construction defect court cases located in California dockets.**⁴⁰



CONSTRUCTION DEFECT CASES IN CALIFORNIA – BETWEEN 12/31/15 AND 11/9/17

MATCHING LICENSEE TO DOCKET - RESULTS	# OF TIMES
Party in Case does not immediately match any CSLB Licensee	188
Party in Case does match CSLB Licensee	415
Party in Case matches one of any number of licensees	48
Total # of Cases with Construction Defects	651

Figure 3

Many the licensees in the docket actions appeared multiple times, as indicated in the following chart (Figure 4). For example, one licensee (generically named Licensee number 158) was named in 38 different cases, and, for example, another 130 licensees were named in one case only. The contractors’ names (produced in full in Exhibit 3) are removed from the chart below.

CONSTRUCTION DEFECT CASES IN CALIFORNIA – BETWEEN 12/31/15 AND 11/9/17

CSLB LICENSEE	NUMBER OF LICENSEES	NUMBER OF TIMES NAMED IN CASE	NUMBER OF TIMES PARTY IN CASE MATCHES A LICENSEE (Licensees x Times Mentioned)
Licensee 1 – Licensee 130	130	1	130
Licensee 131 – Licensee 136	6	2	12
Licensee 137 – Licensee 140	4	3	12
Licensee 141 – Licensee 144	4	4	16
Licensee 145 – Licensee 146	2	5	10
Licensee 147 – Licensee 148	2	8	16
Licensee 149	1	9	9
Licensee 150 – Licensee 151	2	10	20
Licensee 152	1	16	16
Licensee 153	1	17	17
Licensee 154 – Licensee 155	2	25	50
Licensee 156	1	34	34
Licensee 157	1	35	35
Licensee 158	1	38	38
TOTAL			415

Figure 4



(2) Construction Defect – Settlements, Verdicts, Judgments, Arbitrations

The second search CSLB conducted for settlement-type information was a search for construction defect actions that are final, as opposed to dockets, in which the current case statuses (dismissed, etc.) were unknown. The final actions were identified as construction defect settlements, verdicts, judgments, and arbitrations.⁴¹

In the case of settlements and verdicts, CSLB obtained only summaries of construction defect settlements and verdicts as prepared by third parties (as opposed to the actual verdicts or settlements themselves). In many cases, identifying information was not available in the originals, presumably the result of confidentiality provisions. In the case of judgments and arbitrations, CSLB obtained the full documents. The documents reviewed for this section are exhibited in their entirety, as follows: settlement information (**Exhibit 4**), verdicts (**Exhibit 5**), arbitrations (**Exhibit 6**), judgments (**Exhibit 7**).

The following charts (**Figures 5, 5.1, 5.2, 6, 7, and 8**) show relevant data identified for each of the document types studied. Each chart identifies the type of claim, amount of award or settlement, whether an identifiable licensee was involved, and whether the alleged act or omission underlying the construction defect claim occurred within 10 years of finality of the action (e.g. within 10 years of the verdict, settlement, etc.)⁴²

Settlements⁴³

SETTLEMENT CASES AFTER MARCH 25, 2013

NUMBER	LICENSEE?	STRUCTURE ⁴⁴	CLAIM/ CASE TYPE	WITHIN 10 YEARS?	AWARD
1	YES	Two-story Residence	Construction Defect	YES	\$ 75,000
2	LIKELY	300-Unit Condominium Project	Construction Defect	YES	\$XX,XXX,XXX ⁴⁵
3	LIKELY ⁴⁶	1,238 Senior Living Homes	Construction Defect	UNCLEAR ⁴⁷	\$2,100,000
4	YES	Single Family Home Residential Lot	Construction Defect	UNCLEAR	\$ 2,250
5	YES	444 Homes	Construction Defect	UNCLEAR	\$ >11,000,000



6	YES	Residential Homes	Construction Defect	UNCLEAR	\$ 560,000
7	YES	22 Live/Work Units	Construction Defect	UNCLEAR	\$2,298,326
8	YES	26 Live/Work Units	Construction Defect	UNCLEAR	\$3,112,219
9	YES ⁴⁸	23 Unit Commercial Building	Construction Defect	UNCLEAR	\$ 252,500
10	NO ⁴⁹	Single Family Residence	Construction Defect	YES	\$ 96,680
11	LIKELY ⁵⁰	Residential Home	Construction Defect	NO	\$ 97,000

Figure 5

The construction defect settlement information located for this study (Exhibited at 4) constitutes a combination of two searches of the third-party legal research service in itself: the first searching for settlements for the year 2016 (without limitation), and the second conducting the same search but back to 2013 and limited by key word “rental residential units.” Between the two searches, 16 total settlements involving construction defect were located (five of which were duplicates). The CSLB assumes more than 16 construction defect settlements were reached in the State of California since 2013.^{51 52}

Figure 5.1, below, represents a summary chart of the first construction defect settlement search described above, and Figure 5.2, below, a summary of the second construction defect settlement search described above.

CONSTRUCTION DEFECT SETTLEMENTS LOCATED FOR THE YEAR 2016

COUNTY/DISTRICT	NUMBER OF AWARDS	PERCENTAGE OF TOTAL	AVERAGE AWARD	MEDIAN AWARD	HIGHEST AWARD
Los Angeles, CA	3	30	\$2,433,333	\$0	\$ 7,300,000
Orange, CA	2	20	\$174,421	\$174,421	\$ 348,842
Riverside, CA	2	20	\$1,247,500	\$1,247,500	\$2,100,000
Alameda, CA	1	10	\$124,410	\$124,410	\$124,410
San Bernardino, CA	1	10	\$2,250	\$2,250	\$ 2,250
Ventura, CA	1	10	\$233,200	\$233,200	\$233,200



AWARDS BY PARTY

	2016	TOTAL NUMBER OF CASES	PERCENTAGE OF TOTAL
Settlements	5	5	50
Plaintiff Verdicts*	3	3	30
Defense Verdicts**	2	2	20
Total	10	10	100

*Plaintiff verdicts are based on the jury verdict before any modifications by the court

**Defense verdicts are \$0 awards before any modifications by the court

Figure 5.1

CONSTRUCTION DEFECT SETTLEMENTS LOCATED AFTER 2013 LIMITED BY “RENTAL RESIDENTIAL UNITS”⁵³

COUNTY/DISTRICT	NUMBER OF AWARDS	PERCENTAGE OF TOTAL	AVERAGE AWARD	MEDIAN AWARD	HIGHEST AWARD
San Francisco, CA	4	23.53	\$1,822,360	\$2,040,270	\$3,112,219
Los Angeles, CA	3	17.65	\$2,433,467	\$401	\$7,300,000
Riverside, CA	3	17.65	\$718,749	\$56,248	\$2,100,000
Ventura, CA	3	17.65	\$141,500	\$97,000	\$252,500
Orange, CA	2	11.76	\$3,542,738	\$3,542,738	\$7,085,475
San Bernardino, CA	2	11.76	\$281,125	\$281,125	\$560,000

AWARDS BY PARTY

	2013	2014	2015	2016	TOTAL # OF CASES	PERCENTAGE OF TOTAL
Settlements	2	2	4	3	11	64.71
Plaintiff Verdicts*	3	0	0	1	4	23.53
Defense Verdicts**	0	0	1	1	2	11.76
Total	5	2	5	5	17	100

*Plaintiff verdicts are based on the jury verdict before any modifications by the court

**Defense verdicts are \$0 awards before any modifications by the court

Figure 5.2

Verdicts

VERDICT CASES AFTER MAY 28, 2013

NUMBER	LICENSEE?	STRUCTURE	CLAIM/ CASE TYPE	WITHIN 10 YEARS?	AWARD
1	LIKELY ⁵⁴	310-Unit Loft	Construction Defect	NO	\$7,300,000



Condominium Project					
2	YES	Housing Development	Construction Defect	YES	\$56,248
3	YES	Home Remodel	Construction Defect	YES	\$ 0.00 ⁵⁵
4	YES	Housing Development	Construction Defect	YES	\$ 0.00 ⁵⁶
5	YES	Rental Residential Units	Construction Defect	YES	\$ 401 ⁵⁷

Figure 6

Arbitrations⁵⁸

ARBITRATION CASES AFTER DECEMBER 31, 2015					
NUMBER	LICENSEE?	STRUCTURE	CLAIM/ CASE TYPE	WITHIN 10 YEARS?	AWARD
1	YES	28-Unit Condominium project	Construction Defect	NO	\$ 733,077
2 ⁵⁹	YES	New Home	Construction Defect	YES	\$ 83,771
3	YES	18 Apartment Units	Construction Defect	YES	\$1,782,214

Figure 7

Judgments⁶⁰

JUDGMENT CASES AFTER JANUARY 2017					
NUMBER	LICENSEE?	STRUCTURE	CLAIM/ CASE TYPE	WITHIN 10 YEARS?	AWARD
1	YES	Restaurant Remodel	Construction Defect	YES	\$232,201.45
2	YES	Paving within Common Interest Development	Construction Defect	YES	\$ 58,805.00

Figure 8

Analysis

There are two issues raised for analysis by reporting criterion two: (1) how much incoming workload would be realized by CSLB if reporting was required; and (2) the ability for CSLB to identify licensees for enforcement action from the reporting.

(1) Incoming Workload

In combining the foregoing data in the 673 construction defect civil actions reviewed by CSLB for this study (651 civil cases and 22 final actions defined in terms of settlements, verdicts, arbitrations, or judgments), 432 of the actions (or 64 %) identify, to a



reasonable certainty,⁶¹ a licensed contractor. Another approximately 10% (or much higher⁶²) may be identifiable with more information.

Based solely on information located in conducting this study, if licensees were required to report construction defect settlements to CSLB effective January 2016, then this agency may have received at least 1,238 such settlements between January 2016 and the date of publication of this study.⁶³ Based upon this figure, CSLB estimates hiring of approximately 13 additional staff would be necessary to accommodate the work.

(2) Ability to Identify Licensees for Enforcement Action from the Reporting

The Legislature has enacted a comprehensive statutory scheme⁶⁴ known as the Contractors State License Law⁶⁵ to protect the public against the consequences of incompetent workmanship and deception practiced by unreliable building contractors⁶⁶. The statutory provisions are administered by the Contractors State License Board⁶⁷ and the registrar of contractors.^{68 69}

The issue presented by reporting criteria number two is whether the information contained in reported settlement documents could be used to identify licensed contractors who may be subject to enforcement action (based on what is contained in the documents) by the CSLB. Answering that question requires analyzing the authority of the CSLB to take disciplinary action at all.

(a) An Investigation is Required Before Taking Enforcement [Disciplinary] Action

Under the provisions of Business and Professions Code Section 7090:

The registrar may upon his or her own motion and shall upon the verified complaint in writing of any person, investigate the actions of any applicant, contractor, or home improvement salesperson within the state and may deny the licensure or the renewal of licensure of, or cite, temporarily suspend, or permanently revoke any license or registration if the applicant, licensee, or registrant, is guilty of or commits any one or more of the acts or omissions constituting causes for disciplinary action.

When taking disciplinary action, besides ordering the temporary suspension or permanent revocation of a license, the registrar may impose upon the contractor “such



specific conditions as may be just in connection with his operations as a contractor.”^{70 71} The Legislature has specified various “causes for disciplinary action,” of which “willful departure from or disregard of accepted trade standards for good and workmanlike construction” or from the “plans or specifications,” as well as a “willful or deliberate disregard and violation of the building laws of the state” are just some of such causes of actions.^{72 73} Facts that constitute “causes for disciplinary action” are proved at an evidentiary hearing⁷⁴ resulting in “disciplinary action” being taken by the registrar, principally by the suspending or revoking of the contractor's license.^{75 76}

Due to the foregoing, the CSLB cannot accept a copy of a settlement or other civil resolution involving construction defect and use it in and of itself to take enforcement action. According to Business and Professions Code Section 7090, an investigation would be required before any of the enforcement actions described could be taken, either upon the registrar's own motion, or if the settlement document were to arrive in the form of a complaint.

(b) How Would CSLB Investigate a Construction Defect Civil Settlement for the Purposes of Taking (Administrative) Enforcement Action?

In the context of the construction industry, there is no one universally accepted definition of a construction “defect” or “failure.”⁷⁷ The Civil Code has provisions that describe certain physical defects that can occur in a structure that will be actionable at law (if they do occur, e.g. water intrusion), and provides that the occurring of those things in a home *is* a “construction defect;”⁷⁸ however, the Civil Code does not otherwise provide a precise definition of “construction defect” itself.⁷⁹ Furthermore, a civil complaint underlying a construction defect settlement will allege civil violations of law that the CSLB does not administer (for example, negligence, or breach of express and implied warranties). This means that for the CSLB to investigate a civil matter involving a licensed contractor in order to determine if disciplinary action is warranted, a violation of the Contractor's Law must be identified for the CSLB to allege in the investigation.



Furthermore, the burden of proof for liability in a civil action is by a “preponderance of the evidence.”⁸⁰ To take administrative disciplinary action against a licensee after an investigation, the CSLB must establish the violation by a showing of clear and convincing evidence.⁸¹ A burden of clear and convincing evidence is a higher standard of proof than preponderance.⁸² This means that evidence which may be sufficient to demonstrate liability to the trier of fact in a civil court may not in itself be sufficient to suspend or revoke a contractor’s license, without further investigation and additional evidence.

(c) CSLB Statute of Limitations to Investigate a Complaint is Generally Four Years

Business and Professions Code Section 7091 subparagraph (a) provides that, “A complaint against a licensee alleging commission of any **patent** acts or omissions that may be grounds for legal action shall be filed in writing with the registrar within four years after the act or omission alleged as the ground for disciplinary action.” [*Emphasis added*]. Black’s Law Dictionary defines “patent” as an adjective that means “obvious” or “apparent.”⁸³ This means that the CSLB has jurisdiction over contractors for up to four years from the date of violation for obvious problems caused by their work.

There is a limited exception to the four-year provision above; Business and Professions Code Section 7091 subparagraph (b) subdivision (2) provides for the following:

A complaint against a licensee alleging commission of any **latent** acts or omissions that may be grounds for legal action pursuant to subdivision (a) of Section 7109 regarding structural defects, as defined by regulation, shall be filed in writing with the registrar within 10 years after the act or omission alleged as the ground for the disciplinary action.

[*Emphasis added*] Black’s Law Dictionary defines “latent” as an adjective that means “concealed” or “dormant.”⁸⁴ This means that the exception to the four-year statute of limitations only applies in limited circumstances (i.e., when the alleged violation is Business and Professions Code Section 7109 *and* the alleged act or omission is a “structural defect” as defined by regulation). Therefore, only when the alleged act or



omission of the contractor involves concealed or dormant problems caused by the work does CSLB have jurisdiction over contractors for 10 years rather than 4 years.

Business and Professions Code Section 7109 and the structural defect “regulation” (referred to in Business and Professions Code Section 7091) each require definition:

Section 7109

- (a) A willful departure in any material respect from accepted trade standards for good and workmanlike construction constitutes a cause for disciplinary action, unless the departure was in accordance with plans and specifications prepared by or under the direct supervision of an architect.
- (b) A willful departure from or disregard of plans or specifications in any material respect, which is prejudicial to another, without the consent of the owner or his or her duly authorized representative and without the consent of the person entitled to have the particular construction project or operation completed in accordance with such plans or specifications, constitutes a cause for disciplinary action.

861.5. Definition of “Structural Defect”⁸⁵

For the purposes of subdivision (b) of Section 7091 of the Code, “structural defect” is defined as meaning:

- (1) A failure or condition that would probably result in a failure in the load bearing portions of a structure,
- (2) which portions of the structure are not constructed in compliance with the codes in effect at the time for the location of the structure, provided that,
- (3) such failure or condition results in the inability to reasonably use the affected portion of the structure for the purpose for which it was intended.

(d) When does the 10-Year Exception to the 4-Year Statute of Limitations Apply?

The statute of limitations period during which a complaint can be filed, or a disciplinary action initiated, begins running as soon as all legal elements necessary to establish a violation of the section involved are met.⁸⁶ To allege a violation of Business and Professions Code Section 7109, there are very specific requirements for CSLB to consider before the 10-year statute of limitations applies.



The CSLB must establish in its investigation of a complaint that there has been (a) willful departure in any material respect from accepted trade standards for good and workmanlike construction or (b) a willful departure from or disregard of plans or specifications in any material respect, which is prejudicial to another, without the consent of the owner or authorized representative. Therefore, the limitation period would begin to run as soon as the licensee willfully departed in a material respect from accepted trade standards or building plans and specifications.⁸⁷

In order to make a determination about either subparagraph (a) or subparagraph (b) of Business and Professions Code Section 7109, the CSLB must first establish three findings of fact pursuant to Section 861.5 of Title 16, Division 8, Section 861.5 of the California Code of Regulations (CCR) Section 861.5: that (1) there exists a failure or condition that would probably result in a failure in the load bearing portions of a structure; and (2) the [affected] portions of the structure are not constructed in compliance with the codes in effect at the time for the location of the structure; and all of this provided that (3) the failure or condition results in the inability to reasonably use the affected portion of the structure for the purpose for which it was intended.

To make these findings, the CSLB must engage the resources authorized by law to investigate the facts that underlie any civil construction defect settlement reported to CSLB. This may include contracting with licensed professionals for site investigation of the affected structure⁸⁸ and possibly working the complaint for a period of six months to a year⁸⁹ to establish the findings by clear and convincing evidence. It may also require CSLB, as part of the investigation, to subpoena⁹⁰ any records involved in the civil dispute underlying the settlement, as the documentation provided by the settlement itself would likely be insufficient to make the required findings.

Indeed, via an allegation of Business and Professions Code Section 7109, the CSLB took substantially all the foregoing steps in investigating and eventually revoking the license of the general contractor behind the construction of the balcony that was subject to the tragic collapse in June of 2015.⁹¹



(e) Practical Effect of the 4 versus 10-Year Statute of Limitations Periods if Settlement Reporting Were to Be Mandated

On the question of whether settlement reporting could identify licensees for enforcement action, an attorney stakeholder provided input in a letter to the CSLB dated October 19, 2017, writing:

“I express skepticism whether many cases such as these would ever actually result in a CSLB disciplinary matter without a change to [Business and Professions Code] Section 7091. I would assume that most of the construction of apartment buildings that had such a catastrophic failure were constructed more than 10 years before the failure, which means that there is no right of the CSLB to discipline the contractor (except perhaps if a resulting judgment is not paid) [pursuant to existing Business and Professions Code Section 7071.17].”

Of the 22 construction defect settlements, arbitrations, judgments, and verdicts analyzed by CSLB, 11 (or 50%) of them were filed within 10 years. Two (or 9%) were not. Seven (or 31%) were filed within a period that cannot be determined. Therefore, of the data CSLB was able to review – at least half of the actions would fall within CSLB statute of limitations for disciplinary action only if the CSLB was able to establish following an investigation, the requirements of Business and Professions Code Section 7109 ((a) or (b)) and CCR Section 861.5. Otherwise, as discussed earlier in the analysis, the standard four-year statute of limitations would apply to the actions. It is unclear at this time, without more, whether the facts underlying the settlements CSLB reviewed for this study arise to the level of establishing to a clear and convincing standard that Business and Professions Code Section 7109 violations exist.

Further, in reviewing the 22 actions, it appears that other conceivable violations of the Contractor’s Law could be present in the facts of the actions, aside from defect claims.⁹² These facts would need to be investigated by the CSLB before there was enforcement action. In that sense it does appear that settlement reporting could be used to identify licensees that may be subject to enforcement action not just related to defects.



However, if a settlement involving construction defect is forwarded to the CSLB which could involve multiple acts or omissions, if the settlement is more than four years old, the CSLB would be limited to alleging Business and Professions Code Section 7109, even if other violations appeared to be present.

Due to the foregoing analysis, in answering the question posed by study criteria two, the fact that a civil settlement has occurred at all is useful only in the sense that reporting to the CSLB *identifies* “a licensee for an enforcement action.” Whether that licensee is/would be subject to disciplinary action can come only after the CSLB’s investigation as to whether there is a violation of the contractor’s law in the set of facts underlying the project[s] that is/are the subject of the settlement.⁹³

3. If there is a way to separate subcontractors from general contractors when identifying licensees who may be subject to an enforcement action

“Typically what happens in [multi party litigation] is that the owners will sue the developer and/or the architect-engineer. The developer and/or the architect-engineer will then cross-complain against all of the subcontractors for indemnity. Many of the subcontractors will then cross complain against each other.”⁹⁴

In compiling data for this study, the CSLB was unsuccessful in locating information that separated prime contractor defendants in the action from any number of cross-defendants that can be and are often named after a given civil complaint is filed. For example, neither the case docket information the CSLB located nor the settlement, verdict, judgment or arbitration summaries or opinions discussed above consistently named cross-defendants (or other contractors) to the action other than the main party defendant.

Therefore, the CSLB has limited data on subcontractors that are subject to construction defect actions, as it relates to this study. That said, the third criterion of this study requires no presentation of data other than already discussed, as the criterion hinges entirely on a policy question: who is responsible for a construction defect in a project involving both a general contractor and a subcontractor (as it relates to administrative violations of the contractor’s law)?



Background

On a typical construction project, most of the work is performed not by the prime contractor but by numerous subcontractors, each of whom enters into a separate written agreement with the prime contractor.⁹⁵ Because the subcontractor has no direct contractual relationship with the project owner, its rights, duties, and liabilities depend entirely upon the terms and conditions of its subcontract.⁹⁶ And, the prime contractor is dependent upon the performance of its subcontractors to meet its obligations to the owner.⁹⁷ There are also protections in the law for subcontractors whose indemnity obligations to a prime contractor are limited by the extent to which a construction defect claim arose out of the subcontractor's work.⁹⁸ This leaves subcontractors a number of options when defending a construction defect action, which tends to raise concerns about coordination of legal defenses on large projects with many defects.⁹⁹

In addition, construction defect cases with numerous parties often settle at the last minute after a substantial amount of money has been spent and at the "eleventh hour" because parties tend to think that they do not have sufficient facts to settle early in the process.¹⁰⁰ Where it is not always clear at the outset of a construction defect claim who is responsible for the problem(s), an investigation or civil discovery would be required. The forgoing may explain why there are numerous cross complaints about relative responsibility. It may also provide a reason why construction defect settlements are so common.¹⁰¹

Analysis

The fact is, even though one of the parties may have followed plans and specifications, this does not necessarily exonerate it from *civil* liability for construction defects.¹⁰² For the purposes of administrative liability through a CSLB investigation, whether a prime contractor or subcontractor, or both, should bear ultimate responsibility in a construction defect action is an inquiry on which a legal stakeholder consulted during this study provided an assessment.



The attorney, who has represented contractors for over 20 years, in a letter to the CSLB dated October 19, 2017, stated:

“The statutory direction [of Business and Professions Code Section 7071.18] asks if there is a way to separate subcontractors from general contractors when identifying licensees who may be subject to an enforcement action. The reality is, such “separation” must first determine if the flaw was caused by a design error, or the failure of the contractor to follow the design. The contractor’s requirement is to follow the design so if that failed, the reporting should be on the engineer and not the contractor. If the injury or death is caused by construction means and methods, liability should focus on the one who actually caused the defect, and it often is the subcontractor(s) who have done it wrong.”

The issue of whether the flaw was caused by the design, or the failure to follow it, goes to whether the contractor violated either subparagraph of Business and Professions Code Section 7109, as discussed in the previous section. Of course, Business and Professions Code Section 7109 applies to all licensees, whether a prime or subcontractor. Who caused the flaw would be an essential part of the CSLB’s investigation if a construction defect settlement were reported to the agency. However, the policy of the CSLB on this issue, as a consumer protection agency, is that if the prime contractor is the individual who enters the contractual agreement with the consumer, the prime is responsible to finish the project according to plans and specifications either “by themselves or through others”.¹⁰³ In addition, if a consumer were to be held liable for a subcontractor’s negligent and illegal acts, the prime contractor has violated the terms of the contract.¹⁰⁴

None of this exonerates a subcontractor who, as a licensee, is as equally responsible for completing their phase of the contract in accordance with the plans, specifications, and legal requirements of their portion of the agreement¹⁰⁵ and against whom CSLB retains authority to fully discipline on a project. However, absent a unique set of facts, on a project on which an ostensible defect involving multiple contractors has occurred the policy of the CSLB would be to hold the prime contractor responsible for completing the project according to plans and specifications.¹⁰⁶



Finally, if a statute or regulation were to require construction defect settlement reporting by prime and subcontractors, in the event one settlement involved two licensed contractors on a single project, there would need to be a means for the CSLB to receive that information simultaneously and not separately, in order to properly analyze and assign responsibility without having to conduct undue additional research to differentiate between any number of civil cases to which the settlements would relate.

4. Whether reporting should be limited to settlements resulting from construction defects that resulted in death or injury

Background

Disputes among participants in a construction project based on construction defects will surface either during construction or after completion.¹⁰⁷ Disputes occurring during construction are usually resolved exclusively among the parties involved in the project usually on contract or negligence theories or as defenses to collection actions.¹⁰⁸ Disputes *after completion* tend to arise only after the owner, an occupant, or neighbor suffers personal injury or property damage.¹⁰⁹

For example, in the case of the tragic balcony deaths in Berkeley, no parties were aware of the defective construction until the balcony collapsed and resulted in death. In another example, just weeks after the tragic Berkeley balcony collapse, a stairway at Folsom apartment complex in Sacramento County collapsed, killing one, and resulting in civil litigation that is ongoing.¹¹⁰ The CSLB did review that incident and determined that the statute of limitations for administrative action pursuant to Business and Professions Code Section 7091 had elapsed as to the general building contractor responsible for the construction according to a 1998 building permit.¹¹¹

In California, civil liability by a contractor or developer for injury or damage occurring after construction may turn on whether the defects were patent (discoverable on reasonable inspection) or latent (discoverable only on postdamage investigation).¹¹² Whether a defect is latent or patent is also relevant to the CSLB 10-year statute of



limitations to administratively discipline a contractor for a violation of Business and Professions Code Section 7109.¹¹³

Data

Other than the widely publicized tragedies in Berkeley and Folsom California referenced above, the CSLB does not have meaningful data about construction defects resulting in injury or death in California for the purposes of this study.¹¹⁴ The 22 settlements analyzed in section 2 of this study did not appear to involve injury or death based on the descriptions of those actions (see Exhibits 4, 5, 6, and 7). In 1,099 cases in which CSLB has referred licensed contractors to administrative discipline for alleged violations of Business and Professions Code Section 7109 since January 2016, it is extremely uncommon that a case has clearly involved a death ostensibly *caused* by a construction defect.¹¹⁵

In addition, the difficulty of locating such examples in researching civil litigation files may be complicated by the fact that such cases tend to be categorized (in civil case records) as “negligence,” “strict liability,” or “wrongful death”¹¹⁶ cases as opposed to “construction defect.”¹¹⁷ Also note, the widely-litigated SB 800 Homebuilder “Fix It” Construction Resolution Law in Civil Code Sections 895 through 945.5 specifically exempts from litigation under those sections any claims for personal injury.¹¹⁸ As such, claims for injuries or death may involve general tort actions (e.g. negligence) as opposed to construction defect actions, which tend to be based in contract.

Finally, as to the frequency of death or injury due to deck or porch collapses generally in the United States, a Consumer Product Safety commission for by the Associated Press conducted a study.¹¹⁹ The report estimated that 6,500 emergency room visits from 100 hospitals were associated with deck or porch failures or collapses in the past 10 years¹²⁰. A spokesperson stated that, as there are millions of ER visits a year, collapses resulting in death “appears to be rare.”¹²¹



Analysis

Just as injury or death can affect the measure of damages in a civil case,¹²² injury or death goes to a factor to be considered in the CSLB disciplinary guidelines on the question of determining whether revocation, suspension, or probation is to be imposed in each case.¹²³ That is, the second factor of those guidelines is “actual or potential harm to the public.” It hardly need be mentioned that injury or death is a severe “actual harm” to the public which would warrant the more severe action of revocation as opposed to suspension or probation.

If settlements of construction defect cases involving injury or death were required to be made to the board, there does not appear to be a reason to limit the cases to death or injury, which simply goes to the severity of CSLB discipline than whether the Contractor’s Law was violated. It is not clear that there would be a significant number of such cases, and as a result, such a limitation could constitute an instance of an “exception swallowing a rule.” Preliminary analysis suggests that the number of construction defect case settlements, if required to be reported to CSLB would not exceed 600 or so a year (see criterion 2 of this study).

5. The practice of other boards within the department

Background

For the purposes of this study, the CSLB researched case information from two other construction-related boards, the Board of Professional Engineers, Land Surveyors, and Geologists (BPELSG) and the California Architects Board (CAB).¹²⁴ Each board currently subjects their licensees to case reporting requirements of the nature contemplated by Business and Professions Code Section 7071.18.

Data

Board of Professional Engineers, Land Surveyors, and Geologists (BPELSG)

The case reporting requirements for professional engineers are governed by Business and Professions Code Section 6770.¹²⁵ The case reporting requirements of Land



Surveyors are governed by Business and Professions Code Section 8776¹²⁶. The reporting program has been in place since 2008.¹²⁷

According to BPELSG, the agency opens cases on all settlement reports they receive pursuant to the two statutes above. Convictions and administrative actions are reviewed on a case-by-case basis and very few result in a case being opened. In almost all the civil action settlements that are reported to BPELSG, the civil complaint included all of the parties that worked on the project (contractor, engineer, etc.).

The BPELSG does not recall any civil action reported to BPELSG that went to trial and ended in a judgment. Civil actions frequently end in settlement; BPELSG has stated that the majority of the actions reported to them pursuant this requirement is for settlements and not judgments because the respondents are encouraged to settle by insurance companies.¹²⁸ According to BPELSG, licensees have no statutory requirement to have liability insurance. The following charts (represented by **Figures 9 and 10**) demonstrate the civil actions reported to the BPELSG pursuant to Business and Professions Code Sections 6770 and 8776.

**BPELSG
LEGAL ACTIONS PROGRAM**

FISCAL YEAR	REPORTS RECEIVED	FROM LICENSEES	FROM INSURERS	FROM COURTS	CIVIL ACTION REPORTS	CRIMINAL ACTION REPORTS
2007/08	9	7	2	0	6	3
2008/09	23	12	11	0	21	2
2009/10	52	29	22	0	50	2
2010/11	69	39	32	0	70	1
2011/12	59	29	30	0	59	0
2012/13	39	24	15	0	38	1
2013/14	42	30	13	0	36	7
2014/15	57	29	28	0	54	3
2015/16	40	27	13	0	35	4

Figure 9



NUMBER OF CASES OPENED/ CLOSED

CALENDAR YEAR	OPENED	CLOSED (OF OPENED)	NO VIOLATION	VIOLATION FOUND
2008	13	13	5	8
2009	21	20	15	5
2010	54	40	25	15
2011	72	40	32	8
2012	24	7	4	3
2013	10	0	0	0
2014	26	26	16	10
2015	41	41	30	11
2016	26	25	22	3
2017	21	10	5	5

Figure 10

California Architects Board (CAB)

Pursuant to Business and Professions Code Section 5588, a licensed architect shall report to the board in writing within 30 days of the date the licensee has knowledge of any civil action judgment, settlement, arbitration award, or administrative action resulting in a judgment, settlement, or arbitration award against the licensee in any action alleging fraud, deceit, negligence, incompetence, or recklessness by the licensee in the practice of architecture if the amount or value of the judgment, settlement, or arbitration award is five thousand dollars (\$5,000) or greater. The following chart (Figure 11) details the number of cases which were opened because of CAB’s reporting requirement. Of the 155 cases, two (1.3%) resulted in citations and one (0.6%) resulted in disciplinary action, and 96 (61.9%) were closed for no violation.

SETTLEMENT CASES

FISCAL YEAR	CASES OPENED
2012/13	33
2013/14	25
2014/15	27
2015/16	35



2016/17	35
Total	155

Figure 11

During fiscal year (FY) 2012/13 through 2014/15, CAB had a licensee population of 20,403 and received 85 settlement reports, an average of 28 per year. CAB received settlement reports for approximately 0.14% of its licensees during each FY, of which 3.6% resulted in disciplinary or enforcement action: two (2.4%) citations and one (1.2%) disciplinary action. Of these 85 cases, 48 (56.5%) were submitted by professional liability insurance carriers, 36 (42.3%) were submitted by licensees, and 1 (1.2%) was submitted by the plaintiff. All related to civil actions against a licensee. The table in **Figure 12** includes this information broken down by fiscal year.

FISCAL YEAR	SETTLEMENT CASES OPENED	LICENSEE POPULATION	DISCIPLINARY ACTIONS	ENFORCEMENT ACTIONS (CITATIONS)
2012/13	33	20,217	0	0
2013/14	25	20,504	0	1
2014/15	27	20,488	1	1
Total	85	N/A	1	2

Figure 12

The total number of all cases opened by CAB over past fiscal years (**Figure 13**) was:

FISCAL YEAR	COMPLAINTS FILED
2012/13	296
2013/14	294
2014/15	292
2015/16	385
2016/17	324
Total	1,591

Figure 13

The tables below (**Figures 14 and 15**) detail how many cases resulted in disciplinary action that were disclosable to the public and their closure types:



FISCAL YEAR	DISCIPLINARY ACTIONS	ENFORCEMENT ACTIONS (CITATIONS)	TOTAL DISCLOSABLE ACTIONS
2012/13	1	22	23
2013/14	1	20	21
2014/15	1	47	48
2015/16	4	65	69
2016/17	4	32	36
Total	11	186	197

Figure 14

FISCAL YEAR	REVOCACTION	PROBATION W/ SUSPENSION	PROBATION ONLY	PUBLIC REPIMAND	LICENSE DENIAL	ENFORCEMENT ACTIONS (CITATIONS)	TOTAL ACTIONS
2012/13	0	1	0	0	0	22	23
2013/14	0	0	0	0	1	20	21
2014/15	0	1	0	0	0	47	48
2015/16	1	1	2	0	0	65	69
2016/17	1	1	0	1	1	32	36
Total	2	4	2	1	2	186	197

Figure 15

Analysis

According to the CAB, their experience with the reporting requirements, as to the results and success of the program, is largely the same as experienced by BPELSG.¹²⁹ That is, BPELSG since implementation of the program finds that approximately 60 to 65% of the reporting results in no violation of BPELSG laws,¹³⁰ and CAB for the last several years finds that around 2.6% of the reporting results in administrative violations.¹³¹ Both boards emphasized that the reporting requirement is solely a consumer protection tool¹³² and for the public good¹³³ and that the emphasis to licensees is that the intent is not to be a “clearing house for how many lawsuits they may have.”¹³⁴ Both agencies conduct an investigation before any administrative action could occur. The BPELSG receives approximately 60 settlements per year,¹³⁵ and the CAB receives approximately 30 settlements due to the reporting requirements.¹³⁶

The BPELSG has approximately 100,000 licensees¹³⁷ and CAB has approximately 22,000 architects¹³⁸; the CSLB licenses more than both agencies combined, a total of



approximately 280,000 active licensees as of this writing. In addition, each board differs from the CSLB from a licensing standpoint. That is, BPELSG and the CAB license individuals¹³⁹, whereas the CSLB licenses entities via a qualifying individual who demonstrates the requisite knowledge and experience for licensure.¹⁴⁰

The key difference between the BPELSG and CAB in comparison to the CSLB, for the purposes of this study, is that civil liability for defects goes to whether there was a defect in the design itself as to engineers¹⁴¹ and architects¹⁴², whereas civil liability for defects goes to whether there was a departure in the execution of that design by the licensed contractor.¹⁴³ Generally, the fact that there are considerably more contractors involved in a single construction project than there are architects or engineers in that very project tends to support the conclusion that a single defect lawsuit is likely to involve more licensees for the CSLB than it would for the BPELSG and CAB. And because of the number of individuals identified as members of personnel on a license exceeds one person and they are all licensees,¹⁴⁴ an enforcement action resulting from a reported settlement stands to affect many more individuals than an action instituted by BPELSG or CAB.

That said, the number of actions taken against licensees for both BPELSG and CAB due to reporting does not vary widely; approximately 11% of reports result in disciplinary action for architects compared to approximately 15% for engineers. The CSLB does not currently have a reporting requirement; however, it is reasonable to conclude that if it did, its findings would not be widely different. Between January 2012 and January 2017, CSLB received 64,666 complaints against licensees. Of those, 9,882 resulted in legal action, which is approximately 15%.

The differences between the CAB and BPELSG licensing programs compared with the CSLB preclude significant comparison of their reporting programs to make predictions about the effects of such a reporting program for CSLB. However, one attorney stakeholder opines that, based on the reporting requirements for engineers at least, the effects of such a settlement program for the CSLB could result in more construction



defect cases going to trial as opposed to settling. The attorney stated, in an October 19, 2017 letter to CSLB:

“The requirement to report a settlement already exists with regards to engineers for a wide variety of claims...These laws make settling defect claims with engineers in any case with significant defects, almost impossible – both my partner XXXX and I have been involved in cases with engineers where there was no way of settling the claim for more than the reporting limit.”

As to whether settlement reporting would discourage settlement entirely, one stakeholder suggested this could resolve the nuisance issue entirely. A spokesperson for a legal center representing California homeowners stated, at a September 30, 2015 meeting of stakeholders on the issue of SB 465 reporting for licensed contractors:

“25% of Californians live in an HOA. Lay people don’t have expertise in construction but they’re handling 10s of millions of dollars and they need all the help they can get when they’re going out to hire a contractor to do a pretty large job in a multi-unit development. It can be argued that how many lawsuits that were filed against a particular contractor that resulted in a judgment or settlement, period, ...would be very useful... If a settlement is reported to CSLB...it might trigger pushback from the industry, who thinks they’re nuisance claims, it may actually trigger contractors to NOT settle but fight. We saw this in the auto industry. Huge damage awards to consumers. Industry pushed back and auto insurance companies took a hard line not to settle. It has changed the culture.”

6. Any other criteria considered reasonable by CSLB

Background

In addition to the criteria provided within Business and Professions Code Section 7071.18 for the elements of this study, the CSLB conducted studies of its own. The CSLB distributed via email a unique survey on the issue of construction related litigation to 140,000 licensees and 8,000 consumers. In total, 3,999 licensees and 2,414 consumers responded to the survey.

The intent of the survey was to poll stakeholders on the feasibility of a reporting requirement of the nature underlying SB 465, as well as to gauge the level of the



stakeholders’ involvement or experience, generally, with civil lawsuits involving construction. The entirety of the survey of licensees is included in **Exhibit 8**. The entirety of the survey of consumers is included in **Exhibit 9**.

Data

The CSLB survey of licensees and consumers focused on stakeholders’ experience with judgments, arbitration awards, and settlements. Those that answered provided information that reduced to **Figures 17, 18, and 19**, below.

LICENSEES			
	CIVIL JUDGEMENT	ARBITRATION AWARD	SETTLEMENT
Involved in one or more	224	325	560
Prime Contractor	155	223	315
Subcontractor	81	109	254
PROJECT TYPE			
Single-Family Dwelling	138	207	332
Multi-Family Dwelling (Rental Residential)	15	12	49
Multi-Family Dwelling (Individually Owned)	14	25	81
Commercial	73	84	161
Industrial	26	32	64
AVERAGE AMOUNT PER OCCURENCE			
\$1-\$15,000	111	143	216
\$15,001-\$30,000	24	50	91
\$30,001-\$50,000	20	29	62
\$50,001-\$100,000	19	35	56
\$100,001-\$250,000	9	33	62
\$250,001-\$500,000	9	9	19
\$500,001-\$1,000,000	9	11	21
More than \$1,000,000	7	6	17

Figure 17

CONSUMERS			
	CIVIL JUDGEMENT	ARBITRATION AWARD	SETTLEMENT



Involved in one or more	276	298	684
PROJECT TYPE			
Single-Family Dwelling	247	262	609
Multi-Family Dwelling (Rental Residential)	7	11	21
Multi-Family Dwelling (Individually Owned)	16	18	45
Commercial	15	10	21
Industrial	3	3	8
AVERAGE AMOUNT PER OCCURENCE			
\$1-\$15,000	205	25	510
\$15,001-\$30,000	18	33	75
\$30,001-\$50,000	12	12	30
\$50,001-\$100,000	9	13	24
\$100,001-\$250,000	13	5	9
\$250,001-\$500,000	9	1	3
\$500,001-\$1,000,000	2	3	6
More than \$1,000,000	2	1	10

Figure 18

Licensees, consumers, and insurers, were also asked whether CSLB’s consumer protection mission would be enhanced by regulations requiring licensees to report judgments, arbitration awards, or settlement payments of construction defect claims for rental residential units. Out of 3,479 licensees, 1,869 responded “yes” (53.72%) and 1,610 responded “no” (46.28%). Out of 2,273 consumers, 2,175 responded “yes” (95.69%) and 98 responded “no” (4.31%). Out of 143 insurers, 90 responded “yes” (62.94%) and 53 responded “no” (37.06%). The responses are charted as follows:

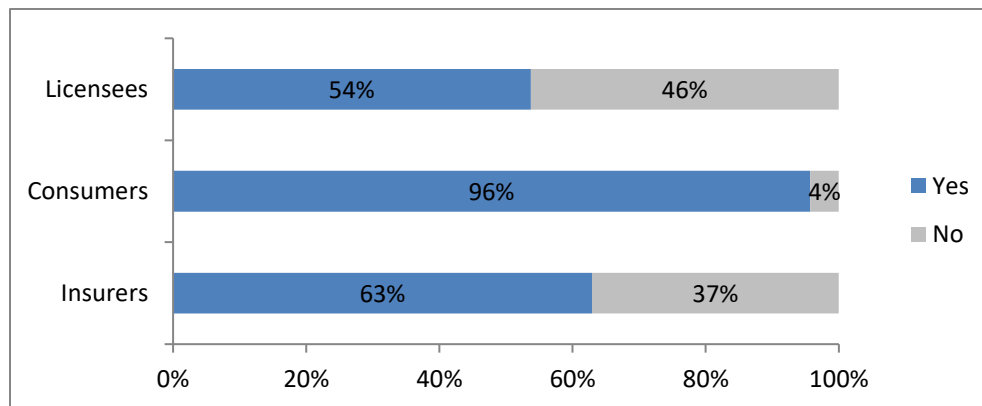


Figure 19



Analysis

The CSLB did not anticipate that more than half of its licensees who responded to the survey would support a reporting requirement. Some of the written responses to Question 19 (which asked of licensees if consumer protection would be enhanced by a reporting requirement), are as follows:

Contractors would be more inclined to remedy any issues.

As long as the reporting was actual defects not a complaint...and it should be judgments only, a settlement is sometimes less expensive for the contractor than going to court. A settlement does not admit any "guilt" on either party so this should not be reported.

Sounds like this is a good idea, but implementation costs could be huge to administer and monitor. Who ends up paying for this?

Most contractors care about how they perform. To have a negative post on your business never helps, especially if you have settled the case, learn from your mistakes and move on to do better in the future. However, if the contractor is repeated offender public must have access to that info.

Construction defect lawsuits typically involve every trade involved in the construction of a home. For instance, an HVAC contractor is named in a lawsuit involving a structural defect in the foundation of a building. The lawsuit names every trade involved searching for the deepest pockets. The CSLB should be very careful moving forward possibly posting judgments. Not all judgments are fair.

Reported but not necessarily made public.

A contractor's history of legal settlements is not a good indicator of competency of the contractor. Without knowing the full details of the litigation it would only hurt the consumer and the contractor by providing incomplete information that could lead to an incomplete or irrational judgement of the contractor. Also, the longer a contractor does business, the more potential it has for litigation. Providing this information would create a misleading bias in favor of newer contractors.

This would provide insight to the contractor you are hiring and provide security to the consumer to know who they are hiring.



Homeowners and Developers should be able to easily review legal histories of the contractors they are considering to hire. It's the most obvious report card that should be available to consumers.

Overly burdensome to global contractors where these types of actions are routine within the industry and do not affect financial solvency. Just ask for a financial statement instead to show net worth, solvency

The data CSLB collected in the administration of its own survey appears to comport with the information compiled for this study as a whole. Parties seem to concur that settlements, at least those for nuisance value, tend to be a reflection more of cost avoidance than individual liability or responsibility. The consensus also seems to be that construction litigation is extremely common and affects many parties to the construction project at issue, no matter how attenuated their involvement with the alleged defect may be.

Licensed contractors' concerns with settlement reporting appear to focus primarily on the fact that such settlements [as a whole] may not reflect direct responsibility. Industry and legal stakeholders appear to be concerned that such reporting would discourage the settlement of cases entirely or that the benefit of reporting them would outweigh the burden. For example, two different attorney stakeholders have written:

My primary concern is that requiring disclosure of settlements to the CSLB might chill contractors' willingness to settle claims out of fear that the CSLB would view it as an admission of wrongdoing even if the decision to settle with the consumer is to avoid a protracted dispute and a customer service-centric resolution. Often these settlements are confidential as well, providing the contractor with some comfort that the customer won't use it as a tool to try and tarnish the contractor's reputation especially if where the claims lacked merit or there are extenuating circumstances.

**

Mass action construction defect lawsuits are essentially automatically filed on every subdivision once it hits 8-9 years old, and many of those subdivisions involve single family residential units. Almost all of these cases result in settlement, and is essentially a cost of doing business. For instance, I represent a rain gutter contractor that is, at any given time, required to defend 3-5 defect lawsuits (and usually gets out for \$250-\$500). To require these subcontractors to report each of these settlements



would force them to spend significant money to clear their name rather than settle these nuisance claims. Instead, property owners of these units that bring claims for defects should be required to report the fact that they have made a claim for defects, and owners should be forced to actually repair those health and safety items that they claim are defective prior to being permitted to rent the unit out to the public. Specific contractors that worked on the projects need not be identified in the event of a settlement. This would actually force owners to pick and choose what is truly claimed to be a defect, knowing that they will ultimately be required to fix it. It would also dissuade Plaintiff attorneys from filing mass actions for everything under the sun, as it would not be as profitable for these attorneys if much of the settlement has to actually be used to make the claimed repairs. Most of the settlement money does not actually go into the repair of conditions at the property.

A counter response to the positions communicated above was given at a September 30, 2015 meeting of stakeholders with the BPELSG and CAB on the issue of SB 465 reporting for licensed contractors. An attorney stakeholder stated (*in response to a claim that the reporting of settlements could have no value to the board*):

“Respectfully, that can’t be, that no settlement amount is potentially indicative of a licensing problem. ... [the] question of nuisance settlements [is] a very valid concern both for not having licensees unfairly, without justification ... [having] the board [get] complaints for settlements for which there is little or no potential probative value. But there are cases that are settled well beyond the nuisance value of cases. For example... the one contractor that settled \$22 million dollars of cases in three years, that is not nuisance value ... the inherent value of settlements at some point is worth the same dignity... as a random consumer complaint. And given the fact that [the Board would] conduct an entirely separate investigation, one because their burden of proof is higher, but two they’re not supposed to look at what happened between individual parties, they’re supposed to look at the risk to future consumers, [means that the settlement is] just a piece of paper that comes in saying maybe there’s something to look at here, give it the same dignity as when I scrawl onto a piece of paper to file a [consumer] complaint [with the CSLB]... The [job of the] CSLB, like all DCA boards, is to look at the competence of the individual licensee prospectively... to figure out ... on the basis of past behavior whether or not there is something in that that would require them to impair a license [in order] to prevent future consumers to be harmed... it’s never the case that every single lawsuit that can be brought is frivolous. This is something the boards may want to look at.”



QUESTION PRESENTED

The question posed for Board response by subparagraph (b) subdivision (1) of Business and Professions Code Section 7071.18 is whether the results of the study demonstrate that 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 construction defect claims for residential units.

BOARD RECOMMENDATION

Generally, the Contractors State License Board (Board) believes that the ability to protect the public as described in Business and Professions Code Section 7000.6 would be enhanced by regulations requiring licensees to report judgments, arbitration awards, or settlement payments of construction defect claims for rental residential units. At its December 7, 2017 meeting, the Board specifically found that requiring licensees to report judgments, arbitration awards, or settlement payments of construction defect claims is a good idea and would be a good investigative tool in the Board's "tool box."

ENDNOTES

¹ <https://www.irmi.com/online/insurance-glossary/default.aspx>

² <https://www.irmi.com/about/press-releases/nearly-2000-attend-37th-irmi-construction-risk-conference/>

³ Goguen, David, J.D. "The Insurance Adjuster's 'Nuisance Value' of Your Claim." *All Law*. 2017.

<http://www.alllaw.com/articles/nolo/personal-injury/insurance-adjusters-nuisance-value-your-claim.html>

⁴ "Nuisance Settlement" within the definition of "Settlement." Black's Law Dictionary (10th ed. 2014).

⁵ Peterson, Robert W. "Excess Liability: Reconsideration of California's Bad Faith Negligence Rule." *Stanford Law Review*. January 1996. 18 Stan. L. Rev. 475, at 482

⁶ Hockley, Cliff. "Construction Defect Litigation." *Bluestone & Hockley Real Estate Services*. March 1, 2005.

<https://www.bluestonehockley.com/construction-defect-litigation/>

⁷ Goguen, David, J.D. "The Insurance Adjuster's 'Nuisance Value' of Your Claim." *All Law*. 2017.

<http://www.alllaw.com/articles/nolo/personal-injury/insurance-adjusters-nuisance-value-your-claim.html>

⁸ Hon H. Walter Croskey (Ret.), et, al. *California Practice Guide: Insurance Litigation*, Chapter 12. "Bad Faith", Subsection 12(B). August 2017 Update

⁹ Goguen, David, J.D. "The Insurance Adjuster's 'Nuisance Value' of Your Claim." *All Law*. 2017.

<http://www.alllaw.com/articles/nolo/personal-injury/insurance-adjusters-nuisance-value-your-claim.html>

¹⁰ <https://www.porterscott.com/experience/>; "At the client's request, the case was settled for nuisance value in lieu of trial."



- ¹¹ <http://bdgfirm.com/construction-litigation/>; “A nuisance value, less than cost of defense, settlement was reached within six weeks of a pending trial date.”
- ¹² Miller, Thomas E., et al. *Handling Construction Defect Claims: Western States*, Section 6.02, “Third-Party Coverage,” Subdivision (C). 4th Edition 2018 Cumulative Supplement. Aspen Publishers. 2018
- ¹³ Miller, Thomas E., et al. *Handling Construction Defect Claims: Western States*, Section 11.01, “Introduction.” 4th Edition 2018 Cumulative Supplement. Aspen Publishers. 2018
- ¹⁴ Miller, Thomas E., et al. *Handling Construction Defect Claims: Western States*, Section 6.01, “Fundamental Issues,” Subdivision (A). 4th Edition 2018 Cumulative Supplement. Aspen Publishers. 2018
- ¹⁵ McMillian, Lance P. “The Nuisance Settlement ‘Problem’: The Elusive Truth and a Clarifying Proposal.” *American Journal of Trial Advocacy*. Fall, 2007. 31 Am. J. Trial Advoc. 221, at 222.
- ¹⁶ Miller, Thomas E., et al. *Handling Construction Defect Claims: Western States*, Section 6.01, “Fundamental Issues,” Subdivision (A). 4th Edition 2018 Cumulative Supplement. Aspen Publishers. 2018
- ¹⁷ Names of insurers available upon request.
- ¹⁸ Justice Zerne P. Haning (Ret), et al. *California Practice Guide: Personal Injury*, Chapter 4. “Personal Injury Claim Settlements,” Section C, “Effective Settlement Negotiations.” September 2017, stating “nuisance value arguments are popular negotiation tactics. Often, these offers are made not because the claim lacks merit, but because the claims person is attempting to obtain a dramatically reduced demand. The lower the demand, the more flexibility the carrier has to settle at an amount below fair settlement value.”
- ¹⁹ Sichelman, Ted. Why Barring Settlement Bars Legitimate Suits: A Reply to Rosenberg and Shavell. *Cornell Journal of Law & Public Policy*, Fall 2008. Page 58
- ²⁰ McMillian, Lance P. “The Nuisance Settlement ‘Problem’: The Elusive Truth and a Clarifying Proposal.” *American Journal of Trial Advocacy*. Fall, 2007. 31 Am. J. Trial Advoc. 221, at 222.
- ²¹ The International Risk Management Institute, Inc. “Construction Defect,” Accessed November 14, 2017. <https://www.irmi.com/online/insurance-glossary/terms/c/construction-defect.aspx>
- ²² Miller, Thomas E., et al. *Handling Construction Defect Claims: Western States*, Section 6.01, “Fundamental Issues,” Subdivision (B). 4th Edition 2018 Cumulative Supplement. Aspen Publishers. 2018
- ²³ Thornton, Jr., Timothy M. “Is There Insurance Coverage for Defective Construction?” *California Lawyer*, May 9, 2016. <http://www.callawyer.com/2016/05/is-there-insurance-coverage-for-defective-construction/>
- ²⁴ Thornton, Jr., Timothy M. “Is There Insurance Coverage for Defective Construction?” *California Lawyer*, May 9, 2016. <http://www.callawyer.com/2016/05/is-there-insurance-coverage-for-defective-construction/>
- ²⁵ Hon H. Walter Croskey (Ret.), et al. *California Practice Guide: Insurance Litigation*, Chapter 12. “Bad Faith”, Subsection 12(B). August 2017 Update.
- ²⁶ Miller, Thomas E., et al. *Handling Construction Defect Claims: Western States*, Section 6.02, “Third-Party Coverage,” Subdivision (C). 4th Edition 2018 Cumulative Supplement. Aspen Publishers. 2018
- ²⁷ Miller, Thomas E., et al. *Handling Construction Defect Claims: Western States*, Section 6.02, “Third-Party Coverage,” Subdivision (C). 4th Edition 2018 Cumulative Supplement. Aspen Publishers. 2018
- ²⁸ Miller, Rachel. “The Miller Law Firm Recovers over \$18,000,000 for Six Oakland Homeowners Associations with Construction Defects.” *San Francisco Business Times*. October 24, 2017. https://www.bizjournals.com/sanfrancisco/prnewswire/press_releases/Georgia/2017/10/24/SF23173?ana=prnews
- ²⁹ McMillian, Lance P. “The Nuisance Settlement ‘Problem’: The Elusive Truth and a Clarifying Proposal.” *American Journal of Trial Advocacy*. Fall, 2007. 31 Am. J. Trial Advoc. 221, at 222.
- ³⁰ Miller, Thomas E., et al. *Handling Construction Defect Claims: Western States*, Section 11.01, Subsection (B) “Expediting Settlement.” 4th Edition 2018 Cumulative Supplement. Aspen Publishers. 2018
- ³¹ McMillian, Lance P. “The Nuisance Settlement ‘Problem’: The Elusive Truth and a Clarifying Proposal.” *American Journal of Trial Advocacy*. Fall, 2007. 31 Am. J. Trial Advoc. 221, at 222.
- ³² The documents were called, “Notice of Judgment Lien”; “Memorandum of Points and Authorities in Support of [Defendant’s] Motion for Determination of Good Faith Settlement;” and “Declaration of [Person] in Support of [Defendant’s] Motion for Determination of Good Faith Settlement.”



³³ Note, these three cases did not represent all of the civil cases and/or settlements that apparently involved this particular contractor; they were simply three of the largest. In addition, CSLB searches of this particular contractor did not locate all possibly significant lawsuits. For example, in at least one case, the contractor's insurance company paid a \$3.5 million settlement over a 109-unit Millbrae condominium complex built by this contractor, at which water infiltrated wooden support beams of dozens of balconies. The CSLB did not initially locate this information because the contractor was not named as a party in that lawsuit. See <http://www.times-standard.com/article/zz/20150704/NEWS/150708007>

³⁴ Miller, Thomas E., et al. *Handling Construction Defect Claims: Western States*, Section 5.03, "California." 4th Edition 2018 Cumulative Supplement. Aspen Publishers. 2018

³⁵ Notably, if future legislation pursuant to this study remains limited to reporting related to "rental residential units," it is questionable whether SB 800 defect actions would apply, as SB 800 applies to all residential *homes* sold on or after January 1, 2003.

³⁶ Miller, Thomas E., et al. *Handling Construction Defect Claims: Western States*, Section 5.03, "California." 4th Edition 2018 Cumulative Supplement. Aspen Publishers. 2018

³⁷ The Courts able to be researched using the third-party service were the California Supreme Court, the California Courts of Appeal, and the Superior Courts in Alameda, Butte, Contra Costa, Kern, Los Angeles, Orange, Riverside, Sacramento, San Bernardino, San Diego, San Francisco, San Joaquin, San Mateo, Santa Clara, Santa Cruz, Stanislaus and Ventura Counties. The service was unable to provide information for Marin County or Santa Barbara County.

³⁸ For example, the party name "Jane Smith" (by generic example) as a defendant in a construction defect civil case is unlikely to identify a California licensed contractor, for lack of identifying information in the dockets to identify the "Jane Smith" in the case title with any "Jane Smith" in CSLB records.

³⁹ For example, the party name "San Francisco Homes" (by generic example) as a defendant in a lawsuit that was filed in San Francisco Superior Court very likely identifies the same "San Francisco Homes" located as a licensee in CSLB records which has its business address in San Francisco, especially if there is only one licensed "San Francisco Homes" in CSLB records. In addition, it is unlikely that many of the defendants in a construction defect action that appear to match entities in CSLB license records would *not* be licensed contractors, as these civil actions involve construction, and a license is required to engage in construction in California. This methodology allowed for the matching of 463 contractors to the party names with reasonable certainty as to the identity of the contractors matched.

⁴⁰ It should be noted that individualized research on each of the 651 cases was not done to determine their current status (dismissed, active, settled, adjudicated, etc.). In addition, the individual dockets do not provide information about any number of the cross-defendants that may be involved in any number of the cases.

⁴¹ The documents for this section were found using a variety of sources: the third-party legal research service, CSLB files, and generalized research.

⁴² This criteria is significant to whether CSLB could conduct an investigation of any licensee named in any such action in order to determine if administrative legal action is appropriate, pursuant to Business and Professions Code Section 7091(b)(1).

⁴³ This chart does not include the settlement documents exhibited at Exhibit 2.

⁴⁴ The author is aware that this study is limited by its terms to "rental residential units;" however, upon researching settlement information using a variety of sources, it was discovered that conducting searches limited to type of structure could not feasibly be accomplished. The goal instead was to obtain as much construction defect settlement information as possible.

⁴⁵ The original settlement summary identifies the settlement as confidential in nature, an 8-figure settlement amount awarded to plaintiff against an unidentified defendant builder (likely licensed).

⁴⁶ The Defendant's name in these cases matches a number of similarly named licensed contractors, all part of the same entity, in CSLB systems. The inability to directly match names is likely the result of the licensee using a variant of their licensed name style. See Business and Professions Code Section 7059.1(b).

⁴⁷ This means that the settlement summaries reviewed did not include the date of construction. It can be inferred that, to the extent many of the summaries reviewed reflected cases filed under the SB 800 "Fix It" Act (which has a 10 year statute of limitations with certain exceptions), that the action was filed within 10 years.



⁴⁸ Despite identification of a general contractor defendant in this settlement summary, multiple cross-defendant licensed contractors also paid damages in this case. Not all settlement summaries included cross-defendants.

⁴⁹ Defendant unlicensed contractor fraudulently represented licensure.

⁵⁰ See endnote number 46 as to contractor name styles.

⁵¹ In a conversation with a legal research attorney representing the third party research service (which is a well-known international company), the representative stated, “verdicts and settlements are not considered to be an official resource for legal research nor a legal authority,” unlike, for example court case opinions, which are primary legal authority, or legal journals and restatements of the law, which are secondary legal authority. The representative further stated, “we [the service] either have the information or we don’t – if someone gets a settlement they tend to only report it if they are happy about it; if it’s a ‘middle of the road’ [settlement] it’s not likely to be reported. Some sources report everything they get and others do not at all - and a lot of them are confidential.”

⁵² It should be noted that CSLB directly asked two different stakeholder attorneys involved in construction litigation for copies of their construction-defect related settlements. Both declined.

⁵³ Based on the results of this search, there is no evidence that the results were actually limited to defects upon actual “rental residential units,” but rather to settlement information that contained any of those three words, generally.

⁵⁴ See endnote number 46 as to contractor name styles.

⁵⁵ Defendant licensed contractor in this action, despite not being found liable for construction defect, did appear to have violated various provisions of the Contractor’s Law that were not at issue in this civil case.

⁵⁶ Bankrupt developer found liable for breach of contract; licensed contractor found not liable, awarded costs and fees.

⁵⁷ Costs of permits awarded to licensed contractor for plaintiff’s breach of prior settlement agreement.

⁵⁸ The third-party legal research service was searched for arbitrations involving construction defect after December 31, 2015. Six arbitration cases were located. When they were reviewed, all documents included the words “construction defect” in some fashion, but only two of the documents directly involved an actual claim for construction defect. The third arbitration entry in this chart was based on information from another source that was not a full arbitration opinion (unlike the documents represented by 1 and 2 in this chart).

⁵⁹ The arbitration award in this case, despite being located using the third-party research service, was already in CSLB records for this particular licensee as a judgment against the licensee pursuant to Business and Professions Code Section 7071.17

⁶⁰ See endnote 43 as to which documents this chart does not include. In addition, the two judgments reflected in this chart were located by the CSLB Licensing Division Judgments Unit, which processes judgments pursuant to Business and Professions Code Section 7071.17. The judgments were located by chance, as CSLB does not have a feasible way to search existing records in a manner that would determine that judgments applied to any particular license pursuant to Business and Professions Code Section 7071.17 involved an action for construction defect. See also endnote 59 for another mention of Business and Professions Code Section 7071.17.

⁶¹ See endnote 39 for how CSLB matched licensee names to case dockets to a “reasonable certainty”

⁶² The 10% is derived from the 48 of the 651 civil actions that likely identified any one of a number of licensed contractors. It may be assumed that the number is higher than 10% if one accepts the premise that if there is a civil action involving construction defect in California, it very likely involves a licensed contractor. See endnote 39.

⁶³ This total requires making a number of assumptions. The fact (reported via endnote 13) that 95% of construction defect actions settle (619 is approximately 95% of 651); (2) that 651 construction defect actions since January 2016 located by CSLB is an accurate figure; (3) that the vast majority of the 651 actions involved licensees at all [who would be obliged to report to CSLB]; (4) that the vast majority of the 651 actions were not dismissed; (5) assuming that an unknown number of the 651 actions involved only one licensed contractor and that an unknown number of the 651 actions involved many licensed contractors, that an arbitrary average of 2 licensed contractors [who would be obliged to report their settlements] are involved in each of the 619 actions (619 x 2 = 1,238).

⁶⁴ Business and Professions Code Sections 7000 – 7168

⁶⁵ See Business and Professions Code Section 7000



- ⁶⁶ Deukmejian, George. Attorney General’s Opinion No. 81-619 – January 20, 1982. (65 Ops. Cal. Atty. Gen. 25). Citing Lewis & Queen v. W. M. Ballsons (1957) 48 Cal.2d 141, 149; Steinbrenner v. Waterbury (J. A.) Constr. Co. (1963) 212 Cal. App. 661, 666.)
- ⁶⁷ See Business and Professions Code Sections 7000.5, 7010.
- ⁶⁸ See Business and Professions Code Section 7011
- ⁶⁹ Deukmejian, George. Attorney General’s Opinion No. 81-619 – January 20, 1982. (65 Ops. Cal. Atty. Gen. 25)
- ⁷⁰ See Business and Professions Code Section 7095.
- ⁷¹ Deukmejian, George. Attorney General’s Opinion No. 81-619 – January 20, 1982. (65 Ops. Cal. Atty. Gen. 25)
- ⁷² See Business and Professions Code Sections 7109, 7110.
- ⁷³ Deukmejian, George. Attorney General’s Opinion No. 81-619 – January 20, 1982. (65 Ops. Cal. Atty. Gen. 25)
- ⁷⁴ See Business and Professions Code 7091
- ⁷⁵ See Business and Professions Code 7095. An alternative procedure is authorized whereby the registrar merely issues a ‘citation’ which ‘may contain an order of correction fixing a reasonable time for correction of the violation and may contain an assessment of a civil penalty.’ See Business and Professions Code Section 7099. See also Deukmejian, George. Attorney General’s Opinion No. 81-619 – January 20, 1982. (65 Ops. Cal. Atty. Gen. 25)
- ⁷⁶ Deukmejian, George. Attorney General’s Opinion No. 81-619 – January 20, 1982. (65 Ops. Cal. Atty. Gen. 25)
- ⁷⁷ Dingess, John R.; Horner, Kari M. Dingess, Foster, Luciana, Davidson & Chleboski, LLP. “The Law of Construction Defects and Failures.” August, 2012. Page 1. www.dfflegal.com.
- ⁷⁸ Civil Code Section 2782(h) defines “construction defect” as a “violation of the standards set forth in Sections 896 and 897”, which refer to different defects that violate SB 800, the Homebuilder “Fix It” Construction Resolution Law.
- ⁷⁹ See the SB 800 Homebuilder “Fix It” Construction Resolution Law in Civil Code Sections 895 through 945.5, and also endnote number 35.
- ⁸⁰ See Evidence Code Section 115
- ⁸¹ See Business and Professions Code Section 7090
- ⁸² Michael Asimow, Michael J. Strumwasser, Herbert F. Bolz and Laurine E. Tuleja. The Rutter Group California Practice Guide – Administrative Law; Tier 1 Adjudication: Hearing and Posthearing Stages, Chapter 9-B. July 2016 Update.
- ⁸³ Definition of “patent.” Black’s Law Dictionary (10th ed. 2014).
- ⁸⁴ Definition of “latent.” Black’s Law Dictionary (10th ed. 2014).
- ⁸⁵ See Title 16, Division 8, Section 861.5 of the California Code of Regulations
- ⁸⁶ Daniel E. Lungren, Attorney General, and Ron Russo, Supervising Deputy Attorney General, in a letter to the CSLB Registrar dated August 18, 1992.
- ⁸⁷ Daniel E. Lungren, Attorney General, and Ron Russo, Supervising Deputy Attorney General, in a letter to the CSLB Registrar dated August 18, 1992, also stating that the contract date would be irrelevant as would the date escrow closes would be irrelevant to this analysis.
- ⁸⁸ See Business and Professions Code Section 7019
- ⁸⁹ See Business and Professions Code Section 7011.7
- ⁹⁰ The authority for the CSLB registrar to do so would be delegated under Section 7 of the Government Code, pursuant to the powers conferred upon the Director of the Department of Consumer Affairs, as head of the Department of Consumer Affairs by Article 2 of Chapter 2 of Part 1, Division 3, Title 2 of the California Government Code (sections 11180 and following).
- ⁹¹ See page 4 of the accusation to revoke this contractor’s license <https://www2.cslb.ca.gov/CompletedPDF/Accusations/N2015-483/N2015-483-20161129-Accusation.pdf>
- ⁹² For example, witnessed in the descriptions of the civil action data, possible violations included failure to pull permits (Business and Professions Code Section 7110), charging excessive down (Business and Professions Code Section 7159.5), operating out of name style (Business and Professions Code Section 7059.1), operating out of classification (Business and Professions Code Section 7116), and others.
- ⁹³ Licensees who are subject to disciplinary action without investigation may be the result of criminal or civil actions which have already been adjudicated, for which CSLB has authority to take disciplinary action without



further investigation or adjudication. See for example Business and Professions Code Section 7123 (conviction of a crime substantially related to the qualifications, functions and duties of a contractor).

⁹⁴ Abulaziz & Grossbart News. “*Emphasizing All Phases of Construction Law.*” Vol. VII, No. 2. Summer of 1995.

⁹⁵ Gibbs, Kenneth C., et al. California Construction Law. 17th Edition. Aspen Publishers, 2011. Page 203.

⁹⁶ Gibbs, Kenneth C., et al. California Construction Law. 17th Edition. Aspen Publishers, 2011. Page 203.

⁹⁷ Gibbs, Kenneth C., et al. California Construction Law. 17th Edition. Aspen Publishers, 2011. Page 203.

⁹⁸ Gibbs, Kenneth C., et al. California Construction Law. 17th Edition. Aspen Publishers, 2011. Page 206.

⁹⁹ Gibbs, Kenneth C., et al. California Construction Law. 17th Edition. Aspen Publishers, 2011. Page 206-207.

¹⁰⁰ Abulaziz & Grossbart News. “*Emphasizing All Phases of Construction Law.*” Vol. VII, No. 2. Summer of 1995.

¹⁰¹ See endnote 13 for the assessment that 95% construction defect litigation ends in settlement.

¹⁰² California Construction Law Reporter, Article 1. “Epitome”, September 2017.

¹⁰³ See Business and Professions Code Section 7026

¹⁰⁴ “Prime Contractors Have Key Responsibility in Subcontractor Bids and Business Practices.” August 31, 2009.

Contractors State License Board. http://www.cslb.ca.gov/Media_Room/Industry_Bulletins/2009/August_31.aspx

¹⁰⁵ McNely, Warren. Board Member, Chairman of the Enforcement Committee. Memorandum, “Prime Contractor vs Subcontractor Issue.” Contractors State License Board. March 8, 1982.

¹⁰⁶ Indeed, this is what occurred during the CSLB investigation that resulted in the revocation of the license of the prime contractor responsible for the construction of the building at which a balcony tragically collapsed in Berkeley. There were multiple subcontractors on the project ostensibly involved in the construction of the balcony, but the prime contractor was the licensee upon which CSLB took administrative action. See endnote 91 for the accusation document. This assessment of primary responsibility of course would not be the case in a civil court of law, in which there are often multiple cross defendants and divisions of responsibility and liability.

¹⁰⁷ Acret, James, et al. *California Construction Contracts, Defects, and Litigation.* November 2016 Update.

Continuing Education of the Bar, Oakland, California. Attorney Editor Philip Weverka. Section 10.9, “Construction Defects.”

¹⁰⁸ Acret, James, et al. *California Construction Contracts, Defects, and Litigation.* November 2016 Update.

Continuing Education of the Bar, Oakland, California. Attorney Editor Philip Weverka. Section 10.9, “Construction Defects.”

¹⁰⁹ Acret, James, et al. *California Construction Contracts, Defects, and Litigation.* November 2016 Update.

Continuing Education of the Bar, Oakland, California. Attorney Editor Philip Weverka. Section 10.9, “Construction Defects.”

¹¹⁰ Qixing Yuan vs. The Legends at Willow Creek LP. Sacramento Superior Court Case Number 34-2015-00186315-CU-PO-GDS, filed 11/04/2015 is currently set for jury trial on May 8, 2018. Multiple licensed contractors appear to be defendants and the causes of action are wrongful death (negligence) and premises liability.

¹¹¹ That prime contractor is a defendant in the civil case described in endnote 106. The license of this contractor has been expired with CSLB since 1999.

¹¹² Acret, James, et al. *California Construction Contracts, Defects, and Litigation.* November 2016 Update.

Continuing Education of the Bar, Oakland, California. Attorney Editor Philip Weverka. Section 10.9, “Construction Defects.”

¹¹³ See the analysis in the previous section of this study for a discussion of latent and patent defects.

¹¹⁴ Cases of construction defect injury or death appear to make news headlines when they occur; for example (1) three injured after deck collapses in San Francisco in January 2015 – unclear whether a civil lawsuit or licensed contractor involved <http://abc7news.com/news/3-injured-after-deck-collapsed-at-san-francisco-home/490881/>;

(2) one killed and several injured when balcony collapses during party at San Francisco residential unit in February 1996, charges against licensed contractor who was also the builder’s owner; <https://www.exponent.com/experience/san-francisco-balcony-collapse/?pageSize=NaN&pageNum=0&loadAllByPageSize=true> (3) multiple injuries when deck collapses during party in Santa Barbara – property owner settles for \$1,600,000, unclear if contractor involved <https://slodeckinspector.com/2016/11/29/property-mgt-company-pays-1600000-00-to-settle-balcony-collapse-lawsuit/>; (4) Folsom stairway collapse resulting in death, and discussed elsewhere in this study



<http://fox40.com/2015/07/08/folsom-stairway-collapse-investigation/>; (5) see <https://www.cpmlegal.com/practices-balcony-collapse-litigation.html> for summaries of four more cases of injuries from building failures prior to the year 2004 in San Mateo, San Francisco, and Orange Counties. Of course, these headlines cannot provide meaningful data about how often injury or death occurs as a result of construction defect and that are not reported in headlines.

¹¹⁵ This statement of course excludes any injury or death to the employees of a contractor as a result of workplace hazards, (which is an entirely separate yet equally significant and potentially more common issue).

¹¹⁶ Negligence, wrongful death, premises liability, for example, are causes of action in the tragic Folsom stairway collapse. See endnote 110.

¹¹⁷ Cameron, Jr., John G. *A Practitioner's Guide to Construction Law*. American Law Institute-American Bar Association Committee on Continuing Professional Education. Third Printing, 2003. Section 18.05, "Tort Based Recovery," stating, "While owner-contractor disputes will ordinarily arise in the context of an action for breach of contract or breach of warranty, circumstances do exist where a contractor could be responsible to an owner for strict liability or the negligent performance of its duties. Courts have recently considered whether a strict liability theory may be used to recover damages from a contractor."

¹¹⁸ As well as for breach of contract, fraud or violation of statute. See Civil Code Section 943(a).

¹¹⁹ Tribune Wire Reports. Chicago Tribune. "Estimated 6,500 injured in deck and porch collapses since 2003." November 27, 2017. <http://www.chicagotribune.com/news/nationworld/ct-deck-collapses-20150618-story.html>

¹²⁰ Tribune Wire Reports. Chicago Tribune. "Estimated 6,500 injured in deck and porch collapses since 2003." November 27, 2017. <http://www.chicagotribune.com/news/nationworld/ct-deck-collapses-20150618-story.html>

¹²¹ Tribune Wire Reports. Chicago Tribune. "Estimated 6,500 injured in deck and porch collapses since 2003." November 27, 2017. <http://www.chicagotribune.com/news/nationworld/ct-deck-collapses-20150618-story.html>

¹²² Miller, Thomas E., et al. *Handling Construction Defect Claims: Western States*, Section 2.04, "Prelitigation Considerations" (that medical reports and bills to confirm injuries goes to damages). 4th Edition 2018 Cumulative Supplement. Aspen Publishers. 2018

¹²³ See Title 16, Division 8, Section 871 of the California Code of Regulations. The eight factors to be considered are (1) Nature and severity of the act(s), offenses, or crime(s) under consideration; (2) Actual or potential harm to the public; (3) Performed work that was potentially hazardous to the health, safety, or general welfare of the public; (4) Prior disciplinary record; (5) Number and/or variety of current violations; (6) Mitigation evidence; (7) Rehabilitation evidence; (8) In case of a criminal conviction, compliance with terms of sentence and/or court-ordered probation.

¹²⁴ Interviews were conducted with representatives from each board in order to compile the information and a number of the statements included in this section.

¹²⁵ The section provides that a licensee shall report to the board in writing within 90 days the occurrence of the conviction of a licensee of any felony, a crime substantially related to the functions and duties of an engineer, a civil action settlement or administrative action resulting in a settlement against the licensee in any action alleging fraud, deceit, misrepresentation, breach or violation of contract, negligence, incompetence, or recklessness by the licensee in the practice of professional engineering if the amount or value of the settlement is greater than fifty thousand dollars (\$50,000), or a civil action judgment or binding arbitration award or administrative action resulting in a judgment or binding arbitration award against the licensee in any action alleging fraud, deceit, misrepresentation, breach or violation of contract, negligence, incompetence, or recklessness by the licensee in the practice of professional engineering if the amount or value of the judgment or binding arbitration award is twenty-five thousand dollars (\$25,000) or greater.

¹²⁶ The language of Section 8776 is substantially the same as Section 6770 (see endnote 111)

¹²⁷ Comment made by BPELSG Assistant Executive Officer at a stakeholder meeting on the topic of SB 465 held at CSLB on September 30, 2015.

¹²⁸ Comment made by BPELSG Assistant Executive Officer at a stakeholder meeting on the topic of SB 465 held at CSLB on September 30, 2015.

¹²⁹ Comment made by CAB Executive Officer at a stakeholder meeting on the topic of SB 465 held at CSLB on September 30, 2015, stating that "our experience is similar but our history is different."



¹³⁰ Comment made by BPELSG Assistant Executive Officer at a stakeholder meeting on the topic of SB 465 held at CSLB on September 30, 2015.

¹³¹ Comment made by CAB Executive Officer at a stakeholder meeting on the topic of SB 465 held at CSLB on September 30, 2015, now 3% since that statement was made.

¹³² Comment made by CAB Executive Officer at a stakeholder meeting on the topic of SB 465 held at CSLB on September 30, 2015.

¹³³ Comment made by BPELSG Assistant Executive Officer at a stakeholder meeting on the topic of SB 465 held at CSLB on September 30, 2015.

¹³⁴ Comment made by BPELSG Assistant Executive Officer at a stakeholder meeting on the topic of SB 465 held at CSLB on September 30, 2015.

¹³⁵ Comment made by BPELSG Assistant Executive Officer at a stakeholder meeting on the topic of SB 465 held at CSLB on September 30, 2015.

¹³⁶ Comment made by CAB Executive Officer at a stakeholder meeting on the topic of SB 465 held at CSLB on September 30, 2015.

¹³⁷ Comment made by BPELSG Assistant Executive Officer at a stakeholder meeting on the topic of SB 465 held at CSLB on September 30, 2015.

¹³⁸ Comment made by CAB Executive Officer at a stakeholder meeting on the topic of SB 465 held at CSLB on September 30, 2015.

¹³⁹ See generally Business and Professions Code Sections 6750 through 6766 for the issuance of licenses to engineers and Sections 8740 through 8752 for the issuance of licenses to land surveyors and Sections 7840 through 7855 for the issuance of licenses to geologists and geophysicists; and Business and Professions Code Sections 5550 through 5558 for the issuance of licenses to architects.

¹⁴⁰ See Business and Professions Code Section 7065 and 7068.

¹⁴¹ Comment made by BPELSG Assistant Executive Officer at a stakeholder meeting on the topic of SB 465 held at CSLB on September 30, 2015, "tends to deal with building plans"

¹⁴² Comment made by CAB Executive Officer at a stakeholder meeting on the topic of SB 465 held at CSLB on September 30, 2015, "involves the design process and plan review"

¹⁴³ See discussion of section 3 of this study for more about departure from standards.

¹⁴⁴ See Business and Professions Code Section 7096

ATTACHMENTS

CSLB Organizational Charts



Department of Consumer Affairs
CONTRACTORS STATE LICENSE BOARD
 July 1, 2014

FY 2014/15

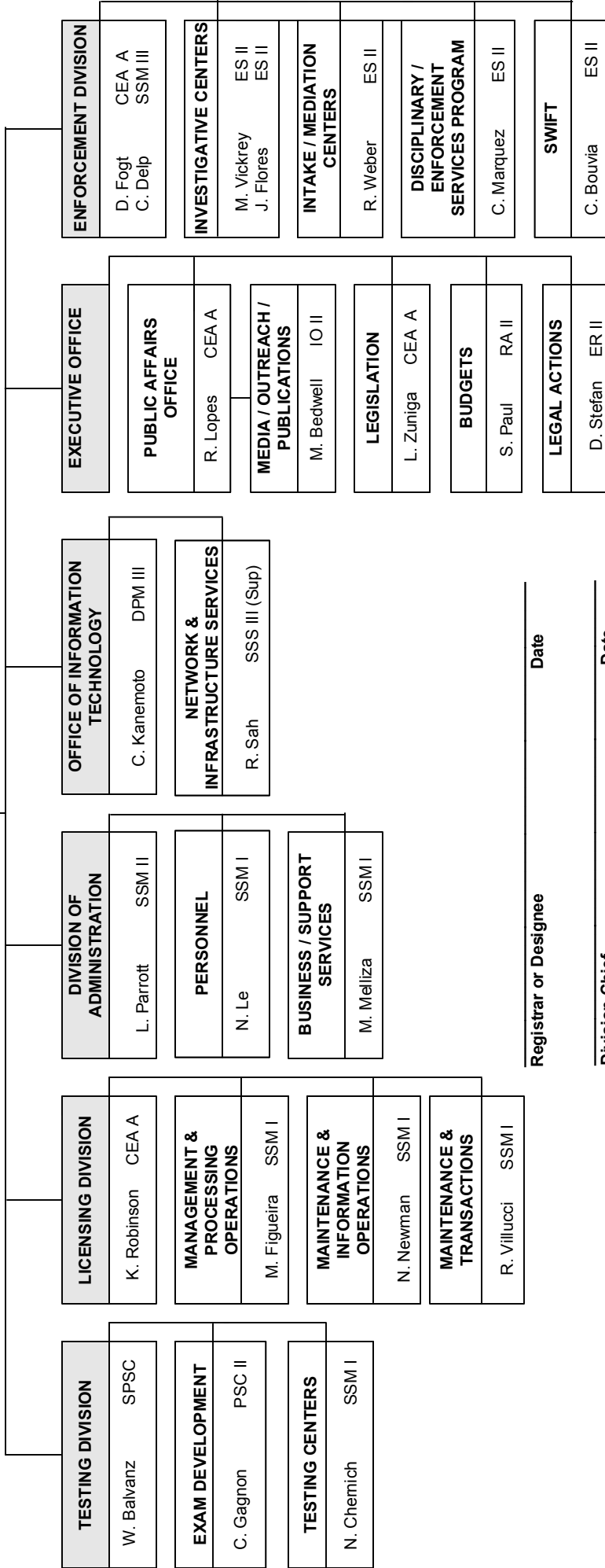
Authorized Positions: 404.5
 BL 12-03 (999 Blanket): 20.5

CURRENT

OVERVIEW

UPDATED 07/1/2014

BOARD MEMBERS
REGISTRAR (Exempt F) Stephen P. Sands
CHIEF DEPUTY REGISTRAR (CEA B) Cindi Christenson



TESTING DIVISION	W. Balvanz SPSC
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EXAM DEVELOPMENT	C. Gagnon PSC II
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TESTING CENTERS	N. Chemich SSM I
------------------------	---------------------

LICENSING DIVISION	K. Robinson CEA A
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MANAGEMENT & PROCESSING OPERATIONS	M. Figueira SSM I
---	----------------------

MAINTENANCE & INFORMATION OPERATIONS	N. Newman SSM I
---	--------------------

MAINTENANCE & TRANSACTIONS	R. Villucci SSM I
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DIVISION OF ADMINISTRATION	L. Parrott SSM II
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PERSONNEL	N. Le SSM I
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BUSINESS / SUPPORT SERVICES	M. Melliza SSM I
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OFFICE OF INFORMATION TECHNOLOGY	C. Kanemoto DPM III
---	------------------------

NETWORK & INFRASTRUCTURE SERVICES	R. Sah SSS III (Sup)
--	-------------------------

EXECUTIVE OFFICE	R. Lopes CEA A
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MEDIA / OUTREACH / PUBLICATIONS	M. Bedwell IO II
--	---------------------

LEGISLATION	L. Zuniga CEA A
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BUDGETS	S. Paul RA II
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LEGAL ACTIONS	D. Stefan ER II
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ENFORCEMENT DIVISION	D. Fogt CEA A C. Delp SSM III
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INVESTIGATIVE CENTERS	M. Vickrey ES II J. Flores ES II
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INTAKE / MEDIATION CENTERS	R. Weber ES II
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DISCIPLINARY / ENFORCEMENT SERVICES PROGRAM	C. Marquez ES II
--	---------------------

SWIFT	C. Bouvia ES II
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Registrar or Designee _____ Date

Division Chief _____ Date

DCA Personnel Analyst _____ Date

**DIVISION OF
ADMINISTRATION**

Department of Consumer Affairs

FY 2014/15

**CONTRACTORS STATE LICENSE BOARD
July 1, 2014**

Authorized Positions: 30.0
BL 12-03 (999 Blanket): 1

Stephen P. Sands Cindi Christenson	Registrar+ Chief Dep Registrar
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DIVISION OF ADMINISTRATION 622-110		SUPPORT 622-110
L. Parrott	SSM II	4801-001
		S. Pearson
		OT (T)
		1139-009

PERSONNEL 622-110	
N. Le	SSM I
	4800-002

PERSONNEL		
C. Poletti	AGPA	5393-809
J. Hernandez	AGPA	5393-810
A. Christian	AGPA	5393-806
T. Maggi	SSA	5157-811
S. Treadway-Inong	SSA	5157-807

BUSINESS/SUPPORT SERVICES 622-110	
M. Melliza	SSM I
	4800-001

IWAS ANALYTICAL SUPPORT 622-110		
M. Gonzalez	AGPA	5393-808

MAILROOM 622-111		
H. Rodriguez	OSS II	1150-003
Vacant	OT (G)	1138-907
B. Moore	OA (T)	1379-013
S. Mark	OA (G)	1441-014
J. Takimoto (PI)	OA (G)	1441-907

IWAS SUPPORT 622-110		
J. Asher	OT (T)	1139-003
D. Eldridge	OT (T)	1139-005
Vancat	OT (G)	1138-002
C. Rambo	OT (G)	1138-003
R. Menefee	OT (G)	1138-999
Y. Barry	SC	1120-907

BUSINESS SERVICES / PAYABLES 622-110		
J. Stark	AGPA	5393-805
R. Bradford	AGPA	5393-006
A. Rudis	SSA	5157-005
K. Larson	SSA	5157-007

CASHIERS 622-111		
Vacant	OSS II	1150-002
R. Macias	OT (T)	1139-003
M. Davis	OT (T)	1139-005
E. Duenas	OT (T)	1139-006
S. Blair	OT (T)	1139-007
F. Garcia	OT (T)	1139-009

WAREHOUSE 622-111		
R. Nevius	MSS	1506-001
D. Singh	WW	6220-001
W. Hypes	WW	6220-003

Registrar or Designee _____ **Date** _____

Administration Division Chief or Designee _____ **Date** _____

DCA Personnel Analyst _____ **Date** _____

Department of Consumer Affairs
CONTRACTORS STATE LICENSE BOARD
 July 1, 2014

OFFICE OF INFORMATION TECHNOLOGY

FY 2014/15

Authorized Positions: 24
 BL 12-03 (999 Blanket): 0

PROPOSED

Stephen P. Sands Registrar +
 Cindi Christenson Chief Dep Registrar

OFFICE OF INFORMATION TECHNOLOGY
 622-120
 C. Kanemoto (LT) DPM III 1393-002

BUSINESS CONSULTANT
 D. Shaffer Staff PA (Spec) 1581-001
 T. Jones Assoc. ISA (Sp) 1470-007

NETWORK AND INFRASTRUCTURE SERVICES
 R. Sah SSS III (Sup) 1559-001

PROGRAMMING / SUPPORT
 Vacant (LT) SSS III (Tech) 1367-XXX
 D. Phelps (RA) SSS III (Tech) 1367-907

TECHNICAL SUPPORT
 G. Dines SSS II (Tech) 1373-002
 R. Plombo SSS II (Tech) 1373-003
 B. Pronovost Sr. ISA (Sp) 1337-001
 Vacant Staff ISA (Sp) 1312-001
 P. Sessler Staff ISA (Sp) 1312-003

HELP DESK
 B. Estonilo Assoc. ISA (Sp) 1470-001
 J. Ahrens- Porter Assoc. ISA (Sp) 1470-005
 R. Rathjen Assoc. ISA (Sp) 1470-006
 C. Ashmore Assoc. ISA (Sp) 1470-009

PROGRAMMING
 M. Collins Sr. PA (Sp) 1583-001 +
 G. Takimoto Sr. PA (Sp) 1583-002 +
 S. Stewart Staff PA (Sp) 1581-002 +
 C. Allire Assoc. PA (Sp) 1579-009
 R. Davis Assoc. ISA (Sp) 1470-010 +

CLIENT SERVER APPLICATIONS
 K. Kun SSS II (Tech) 1373-001
 A. Balaam SSS II (Tech) 1373-004

DATA SERVICES SUPPORT
 C. Phung-Le Assoc. ISA (Sp) 1470-011 +
 Vacant Asst ISA 1479-004 +
 A. Villucci SA 4870-907

IWAS PROGRAMMING
 Vacant (LT) Staff PA (Spec) 1581-003

Registrar or Designee _____ Date _____
 Administration Division Chief or Designee _____ Date _____
 DCA Personnel Analyst _____ Date _____

+CORI Position

**LICENSING
DIVISION**

1 of 3

Department of Consumer Affairs

CONTRACTORS STATE LICENSE BOARD

July 1, 2014

FY 2014/15

Authorized Positions: 46
BL 12-03 (999 Blanket): 0

CURRENT

Stephen P. Sands Registrar +
Cindi Christenson Chief Dep Registrar

LICENSING DIVISION 622-201	
K. Robinson	CEA A 7500-001+
LICENSE MANAGEMENT & PROCESSING OPERATIONS 622-201	
M. Figueira	SSM I 4800-003+

CRIMINAL BACKGROUND 622-216	
J. Smith (RA)	AGPA 5393-907 +
K. Stephens	SSA 5157-001 +
Vacant	SSA 5157-004 +
D. Sepulveda	SSA 5157-006 +
J. Henney	SSA 5157-007 +
R. Smith	SSA 5157-008 +
S. Rodriguez	SSA 5157-009 +
R. Wooten	SSA 5157-010 +
Vacant	PT II 9928-001 +

SUPP APPS 622-221	
A. Galindo	9926-003
T. Hafer	9929-006
J. Daniels	9929-008
S. Allen	9929-011
P. Walker	9929-012
J. Beasley	9929-017
T. Le	9929-026
A. Paguaga	9929-027
G. Smith	9928-053
C. McCaster	9928-068
C. Robertson	9928-069

EXAM APPLICATIONS 622-221	
K. Cooley	9926-004
V. Listman	9929-001
S. Hooks	9929-004
G. Sagarrio	9929-007
T. White	9929-010
Vacant	9929-015
T. Witcher	9929-016
A. Thomas	9929-018
K. Thorn	9929-019
M. Phillips	9929-020
D. Brace	9929-024
D. Yee	9928-056
G. Doglietto	SA 4870-907
R. Salts	PT III 9929-907

APP WAIVERS 622-221	
D. Owens	SPT III 9926-005
K. Franco	PT III 9929-002
S. Payne	PT III 9929-003
C. Hathaway	PT III 9929-005
V. Chavez	PT III 9929-009
S. Isbell	PT III 9929-014
M. Arisman	PT III 9929-021
L. Loudon	PT III 9929-022
R. Slater	PT III 9929-023
J. Svabik	PT III 9929-025
I. McElwee	PT II 9928-050
L. Esquivel	PT II 9928-076
D. Murata	SA 4870-907

NEW LICENSE PROCESSING 622-221	
Vacant	SPT III 9926-002

Registrar or Designee _____ Date _____
 Administration Division Chief or Designee _____ Date _____
 DCA Personnel Analyst _____ Date _____

**LICENSING
DIVISION**

2 of 3

Department of Consumer Affairs

**CONTRACTORS STATE LICENSE BOARD
July 1, 2014**

FY 2014/15

Authorized Positions: 25
BL 12-03 (999 Blanket): 5

CURRENT

Stephen P. Sands Cindi Christenson	Registrar + Chief Dep Registrar
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LICENSING DIVISION	
K. Robinson	CEAA +

LICENSE MAINTENANCE & INFORMATION OPERATIONS 622-201	
N. Newman	SSM I 4800-001

LICENSE CLASSIFICATION 622-218	
A. Hofer-Sisto	ER II 8800-002
W. Clay	ER II 8800-999

RECORD CERTIFICATION 622-241	
H. Young	SSA 5157-001
S. Mills	MST 5278-001
G. Lopez	MST 5278-003
A. Peele	MST 5278-004
A. Franco	MST 5278-999

INFORMATION CENTER 622-271	
Vacant	SSA 5157-001

LICENSING INFORMATION 622-261	
M. Gomez	SPT III 9926-001

INFORMATION CENTER #2 (CALL CENTER) 622-271	
A. Walker-Marshall	SPT II 9925-002
S. Corona	*PT II 9928-002
F. Hradeztky	*PT II 9928-003
S. Yang	*PT II 9928-006
P. Jones	*PT II 9928-007
J. Ogawa	*PT II 9928-009
Vacant	*PT II 9928-010
B. Marinelli	*PT II 9928-012
K. Laybourn	*PT II 9928-014
T. Kenoyer	*PT II 9928-017
M. Lindstrom	*PT II 9928-030
T. Saubolle	*PT II 9928-031
B. Boemecke (RA)	*PT II 9928-907
N. Drinkuhn (RA)	*PT II 9928-907
Vacant	*PT II 9928-999
D. Thomas	*PT II 9928-999
E. Gage	*PT II 9928-999

* Position eligible for Call Center Differential

COUNTER INFORMATION #1 622-261	
M. Battilana	SPT II 9925-001
R. Rudy	PT II 9928-001
S. Corbett	PT II 9928-005
S. Shaw	PT II 9928-006
K. Yang	PT II 9928-007

Registrar or Designee _____ Date _____

Administration Division Chief or Designee _____ Date _____

DCA Personnel Analyst _____ Date _____

+ CORI Position

LICENSING DIVISION

3 of 3

**Department of Consumer Affairs
CONTRACTORS STATE LICENSE BOARD
July 1, 2014**

FY 2014/15

Authorized Positions: 26.5
BL 12-03 (999 Blanket): 1

Stephen P. Sands Cindi Christenson	Registrar + Chief Dep Registrar
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LICENSING DIVISION	
K. Robinson	CEA A +

LICENSE MAINTENANCE & TRANSACTIONS 622-201	
R. Villucci	SSM I 4800-002

ANALYTICAL / PROGRAM SUPPORT 622-210	
C. Allison	AGPA 5393-002

JUDGMENTS 622-217	
E. Lewis	AGPA 5393-002
M. Dilorieto	SSA 5157-001
E. Maier	MST 5278-001

BONDS / WORKERS COMP 622-231	
B. Algieier	SPT II 9925-002

A. Duncan	PT II 9928-012
M. Yates (1/2)	PT II 9928-015 (.5)
G. Farran	PT II 9928-018
D. Donoffio	PT II 9928-019
D. James	PT II 9928-021
A. Sisneros	PT II 9928-022
A. Bleneman	PT II 9928-025
D. Brazil	PT II 9928-026
Vacant (L-T)	PT II 9928-999

BONDS / RENEWALS 622-231	
K. Foreman	MST 5278-001

LICENSE MOD / RENEWALS 622-231	
M. Norman	SPT II 9925-001

G. Pozo	PT II 9928-001
A. Demesa	PT II 9928-004
M. Leduc-Kerr	PT II 9928-009
J. Vice	PT II 9928-014
C. Galli	PT II 9928-016
R. Slater	PT II 9928-017
K. Compton	PT II 9928-020
Vacant (L-T)	PT II 9928-023
A. Tarver	PT II 9928-024
O. Garcia	PT II 9928-027
W. Davis Jr.	PT II 9928-028

Registrar or Designee _____ Date _____

Administration Division Chief or Designee _____ Date _____

DCA Personnel Analyst _____ Date _____

**ENFORCEMENT
DIVISION**
1 of 5

Department of Consumer Affairs
CONTRACTORS STATE LICENSE BOARD
July 1, 2014

FY 2014/15
Authorized Positions: 37.5
BL 12-03 (999 Blanket): 4

Stephen P. Sands Registrar+
Cindi Christenson Chief Dep Registrar

CURRENT

DIVISION OF ENFORCEMENT 622-301	
D. Fogt	CEA A 7500-002+
C. Delp	SSM III 4802-999+

QUALITY ASSURANCE 622-301	
L. Young-Wolfson*	ER II 8800-003
N. Smith **	ER II 8800-004
M. Thompson	ER I 8791-999
A. Rodriguez	AGPA 5393-801
H. Young	SSA 5157-800
* Reports to Santa Rosa Office **Position physically located in Norwalk	

622-301	
S. Jones (RA)	Gen Aud III 4285-907
D. Galbraith (RA)	ER II 8800-907
H. Koehnke (RA)	ER II 8800-907
R. Nakabayashi (RA)	ER II 8800-907

INVESTIGATIVE CENTERS (NORTH) 622-301	
M. Vickrey	ES II 8790-003

SACRAMENTO (NORTH) 622-331	
T. Borgman	ES I 8796-001
Vacant	ER II 8800-003
N. Ricks	ER II 8800-005
H. Henderson	C.O. (P/O) 9662-002 **
J. Middleton*	ER I 8791-003
D. Willis	ER I 8791-011
A. Dal Porto	ER I 8791-018
B. Gedney	ER I 8791-020
K. Morlatt	ER I 8791-026
T. Jager	ER I 8791-028
D. Anderson	OT(T) 1139-801
*Reports to Redding Office ** T & D for position # 8795-001	

SACRAMENTO (SOUTH) 622-331	
S. Grove	ES I 8796-002
J. Martinez	ER II (P/O) 8795-002
R. Rice	ER II 8800-006
Vacant	ER I 8791-001
S. Baland	ER I 8791-002
T. Schrock	ER I 8791-013
C. Geddes	ER I 8791-023
C. Cameron	ER I 8791-029
K. Bowman	OT (T) 1139-011

FRESNO 622-336	
M. Bautista	ES I (Unit 343)
Vacant	ER I 8791-008
N. Sams	ER I 8791-005
T. Montero	OT(T) 1139-002

SAN FRANCISCO 622-338	
D. Shue	ES I 8796-001
R. Caton-Pori*	ER II 8800-004
G. Bell (RA)	ER II 8800-907
P. Keown	ER I (P/O) 8793-999
Vacant	ER I 8791-006
Vacant	ER I 8791-999
Vacant	ER I 8791-xxx
J. Miller **	ER I 8791-007
O. McClung *	ER I 8791-008
B. Leavitt **	ER I 8791-009
A. Labitan (1/2)	OT(T) 1139-002 (.5)
* Reports to Santa Rosa Office ** Reports to Berkeley Office	

BERKELEY 622-335	
P. Woodson	OT (T) 1139-003

Registrar or Designee	Date
Administration Division Chief or Designee	Date
DCA Personnel Analyst	Date

**ENFORCEMENT
DIVISION**

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**Department of Consumer Affairs
CONTRACTORS STATE LICENSE BOARD
July 1, 2014**

FY 2014/15

Authorized Positions: 58
BL 12-03 (999 Blanket): 2

Stephen P. Sands Registrar+
Cindi Christenson Chief Dep Registrar

Current

DIVISION OF ENFORCEMENT 622-301
D. Fogt C. Delp
CEA A + SSM III+

WEST COVINA 622-332	8796-001 8800-002 8800-003 8795-001 8791-001 8791-011 8791-015 (B) 8791-020 8791-023 1139-001 1139-803
S. Luna P. Tomashuk D. Cazares B. Lim P. Zaragoza D. Conway N. Urias R. Vance* D. Tran A. Ciccone K. Surdo	ES I ER II ER II ER II (P/O) ER I ER I ER I ER I ER I OT (T) OT (T)
* Designated as Home Office	

INVESTIGATIVE CENTER (SOUTH) 622-301	8790-004 8795-907
J. Flores P. Roush (RA)	ES II ER II

SAN DIEGO 622-337	8796-001 8800-001 8795-002 8791-002 8791-004 8791-005 8791-013 8791-020 8791-999 1139-001 1139-002 (B)
S. Thompkins B. Littleton M. Williams J. Bassett M. Chapman A. Holloway G. Holmes J. Sanchez Vacant K. Macare A. Garcia	ES I ER II ER II (P/O) ER I ER I ER I ER I ER I ER I ER I OT (T) OT (T)

NORWALK 622-333	8796-001 8800-002 8795-001 8791-001 8791-002 8791-003 8791-006 8791-011 8791-012 8791-013 8791-014 8791-019 1139-002 1139-803
A. Marin H. Marcos D. Greene M. Estabrooks A. Adams A. Jauregui T. Anderson U. Sanchez R. Hall V. McCraw E. Kemp J. Bergara M. Winborne D. Dorsey	ES I ER II ER II (P/O) ER I ER I ER I ER I ER I ER I ER I ER I ER I OT (T) OT (T)

SAN BERNARDINO 622-334	8796-001 8800-001 8800-999 (B) 8795-002 8791-001 8791-003 8791-008 8791-016 8791-017 8791-018 1139-001
J. Anderson S. Marin E. Rodriguez J. Anderson** M. Boeck S. Abrantes W. McGee E. Conral G. Taylor J. Anderson D. Dyer	ES I ER II ER II ER II (P/O) ER I ER I ER I ER I ER I ER I ER I OT (T)
**Designated Home-as-Headquarters	

VALENCIA 622-339	8796-001 8800-001 8800-002 8795-001 8791-003 8791-005 8791-006 8791-010 8791-011 8791-012 1139-002 1139-003
S. Skogebo R. Morales M. Gonzales* S. Brooks C. Rebol S. Padfield G. Alexander* M. Holloway S. Alvarado L. Arriago A. Docken V. Martinez	ES I ER II ER II ER II (P/O) ER I ER I ER I ER I ER I ER I OT (T) OT (T)
*Reports to Oxnard Office **Reports to Bakersfield Office	

Registrar or Designee _____ Date _____

Administration Division Chief or Designee _____ Date _____

DCA Personnel Analyst _____ Date _____

(B) BILINGUAL POSITION

+CORI POSITION

**ENFORCEMENT
DIVISION**
3 of 5

Department of Consumer Affairs
CONTRACTORS STATE LICENSE BOARD
July 1, 2014

FY 2014/15

Authorized Positions: 50
BL 12-03 (999 Blanket): 1

CURRENT

Stephen P. Sands Registrar+
Cindi Christenson Chief Dep Registrar

**DIVISION OF ENFORCEMENT
622-301**
D. Fogt CEA A+
C. Delp SSM III+

**INTAKE/MEDIATION CENTERS
622-301**
R. Weber ES II 8790-002

**SACRAMENTO
622-314**
C. Moore ES I 8796-001

**NORWALK
622-315**
K. VanBuskirk ES I 8796-001

INTAKE CENTER	
Vacant	SPT II 9925-001
J. Chauhan	PT II 9928-001
A. Reyes	PT II 9928-002
M. Satterfield	PT II 9928-003
Vacant	PT II 9928-006
L. McLean (LT)	PT II 9928-007

MEDIATION CENTER	
B. Brewer	PTII 9928-xxx***
K. Howard	CSR 8634-002
R. Perales	CSR 8634-003
U. Laoyan	CSR 8634-005
R. Heard	CSR 8634-008
A. Cadena	CSR 8634-009
P. Ivy	CSR 8634-010
I. Hammond	CSR 8634-011
P. Thao	PT II 9928-008**
L. Miles	CSR 8634-013
P. Rodenick	CSR 8634-015
S. Petkovich	CSR 8634-016
L. Moitoso-Champion	CSR 8634-017
J. Handy	CSR 8634-018
R. Taylor	CSR 8634-019
M. Rivera	CSR 8634-999

** T & D for psn. 8634-012
*** T & D for psn. 8364-001

INTAKE CENTER	
K. Walton	OT (T) 1139-001
A. Rhem-Odom	PT II 9928-007
L. Wooten	PT II 9928-008
L. Meadows-Robertson	PT II 9928-011
S. Boyd	PT II 9928-012

MEDIATION CENTER	
I. Brown	CSR 8634-001
D. Hasley	CSR 8634-002
B. Noum	CSR 8634-003
J. Grimes	CSR 8634-004
M Ellington	CSR 8634-006
D. Peralta	CSR 8634-007
M. Romo	CSR 8634-008
D. Vaquera	CSR 8634-010 (B)
Y. Sims	CSR 8634-011
T. Griffith	CSR 8634-012
S. Mohammad	CSR 8634-015
A. Camacho	CSR 8634-016
E. Reeves	CSR 8634-017
R. Blackshire	CSR 8634-018
Y. Cotton	CSR 8634-907

INTAKE CENTER	
M. Harris	ER II 8800-001
D. Dance	ER I 8791-001
M. Miller	AGPA 5393-001
E. Brittain	SSA 5157-001
E. Carter	SA 4870-907

INTAKE CENTER	
B. Hall	ER II 8800-001
T. McKinney	ER I 8791-003
H. Alconcel	SSA 5157-001

Registrar or Designee _____ Date _____
Administration Division Chief or Designee _____ Date _____
DCA Personnel Analyst _____ Date _____

+ CORI POSITION

Department of Consumer Affairs
CONTRACTORS STATE LICENSE BOARD
 July 1, 2014

ENFORCEMENT DIVISION
 4 of 5

FY 2014/15
 Authorized Positions: 32
 BL 12-03 (999 Blanket): 1

Stephen P. Sands Registrar+
 Cindi Christenson Chief Dep Registrar

DIVISION OF ENFORCEMENT
 622-301
 D. Fogt CEA A +
 C. Delp SSM III+

DISCIPLINARY/ENFORCEMENT SERVICES PROGRAM
 622-301
 C. Marquez ES II 8790-005

DISCIPLINARY SERVICES SECTION

CITATION PROCESSING CENTER (NORWALK)
 622-354
 M. Abraham ES I 8796-001

CITATION PROCESSING SERVICES
 J. Zaveri ER II 8800-001
 R. Oseguera ER II 8800-002
 M. McCreary ER I 8791-001
 Vacant OT (T) 1139-999

SUPPORT SERVICES
 M. Vo OSS II 1150-001
 R. Ord-Myers OT (T) 1139-002
 E. Saenz OT (T) 1139-003
 M. Felipe OT (T) 1139-005
 J. Hassan OT (T) 1139-907
 J. Le OT (T) 1139-907

DISCIPLINARY SERVICES CENTER (SACRAMENTO)
 622-353
 J. W. Robinson ES I 8796-002

DISCIPLINARY ACTIONS SERVICES
 J. Ibarra ER II 8800-001
 K. Carr ER II 8800-007
 H. Henderson ER II 8800-009
 Vacant SSA 5157-001

SUPPORT SERVICES
 A. Lamphere OT (T) 1139-004
 Vacant OT (T) 1139-005
 W. Franco (LT) OT (T) 1139-006
 P. Nelson PT 9927-001

ENFORCEMENT SERVICES SECTION (SACRAMENTO)
 622-355
 J. McDowell ES I 8796-001+

OUT-OF-CLASS DETERMINATIONS
 B. Melvin ER II 8800-002 +

SUBSEQUENT ARRESTS / CONVICTIONS
 Vacant ERI 8791-007+
 Vacant ERI 8791-008+
 Vacant ERI 8791-009+
 K. Jones AGPA 5393-001 +
 Vacant OT (T) 1139-002+

APPLICATION INVESTIGATIONS
 Vacant ERI 8791-001
 Vacant ERI 8791-004
 Vacant (LT) ERI 8791-005
 D. Anderson ERI 8791-006

FLAG REVIEW / INVESTIGATIONS
 G. Bouvia SSA 5157-001

ARBITRATION PROGRAM SUPPORT
 L. Yocum-Howell SSA 5157-002 +

SUPPORT SERVICES
 M. Williams OT(T) 1139-001 +

Registrar or Designee _____ Date
 Administration Division Chief or Designee _____ Date
 DCA Personnel Analyst _____ Date

+CORI Position

Department of Consumer Affairs
CONTRACTORS STATE LICENSE BOARD
July 1, 2014

ENFORCEMENT DIVISION
 5 of 5

FY 2014/15

Authorized Positions: 36.5
 BL 12-03 (999 Blanket): 4

CURRENT

Stephen P. Sands C. Christenson	Registrar + Chief Deputy Registrar
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DIVISION OF ENFORCEMENT 622-301	
D. Fogt C. Delp	CEA A + SSM III +

STATEWIDE INVESTIGATIVE FRAUD UNIT (SWIFT) (STATEWIDE MANAGER) 622-342		
C. Bouvia	ES II	8790-001

SWIFT SUPPORT 622-341		
K. Bosley	AGPA	5393-001

SWIFT (NORTH) 622-341		
J. Flint	ES I	8796-002

L. Kinder	ER II	8800-001
J. Miller	ER II	8800-005
Vacant	ER II (P/O)	8795-003
J. Kennedy *	ER I	8791-005
M. Diaz	ER I	8791-009
J. Barajas	ER I	8791-020 (B)
T. Cunningham ***	ER I	8791-021
B. Williams	ER I	8791-001
B. Alwardt	ER I	8791-023
W. Morris	ER I	8791-999
M. Jamnietski	OT(T)	1139-001
T. Little (1/2)	OT (T)	1139-002 (5)
I. Crowder-Johnson	OT(T)	1139-801
R. Mayorga	SA	4870-907
* Reports to Berkeley Office *** Home Office		

SWIFT (CENTRAL) 622-343		
M. Bautista	ES I	8796-001

FRESNO BRANCH		
W. Thomason (RA)**	ER II	8800-907
D. Bartunek	ER II (P/O)	8795-001
M. Sanchez	ER I	8791-001
G. Solorzano	ER I	8791-002
J. Stoddard	ER I	8791-004
K. Scott	ER I	8791-999
R. Singleton	OT (T)	1139-907
** Designated Home-as Headquarters		

BAKERSFIELD BRANCH		
K. Andreasend	ER I	8791-xxx
H. Valenzuela	ER I	8791-005

MONTEREY BRANCH		
D. Leary	ER I	8791-007

SWIFT (SOUTH) 622-342		
S. Gutierrez	ES I	8796-001

J. Romiti	ER II	8800-003
K. Clanton	ER II	8800-004
E. Canchola	ER II (P/O)	8795-004
D. Velasquez	ER I	8791-007 (B)
S. Mendez	ER I	8791-014
M. Anaya	ER I	8791-016
D. Le	ER I	8791-017
S. Jones	ER I	8791-019
Vacant	ER I	8791-020
C. Acevedo	ER I	8791-021
L. Simpson	ER I	8791-023
A. Borboa	ER I	8791-999
P. Cisneros	OT (T)	1139-002
P. Corral (PI)	OA (T)	1379-907
M. Mejia	OT (T)	1139-999

SAN JOSE BRANCH		
Vacant	ER I	8791-024

Registrar or Designee _____ Date _____

Administration Division Chief or Designee _____ Date _____

DCA Personnel Analyst _____ Date _____

(B) Bilingual Position
 + CORI POSITION

TESTING DIVISION

**Department of Consumer Affairs
CONTRACTORS STATE LICENSE BOARD
July 1, 2014**

FY 2014/15

Authorized Positions: 25
BL 12-03 (999 Blanket): 1

CURRENT

Stephen P. Sands Registrar +
Cindi Christenson Chief Dep Registrar

**TESTING DIVISION
622-432**
W. Balvanz SPSC 5164-001

**EXAMINATION ADMINISTRATION
622-433**
N. Chernich SSM I 4800-999

**EXAMINATION SUPPORT
622-431**
A. Watson (RA) SISA (Sp) 1312-907

**EXAMINATION DEVELOPMENT
622-432**
C. Gagnon PSC II (Sup) 5165-002

K. Boyd PSC I 5144-003
Vacant TVDS II 5168-001
R. Turcu (FT) TVDS II 5168-002 (.5)
K. Demétrio OT (T) 1139-001
C. De Lucia SA (E&A) 4871-907
S. Guillen SA (E&A) 4871-907

K. Jaeger PSC II 5165-003

Registrar or Designee _____ Date _____
Administration Division Chief or Designee _____ Date _____

DCA Personnel Analyst _____ Date _____

NORTHERN TESTING CENTERS		SOUTHERN TESTING CENTERS	
SACRAMENTO HQ		NORWALK	
K. Drewes	AGPA 5393-001	T. Navarro	SSA 5157-001 (B)
V. Riazzi (FT)	AGPA 5393-002 (.5)		
Vacant	OT (T) 1139-009		
L. Houle	OT (T) 1139-017		
SACRAMENTO		NORWALK	
A. Rossetti	OT (T) 1139-800	J. Walker	OT (T) 1139-012
		C. Leyva	OT (T) 1139-013
BERKELEY		OXNARD	
M. Price-Jefferson	OT(T) 1139-814	N. Prinkleton	OT (T) 1139-803
A. Heu	OA (T) 1379-003	T. Prinkleton	OT (T) 1139-808
SAN JOSE		SAN BERNARDINO	
R. Mariano	OT (T) 1139-014	R. Munez	OT (T) 1139-010 (B)
Vacant	OT (T) 1139-809	D. Poole	OT (T) 1139-805
FRESNO		SAN DIEGO	
T. Rodriguez	OT (T) 1139-004	T. Trieu	OT (T) 1139-815
		N. Pearson	OT (T) 1139-016

(B) Bilingual

Department of Consumer Affairs
CONTRACTORS STATE LICENSE BOARD
 July 1, 2014

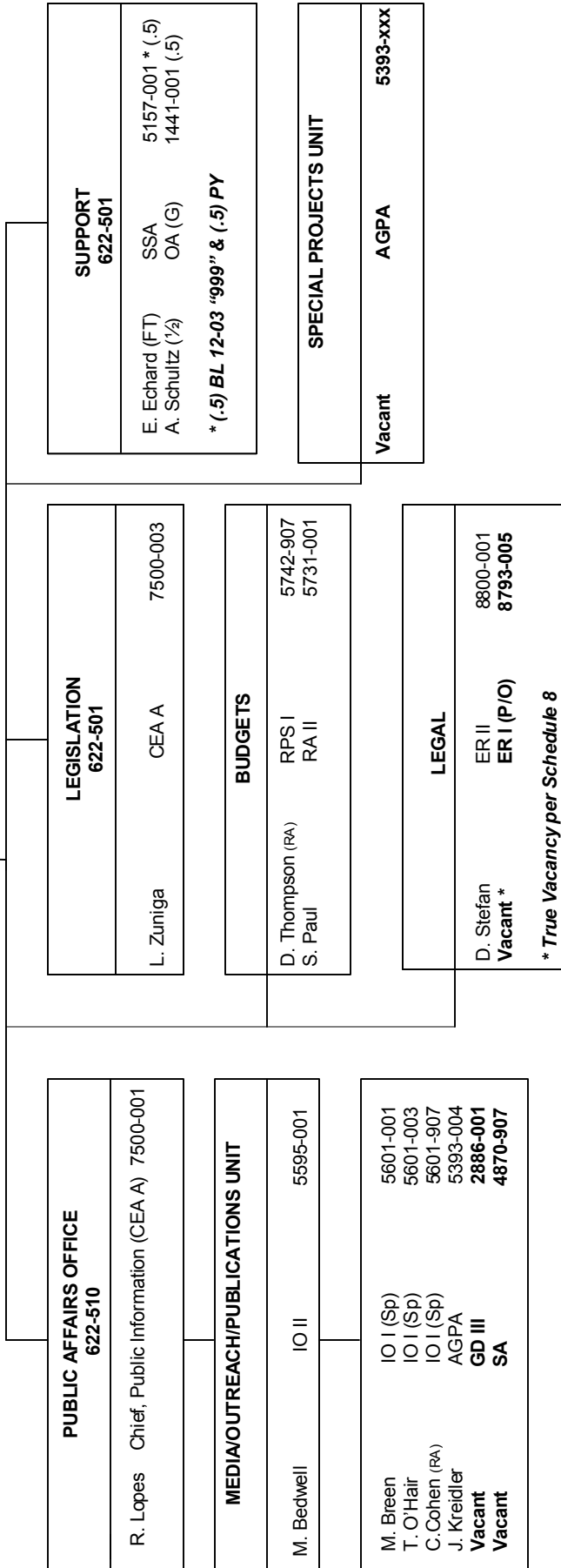
FY 2014/15

Authorized Positions: 14
 BL 12-03 (999 Blanket): .5

**EXECUTIVE
 DIVISION**

CURRENT

EXECUTIVE 622-501	
Stephen P. Sands Cindi Christenson	Registrar (Exempt) Chief Deputy Registrar (CEA B) 7500-004



Registrar or Designee _____ Date _____

Administration Division Chief or Designee _____ Date _____

DCA Personnel Analyst _____ Date _____

+ CORI POSITION

OVERVIEW

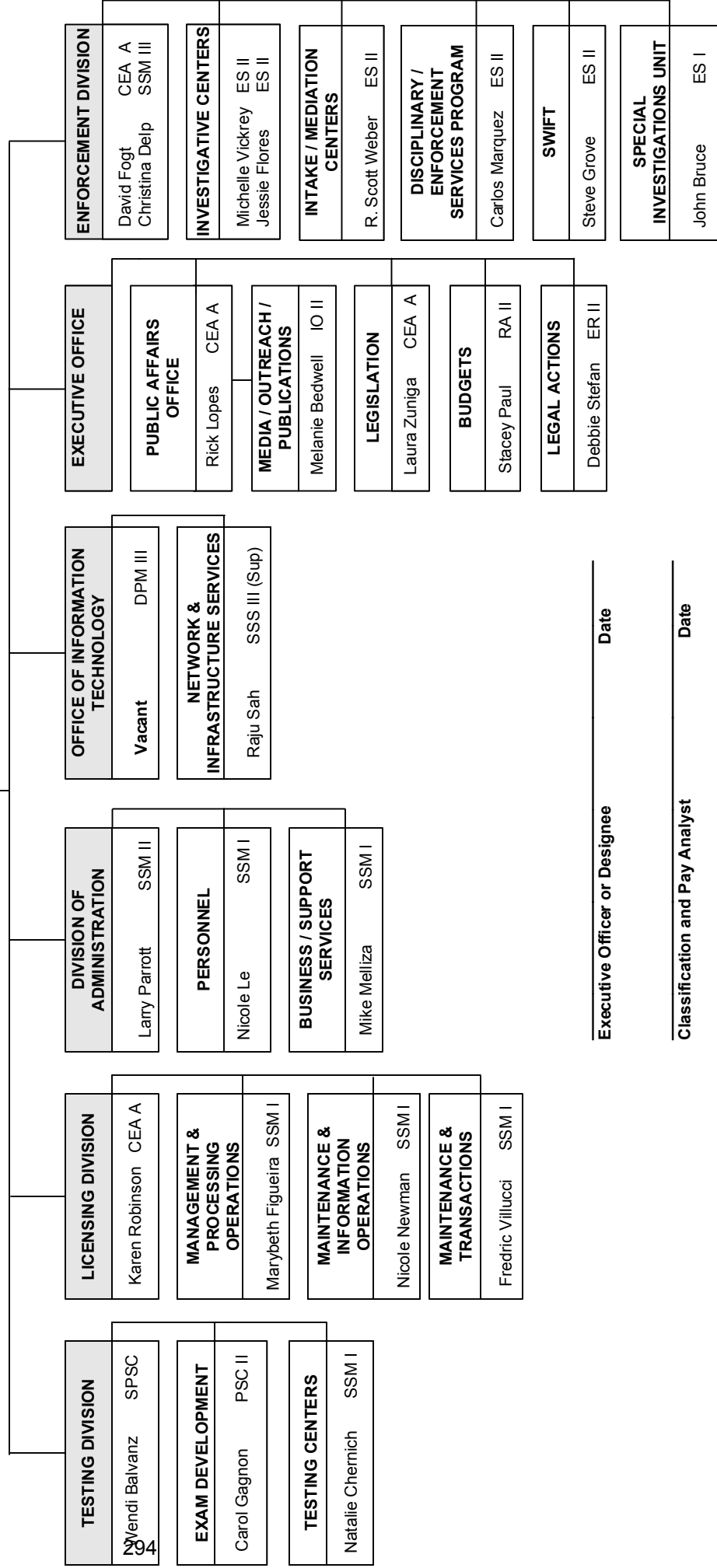
Department of Consumer Affairs
CONTRACTORS STATE LICENSE BOARD
 July 1, 2015

FY 2015/16

Authorized Positions: 403.0
 BL 12-03 (999 Blanket): 21.5

CURRENT

BOARD MEMBERS
REGISTRAR (Exempt F) Cindi Christenson
CHIEF DEPUTY REGISTRAR (CEA B) Cindy Kanemoto



Executive Officer or Designee _____ Date _____
 Classification and Pay Analyst _____ Date _____

**DIVISION OF
ADMINISTRATION**

Department of Consumer Affairs

**CONTRACTORS STATE LICENSE BOARD,
July 1, 2015**

FY 2015/16

Authorized Positions: 30.0
BL 12-03 (999 Blanket): 1

CURRENT

Cindi Christenson Registrar+
Cindy Kanemoto Chief Dep Registrar+

DIVISION OF ADMINISTRATION 622-110		SUPPORT 622-110	
Larry Parrott	SSM II	Vacant	OT (T)
	4801-001		1139-009

PERSONNEL 622-110	
Nicole Le	SSM I
	4800-002

PERSONNEL	
Sally Treadway-Inong	SSA
Tara Maggi	SSA
Ann Greene	SSA
Alex Christian	AGPA
Carol Poletti	AGPA
	5157-807
	5157-811
	5157-xxx
	5393-806
	5393-809

BUSINESS/SUPPORT SERVICES 622-110	
Mike Melliza	SSM I
	4800-001

IWAS ANALYTICAL SUPPORT 622-110	
May Gonzalez	AGPA
	5393-808

MAILROOM 622-111	
Hector Rodriguez	OSS II
Gillian Copenhaver (PI)	OT (G)
Brandon Moore	OA (T)
Steven Mark	OA (G)
Josh Takimoto (PI)	OA (G)
	1150-003
	1138-907
	1379-013
	1441-014
	1441-907

IWAS SUPPORT 622-110	
Yalanda Barry	SC
Amy Bienenman	OT (G)
Casee Simmons	OT (G)
Vacant	OT (G)
Jamie Asher	OT (T)
Donna Eldridge	OT (T)
	1120-907
	1138-002
	1138-003
	1138-999
	1139-003
	1139-005

BUSINESS SERVICES / PAYABLES 622-110	
Alisyn Rudis	SSA
Kelly Larson	SSA
Renee Bradford	AGPA
Janet Stark	AGPA
Kayla Taylor	SA
	5157-005
	5157-007
	5393-006
	5393-805
	4870-907

CASHIERS 622-111	
Michele Davis	OSS II
Rosemary Macias	OT (T)
Susan Corbett	OT (T)
Eliana Duenas	OT (T)
Sirmarcia Blair	OT (T)
Cedric Valdemoro	OT (T)
	1150-002
	1139-003
	1139-005
	1139-006
	1139-007
	1139-010

WAREHOUSE 622-111	
Rey Tulawan	MSS
Davin Singh	WW
William Hypes	WW
	1506-001
	6220-001
	6220-003

Executive Officer or Designee _____ Date _____

Classification and Pay Analyst _____ Date _____

+CORI POSITION

Department of Consumer Affairs
CONTRACTORS STATE LICENSE BOARD
 July 1, 2015

OFFICE OF INFORMATION TECHNOLOGY

FY 2015/16

Authorized Positions: 24
 BL 12-03 (999 Blanket): 0

CURRENT

Cindi Christenson Registrar+
 Cindy Kanemoto Chief Dep Registrar+

OFFICE OF INFORMATION TECHNOLOGY
 622-120

Vacant (LT) DPM III 1393-002

BUSINESS CONSULTANT

Tori Jones Assoc. ISA (Sp) 1470-007
 Jeannie Wong Assoc. ISA (Sp) 1470-012
 Vacant Staff PA (Sp) 1581-001+

PROGRAMMING / SUPPORT

Greg Dines SSS III (Tech) 1367-001
 Debra Phelps (RA) SSS III (Tech) 1367-907

NETWORK AND INFRASTRUCTURE SERVICES

Raju Sah SSS III (Sup) 1559-001

TECHNICAL SUPPORT

Charles Ashmore Staff ISA (Sp) 1312-001
 Bonnie Pronovost Sr. ISA (Sp) 1337-001
 Keith Kun SSS III (Tech) 1367-002
 Lewis Nghiem SSS II (Tech) 1373-002
 Roberta Piombo SSS II (Tech) 1373-003

HELP DESK

Brian Estonilo Assoc. ISA (Sp) 1470-001
 Alex Villucci Assoc. ISA (Sp) 1470-005
 Renae Rathjen Assoc. ISA (Sp) 1470-006
 Michael Schwillk Assoc. ISA (Sp) 1470-009

PROGRAMMING

Renee Davis Assoc. ISA (Sp) 1470-010+
 Staci Stewart Staff PA (Sp) 1581-002+
 Michael Collins Sr. PA (Sp) 1583-001+
 Glenda Takimoto Sr. PA (Sp) 1583-002+

CLIENT SERVER APPLICATIONS

Vacant SSS II (Tech) 1373-001
 Andrew Balaam SSS II (Tech) 1373-004

DATA SERVICES SUPPORT

Cindy Phung-Le Assoc. ISA (Sp) 1470-011+
 Vacant Asst. ISA 1479-004+

IWAS PROGRAMMING

Cindy Alire Staff PA (Spec) 1581-003

Executive Officer or Designee _____ Date _____
 Classification and Pay Analyst _____ Date _____

+CORI Position

**LICENSING
DIVISION**

1 of 3

**Department of Consumer Affairs
CONTRACTORS STATE LICENSE BOARD
July 1, 2015**

FY 2015/16

Authorized Positions: 44
BL 12-03 (999 Blanket): 0

CURRENT

Cindi Christenson Registrar+
Cindy Kanemoto Chief Dep Registrar+

LICENSING DIVISION 622-201	
Karen Robinson	CEA A 7500-001+
LICENSE MANAGEMENT & PROCESSING OPERATIONS 622-201	
MaryBeth Figueira	SSM I 4800-003+

CRIMINAL BACKGROUND 622-216	
Kim Stephens	SSA 5157-001 +
Debbie Sepulveda	SSA 5157-006 +
Jennifer Henney	SSA 5157-007 +
Rose Smith	SSA 5157-008 +
Stacie Rodriguez	SSA 5157-009 +
Rochelle Wooten	SSA 5157-010 +
Jerry Smith (RA)	AGPA 5393-907 +
Geraldine Martinez	PT II 9928-001 +

SUPP APPS 622-221	
Marilyn Norman	SPT III 9926-003
Gemma Smith	PT II 9928-053
Cathy McCaster	PT II 9928-068
Carlton Robertson	PT II 9928-069
Timothy Hafer	PT III 9929-006
Juanita Daniels	PT III 9929-008
Sara Allen	PT III 9929-011
Patricia Walker	PT III 9929-012
Jan Beasley	PT III 9929-017
Vacant	PT III 9929-026
Adrian Paguaga	PT III 9929-027

EXAM APPLICATIONS 622-221	
Kathleen Cooley	SPT III 9926-004
Jordan Takimoto	SA 4870-907
Doris Yee	PT II 9928-056
Valerie Listman	PT III 9929-001
Joanna Brown	PT III 9929-004
Gloria Sagario	PT III 9929-007
Terri White	PT III 9929-010
Sami Yan	PT III 9929-015
Tina Witcher	PT III 9929-016
Angela Thomas	PT III 9929-018
Kristine Thorn	PT III 9929-019
Vacant	PT III 9929-020
Foad Gharahgozliou	PT III 9929-024

APP WAIVERS 622-221	
Denise Owens	SPT III 9926-005
Denise Murata	SA 4870-907
Ida McElwee	PT II 9928-050
Leticia Esquivel	PT II 9928-076
Karen Franco	PT III 9929-002
Susan Payne	PT III 9929-003
Connie Hathaway	PT III 9929-005
Vickie Chavez	PT III 9929-009
Stephen Isbell	PT III 9929-014
Maria Arisman	PT III 9929-021
Linda Loudon	PT III 9929-022
Rose Slater	PT III 9929-023
Vacant	PT III 9929-025

Executive Officer or Designee _____ Date _____
Classification and Pay Analyst _____ Date _____

Department of Consumer Affairs
CONTRACTORS STATE LICENSE BOARD
 July 1, 2015

CURRENT

Cindi Christenson Cindy Kanemoto	Registrar+ Chief Dep Registrar+
-------------------------------------	------------------------------------

LICENSING DIVISION	
Karen Robinson	CEAA +

LICENSE MAINTENANCE & INFORMATION OPERATIONS 622-201	
Nicole Newman	SSM I 4800-001

JUDGMENTS 622-217		
Mari Anne Diloroto	SSA	5157-001
Patricia Jones	MST	5278-001
Eizabeth Robinson	AGPA	5393-002

RECORD CERTIFICATION 622-241		
Holly Young	SSA	5157-001
Shannon Mills	MST	5278-001
Gina Lopez	MST	5278-003
Arreka Tarver	MST	5278-004
Amanda Franco	MST	5278-999

LICENSING INFORMATION 622-271		
Ellen Maier	SSA	5157-001

PUBLIC INFORMATION 622-261		
Marie Gomez	SPT III	9926-001

PUBLIC INFORMATION #1 (CALL CENTER) 622-271		
Annette Walker-Marshall	SPT II	9925-002
Shirley Corona	*PT II	9928-002
Flora Hradeztky	*PT II	9928-003
Isaiah Rogers	*PT II	9928-006
Vanessa Jager	*PT II	9928-007
Jeanie Ogawa	*PT II	9928-009
Brett Marinelli	*PT II	9928-012
Kevin Laybourn	*PT II	9928-014
Terry Kenoyer	*PT II	9928-017
Daphne Duncan	*PT II	9928-999
Dwayne Thomas	*PT II	9928-999
Brad Boemecke (RA)	*PT II	9928-907
Nancy Dinkhun (RA)	*PT II	9928-907

* Position eligible for Call Center Differential

PUBLIC INFORMATION #2 (PUBLIC COUNTER) 622-261		
Mary Jo Battilana	SPT II	9925-001
Teresa Saubolle	PT II	9928-005
Steven Shaw	PT II	9928-006
Kim Yang	PT II	9928-007

PUBLIC INFORMATION #1 (CALL CENTER) 622-271		
Vacant	*PT II	9928-010
Channda Yi	*PT II	9928-030
Theodis Ross	*PT II	9928-031
LaVonne Gibson	*PT II	9928-032
Yaoting Saelee	*PT II	9928-999

* Position eligible for Call Center Differential

Executive Officer or Designee _____ Date

Classification and Pay Analyst _____ Date

LICENSING DIVISION

3 of 3

**Department of Consumer Affairs
CONTRACTORS STATE LICENSE BOARD
July 1, 2015**

FY 2015/16

Authorized Positions: 26.5
BL 12-03 (999 Blanket): 3

CURRENT

Cindi Christenson Cindy Kanemoto	Registrar+ Chief Dep Registrar+
-------------------------------------	------------------------------------

LICENSING DIVISION	
Karen Robinson	CEAA +

LICENSE MAINTENANCE & TRANSACTIONS 622-201	
Fredric Villucci	SSM I 4800-002

ANALYTICAL / PROGRAM SUPPORT 622-210	
Charlotte Allison	AGPA 5393-002

EXPERIENCE VERIFICATION 622-218	
Cassie Brazil	SSA 5157-001
Amanda Siler	SSA 5157-002
Anna Gallindo	SSA 5157-999

LICENSE CLASSIFICATION 622-218	
Andrea Hofer-Sisto	ER II 8800-002
William Clay	ER II 8800-999

BONDS / WORKERS COMP 622-231	
Becky Allgeier	SPT II 9925-002

Tracy Scott	PT II 9928-012
Christine Rakela (1/2)	PT II 9928-015 (.5)
Monique Newsom	PT II 9928-018
Dana Donofrio	PT II 9928-019
Vacant	9928-021
Anita Sisneros	PT II 9928-022
Sidney Villareal	PT II 9928-025
Diana Brazil	PT II 9928-026
Erik Charles	PT II 9928-999

BONDS / RENEWALS 622-231	
Kathleen Foreman	MST 5278-001

LICENSE MOD / RENEWALS 622-231	
Katrina Compton	SPT II 9925-001

Geri Pozo	PT II 9928-001
Albert Demesa	PT II 9928-004
Marcia Leduc-Kerr	PT II 9928-009
Joann Vice	PT II 9928-014
Marci Davis	PT II 9928-016
Randal Slater	PT II 9928-017
Timothy Siddons	PT II 9928-020
Rafael Greenwood	PT II 9928-023
Amanda Gardiner	PT II 9928-024
Oralia Garcia	PT II 9928-027
Willie Davis Jr.	PT II 9928-028

Executive Officer or Designee _____ Date

Classification and Pay Analyst _____ Date

+ CORI Position

**ENFORCEMENT
DIVISION**
1 of 6

Department of Consumer Affairs
CONTRACTORS STATE LICENSE BOARD
July 1, 2015

FY 2015/16

Authorized Positions: 19.0
BL 12-03 (999 Blanket): 3

Cindi Christenson Registrar+
Cindy Kanemoto Chief Dep Registrar+

DIVISION OF ENFORCEMENT
622-301

David Fogt CEA A 7500-002+
Christina Delp SSM III 4802-999+E

CURRENT

QUALITY ASSURANCE 622-301	
Vacant (PI)	1139-907
Heather Young	AGPA
Michael Jannetski	AGPA
Sherry Millroy (LT) * AGPA	5393-XXX
Melissa Huckaby	ER I
Vacant	8791-001
Rebecca Lyke	ER I
Nyssa Wilson *	ER II
*Position physically located in Norwalk	

622-301	
Skip Jones (RA)	Gen Aud III 4285-907
Doug Galbraith (RA)	ER II 8800-907
Greg Hamway (RA)	ER II 8800-907

SPECIAL INVESTIGATIONS UNIT 622-361	
John Bruce	ES I 8796-001
Shelby Nordman	OT (T) 1139-001
Hugh Henderson	ER I (P/O) 8793-001
Peter Keown *****	ER I (P/O) 8793-999
Vacant *	ER II (P/O) 8795-001
Joseph Martinez	ER II (P/O) 8795-002
Malle Williams *****	ER II (P/O) 8795-003
Vacant***	ER II (P/O) 8795-004
Vacant	ER II (P/O) 8795-005
Shelbie Brooks ***	ER II (P/O) 8795-006
Deidre Greene *****	ER II (P/O) 8795-007
Jim Anderson **	ER II (P/O) 8795-008
Vacant	ER II (P/O) 8795-XXX
* Reports out of West Covina ** Designated Home as Headquarters *** Reports out of Valencia **** Reports out of Norwalk ***** Reports out of San Diego ***** Reports out of San Francisco	

Executive Officer or Designee _____ Date _____

Classification and Pay Analyst _____ Date _____

+ CORI POSITION
E EXECPTIONAL ALLOCATION

**ENFORCEMENT
DIVISION**
2 of 6

Department of Consumer Affairs
CONTRACTORS STATE LICENSE BOARD
July 1, 2015

FY 2015/16

Authorized Positions: 40.5
BL 12-03 (999 Blanket): 1

CURRENT

Cindi Christenson Registrar+
Cindy Kanemoto Chief Dep Registrar+

DIVISION OF ENFORCEMENT
622-301

David Fogt CEA A
Christina Delp SSM III

**INVESTIGATIVE CENTERS
(NORTH)**
622-301

Michelle Vickrey ES II 8790-003

FRESNO
622-336

Marco Bautista (Unit 343)
Theresa Montero 1139-002
Vacant 8791-005
Dixie Wright 8791-008

VALENCIA
622-339

Steven Skogebo 8796-001
Amanda Docken 1139-002
Jennifer Newman 1139-003
Colleen Rebol 8791-003
Santasha Padfield* 8791-005
Gregory Alexander* 8791-006
Mary Holloway 8791-010
Sergio Alvarado 8791-011
Veronica Martinez** 8791-012
Robert Morales 8800-001
Maria Gonzales* 8800-002

*Reports to Oxnard Office
**Reports to Bakersfield Office

Executive Officer or Designer Date

Classification and Pay Analyst Date

SAN FRANCISCO
622-338

David Shue ES I 8796-001
Armi Labitan (1/2) OT(T) 1139-002 (.5)
Robert Twomey ER I 8791-006
Vacant* ER I 8791-008
Brady Leavitt ** ER I 8791-009
Huy Vo ER I 8791-010
Jennifer Kennedy(RA)** ER I 8791-999
Robin Caton-Poiri* ER II 8800-004
Oather McClung ER II 8800-005
Gene Bell (RA) ER II 8800-907

* Reports to Santa Rosa Office
** Reports to Berkeley Office

BERKELEY
622-335

Pamela Woodson OT (T) 1139-003

+CORI POSITION

SACRAMENTO (NORTH)
622-331

Tammy Borgman 8796-001
Danica Storms 1139-801
John Middleton* 8791-003
Dawn Willis 8791-011
Vacant ER I 8791-018
Brian Gedney 8791-020
Kolin Morlatt 8791-026
Thomas Jager 8791-028
Ana Rodriguez 8800-005

*Reports to Redding Office

SACRAMENTO (SOUTH)
622-331

Jesus Ibarra 8796-002
Richard Shtaway ES I 1139-011
Brianna Brewer ER I 8791-001
Shawn Baland 8791-002
Candis Geddes 8791-023
Caleb Cameron 8791-029
Brice Allwarat ER II 8800-003
Robert Rice ER II 8800-006

**ENFORCEMENT
DIVISION**

3 of 6

**Department of Consumer Affairs
CONTRACTORS STATE LICENSE BOARD
July 1, 2015**

FY 2015/16

Authorized Positions: 42
BL 12-03 (999 Blanket): 2

Cindi Christenson Registrar+
Cindy Kanemoto Chief Dep Registrar+

**DIVISION OF ENFORCEMENT
622-301**

David Fogt CEA A +
Christina Delp SSM III+

**INVESTIGATIVE CENTER (SOUTH)
622-301**

Jessie Flores ES II 8790-004

**WEST COVINA
622-332**

Sally Luna	ES I	8796-001
Angela Ciccone	OT (T)	1139-001
Karla Surdo	OT (T)	1139-803
Paul Zaragoza	ER I	8791-001
Daniel Conway	ER I	8791-011
Nora Uñas	ER I	8791-015 (B)
Robert Vance*	ER I	8791-020
Delphine Tran	ER I	8791-023
Prameela Tomashek	ER II	8800-002
Darlene Cazares	ER II	8800-003

* Designated as Home Office

**SAN BERNARDINO
622-334**

James Anderson	ES I	8796-001
Donna Dyer	OT (T)	1139-001
Matthew Boeck	ER I	8791-001
Vacant	ER I	8791-003
Vacant	ER I	8791-008
Eric Corral	ER I	8791-016
Dania Vaquera	ER I	8791-017
Jackie Anderson	ER I	8791-018
Sylvia Marin	ER II	8800-001
Eduardo Rodriguez	ER II	8800-999 (B)

**NORWALK
622-333**

Adriana Marin	ES I	8796-001
Mary Winborne	OT (T)	1139-002
Patricia Cisneros	OT (T)	1139-803
Vacant	ER I	8791-001
Anita Adams	ER I	8791-002
Arceli Jauregui	ER I	8791-003
Traci Anderson	ER I	8791-006
Rosemary Hall	ER I	8791-012
Jerry Hassan	ER I	8791-013
Vacant	ER I	8791-014
Jose Bergara	ER I	8791-019
Ubaldo Sanchez	ER II	8800-002
Maurice Estabrooks	ER II	8800-003

**SAN DIEGO
622-337**

Sharon Thompkins	ES I	8796-001
Kathleen Macare	OT (T)	1139-001
Ana Garcia	OT (T)	1139-002 (B)
Johanna Bassett	ER I	8791-002
Vacant	ER I	8791-004
Vacant	ER I	8791-013
Jose Sanchez	ER I	8791-020
Jennifer Miller	ER I	8791-999
Aaron Holloway	ER II	8800-001
Mary Chapman	ER II	8800-002

CURRENT

Executive Officer or Designee _____ Date

Classification and Pay Analyst _____ Date

(B) BILINGUAL POSITION

+CORI POSITION

**Department of Consumer Affairs
CONTRACTORS STATE LICENSE BOARD
July 1, 2015**

**ENFORCEMENT
DIVISION**
4 of 6

FY 2015/16

Authorized Positions: 50
BL 12-03 (999 Blanket): 1

Cindi Christenson Registrar+
Cindy Kanemoto Chief Dep Registrar+

**DIVISION OF ENFORCEMENT
622-301**
David Fogt CEA A+
Christina Delp SSM III+

CURRENT

**INTAKE/MEDIATION CENTERS
622-301**
R. Scott Weber ES II 8790-002

**SACRAMENTO
622-314**
Cynthia Moore ES I 8796-001

**NORWALK
622-315**
Bridgette Hall ES I 8796-001

INTAKE CENTER	
Denise James	SPT II 9925-001
Jagdeep Chauhan	PT II 9928-001
Ann Marie Reyes	PT II 9928-002
Mary Satterfield	PT II 9928-003
Vacant (L.T)	PT II 9928-006
Valentino Huggins	PT II 9928-007

MEDIATION CENTER	
Aurelia Lamphere	CSR 1139-001*
Katherine Howard	CSR 8634-002
Richard Perales	CSR 8634-003
Urduja Laoyan	CSR 8634-005
Ronda Heard	CSR 8634-008
Amrida Cadena	CSR 8634-009
Inga Hammond	CSR 8634-011
Patricia Roderick	CSR 8634-015
Shelly Petkovich	CSR 8634-016
Lidia Moitoso-Champton	CSR 8634-017
Jennifer Handy	CSR 8634-018
Ruby Taylor	CSR 8634-019
Judith Svabik	CSR 8634-020
Tamela DaVigo	CSR 8634-021
Maria Rivera	CSR 8634-999
Laura McLean	PT II 9928-xxx**

INTAKE CENTER	
Linda Hicks	OT (T) 1139-001
Alexis Rhem-Odom	PT II 9928-007
Lynnette Wooten	PT II 9928-008
Lisa Meadows-Robertson	PT II 9928-011
Sonya Boyd	PT II 9928-012

MEDIATION CENTER	
Ida Brown	CSR 8634-001
Deirdre Hasley	CSR 8634-002
Bernadette Noum	CSR 8634-003
John Grimes	CSR 8634-004
Michelle Ellington	CSR 8634-006
Douglas Peralta	CSR 8634-007
Marina Romo	CSR 8634-008
Vacant	CSR 8634-010 (B)
Yvette Sims	CSR 8634-011
Tonja Griffith	CSR 8634-012
Saeeda Mohammad	CSR 8634-015
Arturo Camacho	CSR 8634-016
Elizabeth Reeves	CSR 8634-017
Rene Blackshire	CSR 8634-018
Yolanda Cotton	CSR 8634-907

INTAKE CENTER	
Emynee Carter	SA 4870-907
Dennis Leet	SA 4870-907
Ellen Brittain	SSA 5157-001
Mary Miller	AGPA 5393-001
Vacant (L.T)	ERI 8791-001
Marvena Harris	ER II 8800-001

INTAKE CENTER	
Hermerigilda Alconcel	SSA 5157-001
Vacant	ERI 8791-003
Terae McKinney	ERI 8791-xxx

* T&D Assignment for pos. 8634-013
** T&D Assignment for pos. 8634-010

Executive Officer or Designee _____ Date _____
Classification and Pay Analyst _____ Date _____

+ CORI POSITION
(B) BILINGUAL POSITION

Department of Consumer Affairs
CONTRACTORS STATE LICENSE BOARD
 July 1, 2015

ENFORCEMENT DIVISION
 5 of 6

FY 2015/16

Authorized Positions: 30
 BL 12-03 (999 Blanket): 1

CURRENT

Cindi Christenson Registrar+
 Cindy Kanemoto Chief Dep. Registrar+

DIVISION OF ENFORCEMENT
 622-301
 David Fogt CEA A +
 Christina Delp SSM III+

DISCIPLINARY/ENFORCEMENT SERVICES PROGRAM
 622-301
 Carlos Marquez ES II 8790-005

DISCIPLINARY SERVICES SECTION

CITATION ENFORCEMENT SECTION (NORWALK)
 622-354
 Maha Abraham ES I 8796-001
 Elisia Kemp ER I 8791-001
 Jay Zaveri ER II 8800-001
 Raul Oseguera ER II 8800-002

DISCIPLINARY SERVICES CENTER (SACRAMENTO)
 622-353
 J. Wood Robinson ES I 8796-002

DISCIPLINARY ACTIONS SERVICES
 Evan Gage SSA 5157-001
 Vincent Johnston ER II 8800-001
 Kevin Carr ER II 8800-007
 Heather Henderson ER II 8800-009

SUPPORT SERVICES
 Mai Vo OSS II 1150-001
 Rachael Ord-Myers OT (T) 1139-002
Vacant OT (T) 1139-003
 Marilou Felipe OT (T) 1139-005
 Maria Leonte (PI) OT (T) 1139-907
 Jennifer Le OT (T) 1139-999

ENFORCEMENT SERVICES SECTION (SACRAMENTO)
 622-355
 John McDowell ES I 8796-001+

OUT-OF-CLASS DETERMINATIONS
 Brian Melvin ER II 8800-002 +

FLAG REVIEW / INVESTIGATIONS
 Reiana Mayorga SSA 5157-001

SUBSEQUENT ARRESTS / CONVICTIONS
 Asante'd Garrott OT (T) 1139-002+
 Kathy Mae Jones AGPA 5393-001+
 Marcela Diaz ER I 8791-007+
 Gary Bouvia ER I 8791-008+
 Susan Hooks ER I 8791-009+

ARBITRATION PROGRAM SUPPORT
 Michael Phillips SSA 5157-002 +

SUPPORT SERVICES
 Mark Williams OT (T) 1139-001 +

APPLICATION INVESTIGATIONS
 Pai Thao ER I 8791-001
 Tamt Schrock ER I 8791-004
 Dominique Anderson ER I 8791-010

Executive Officer or Designee _____ **Date** _____
Classification and Pay Analyst _____ **Date** _____

+CORI Position

**ENFORCEMENT
DIVISION**
6 of 6

Department of Consumer Affairs
CONTRACTORS STATE LICENSE BOARD
July 1, 2015

FY 2015/16

Authorized Positions: 33.5
BL 12-03 (999 Blanket): 4

CURRENT

Cindi Christenson Cindy Kanemoto	Registrar + Chief Deputy Registrar+
-------------------------------------	--

DIVISION OF ENFORCEMENT 622-301	
David Fogt Christina Delp	CEA A + SSM III +

STATEWIDE INVESTIGATIVE FRAUD UNIT (SWIFT) (STATEWIDE MANAGER) 622-301		
Steve Grove	ES II	8790-001

SWIFT (NORTH) 622-341	ES I	8796-002
Jane Flint		

Robert Rudy	OT (T)	1139-001
Toni Little (1/2)	OT (T)	1139-002 (.5)
Irene Crowder- Johnson	OT (T)	1139-801
Asma Asher	SA	4870-907
Vacant	ER I	8791-001
Eric Stephens **	ER I	8791-005
Lori Miles	ER I	8791-009
Jose Barajas	ER I	8791-020 (B)
Jason Stoddard	ER I	8791-023
Nephtali Lopez	ER I	8791-025
Lisa Dickerson**	ER I	8791-999
Lori Kinder	ER II	8800-001
John Miller	ER II	8800-005
**Reports to Contra Costa Office		

SAN JOSE BRANCH		
William Morris	ER I	8791-024

SWIFT SUPPORT 622-341		
Kayla Bosley	AGPA	5393-001

SWIFT (SOUTH) 622-342		
Soledad Gutierrez	ES I	8796-001

Vacant	OT (T)	1139-002
Kathleen Walton	OT (T)	1139-999
Priscilla Corral (PI)	OA (T)	1379-907
Doris Velasquez	ER I	8791-007 (B)
Sandra Mendez	ER I	8791-014
Lillian Griffin	ER I	8791-016
Dai Le	ER I	8791-017
Stephanie Jones	ER I	8791-019
Matthew Anaya	ER I	8791-020
Christopher Acevedo	ER I	8791-021
Lee Simpson	ER I	8791-023
Arlene Borboa	ER I	8791-999
Jerry Romiti	ER II	8800-003
Kim Clanton	ER II	8800-004

SWIFT (CENTRAL) 622-343		
Marco Bautista	ES I	8796-001

FRESNO BRANCH		
Renea Singleton	OT (T)	1139-907
Margaret Sanchez	ER I	8791-001
Vacant	ER I	8791-002
Karinda. Scott**	ER I	8791-999
Georgia Solorzano	ER II	8800-001
** Designated Home-as Headquarters		

BAKERSFIELD BRANCH		
Heidi Valenzuela	ER I	8791-005
Kirsten Andreassend	ER I	8791-008

MONTEREY BRANCH		
Vacant	ER I	8791-007

Executive Officer or Designee _____ Date _____

Classification and Pay Analyst _____ Date _____

(B) Bilingual Position
+ CORI POSITION

**TESTING
DIVISION**

**Department of Consumer Affairs
CONTRACTORS STATE LICENSE BOARD
July 1, 2015**

FY 2015/16

Authorized Positions: 24.5
BL 12-03 (999 Blanket): 1

CURRENT

Cindi Christenson Registrar+
Cindy Kanemoto Chief Dep Registrar+

TESTING DIVISION 622-432	
Wendi Balvanz	SPSC 5164-001

EXAMINATION ADMINISTRATION 622-433	
Natalie Chernich	SSM I 4800-999

EXAMINATION DEVELOPMENT 622-432	
Carol Gagnon	PSC II (Sup) 5165-002

Vacant	OT (T)	1139-001
Sergio Guillen	SA (E&A)	4871-907
Kelvin Tan	GSA	4872-907
Kenneth Boyd	PSC I	5144-003
Vacant (FT)	TVDS II	5168-002 (-5)
Janice Czaplicki	AGPA	5393-003

Karl Jaeger	PSC II	5165-003
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EXAMINATION SUPPORT 622-431	
Andrew Watson (RA)	SISA (Sp) 1312-907

NORTHERN TESTING CENTERS SACRAMENTO HQ	
Vacant	OT (T) 1139-017
Ashleigh Kunin	OT (T) 1139-018
Kathryn Drewes	AGPA 5393-001
Valerie Riazzi (PFT)	AGPA 5393-907

SACRAMENTO	
Amanda Rossetti	OT (T) 1139-800

BERKELEY	
Marilyn Price-Jefferson	OT (T) 1139-814
Amy Heu-Wong	OA (T) 1379-003

SAN JOSE	
Vacant	OT (T) 1139-014
Elizabeth Daniels	OT (T) 1139-809

FRESNO	
Tykie Rodriguez	OT (T) 1139-004

SOUTHERN TESTING CENTERS NORWALK	
Theresa Navarro	SSA 5157-001 (B)

NORWALK	
Jennifer Walker	OT (T) 1139-012
Cynthia Leyva	OT (T) 1139-013

OXNARD	
Natasha Prinkleton	OT (T) 1139-803
Tanisha Prinkleton	OT (T) 1139-808

SAN BERNARDINO	
Reanna Munez	OT (T) 1139-010 (B)
Demetria Poole	OT (T) 1139-805

SAN DIEGO	
Nicole Pearson	OT (T) 1139-016
Trang Trieu	OT (T) 1139-815

Executive Officer or Designee _____ Date _____

Classification and Pay Analyst _____ Date _____

(B) Bilingual

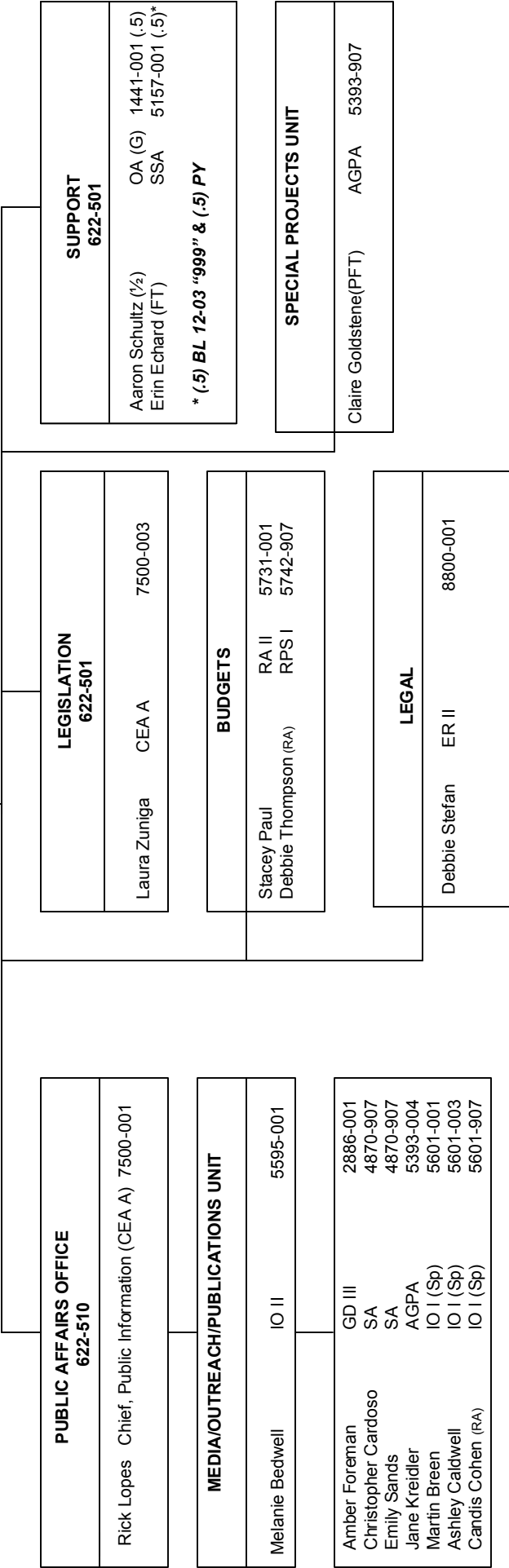
Department of Consumer Affairs
CONTRACTORS STATE LICENSE BOARD
 July 1, 2015

FY 2015/16

Authorized Positions: 12
 BL 12-03 (999 Blanket): .5

CURRENT

EXECUTIVE 622-501	
Cindi Christenson Cindy Kanemoto	Registrar (Exempt) Chief Deputy Registrar (CEA B)
	8941-001+ 7500-004+



EXECUTIVE
DIVISION

Executive Officer or Designee _____ Date _____
 Classification and Pay Analyst _____ Date _____

+ CORI POSITION

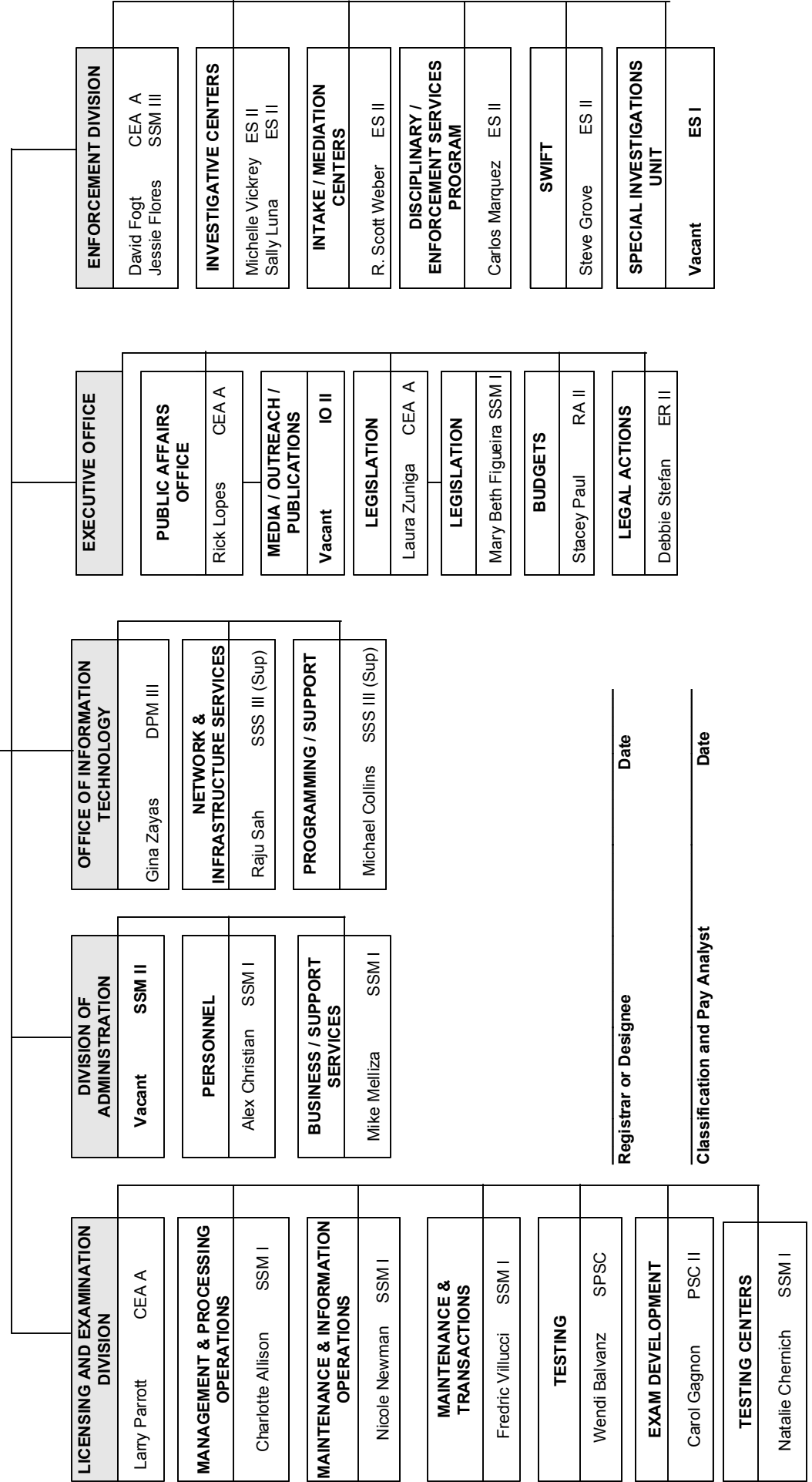
Department of Consumer Affairs
CONTRACTORS STATE LICENSE BOARD
 July 1, 2016

FY 2016/17

Authorized Positions: 403.0
 BL 12-03 (999 Blanket): 21.5

CURRENT

BOARD MEMBERS
REGISTRAR (Exempt) Cindi Christenson
CHIEF DEPUTY REGISTRAR (CEA B) Cindy Kanemoto



**DIVISION OF
ADMINISTRATION**

**Department of Consumer Affairs
CONTRACTORS STATE LICENSE BOARD
July 1, 2016**

FY 2016/17

Authorized Positions: 29
BL 12-03 (999 Blanket): 1

Cindi Christenson Cindy Kanemoto	Registrar+ Chief Dep Registrar+
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CURRENT

DIVISION OF ADMINISTRATION 622-110	
Vacant	SSM II 4801-001

PERSONNEL 622-110	
Alex Christian	SSM I 4800-002

BUSINESS / SUPPORT SERVICES 622-110	
Mike Melliza	SSM I 4800-001

PERSONNEL	
Lorena Yabut (PI)	OT (T) 1139-907
Sally Treadway-Inong	SSA 5157-807
Ann Greene	SSA 5157-810
Vacant	AGPA 5393-806
Jessica Garcia	AGPA 5393-809
Tara Maggi	AGPA 5393-811

IWAS ANALYTICAL SUPPORT 622-110	
May Gonzalez	AGPA 5393-808

MAILROOM 622-111	
Hector Rodriguez	OSS II 1150-003
Brandon Moore	OA (T) 1379-013
Stephen Mark	OA (G) 1441-014
Josh Takimoto (PI)	OA (G) 1441-907
Kim Cutts (PI)	OA (G) 1441-907

IWAS SUPPORT 622-110	
Yalanda Barry	SC 1120-907
Amy Bienenman	OT (G) 1138-002
Casee Simmons	OT (G) 1138-003
Gillian Copenhaver	OT (G) 1138-999
Jamie Asher	OT (T) 1139-003
Donna Eldridge	OT (T) 1139-005

BUSINESS SERVICES / PAYABLES 622-110	
Luis Cruz-Vargas	SA 4870-907
Alisyn Rudis	SSA 5157-005
Vacant	SSA 5157-007
Renee Bradford	AGPA 5393-006
Janet Stark	AGPA 5393-805

CASHIERS 622-111	
Michele Kent	OSS II 1150-002
Rosemary Macias	OT (T) 1139-003
Susan Corbett	OT (T) 1139-005
Eliana Duenas	OT (T) 1139-006
Sirmarcia Blair	OT (T) 1139-007
Cedric Valdemoro	OT (T) 1139-010

WAREHOUSE 622-111	
Rey Tulawan	MSS 1506-001
Davin Singh	WW 6220-001
William Hypes	WW 6220-003

Registrar or Designee _____ Date _____
Classification and Pay Analyst _____ Date _____

+CORI POSITION

Department of Consumer Affairs
CONTRACTORS STATE LICENSE BOARD
 July 1, 2016

OFFICE OF INFORMATION TECHNOLOGY

FY 2016/17

Authorized Positions: 24
 BL 12-03 (999 Blanket): 0

Cindi Christenson Registrar+
 Cindy Kanemoto Chief Dep Registrar+

CURRENT

OFFICE OF INFORMATION TECHNOLOGY 622-120		
Gina Zayas	DPM III	1393-002

BUSINESS CONSULTANT		
Tori Jones	Assoc. ISA (Sp)	1470-007
Jeanne Wong	Assoc. ISA (Sp)	1470-012

NETWORK AND INFRASTRUCTURE SERVICES	
Raju Sah	SSS III (Sup) 1559-001

PROGRAMMING / SUPPORT	
Michael Collins	SSS III (Sup) 1559-003

TECHNICAL SUPPORT	
Charles Ashmore	Staff ISA (Sp) 1312-001
Greg Dines	SSS III (Tech) 1367-001
Lewis Nghiem	SSS II (Tech) 1373-002
Bobbi Piombo	SSS II (Tech) 1373-003
William Schroeder	Sr. PA (Sp) 1583-003

HELP DESK	
Brian Estonilo	Assoc. ISA (Sp) 1470-001
Maksim Krasnov	Assoc. ISA (Sp) 1470-005
Renae Rathjen	Assoc. ISA (Sp) 1470-006
Michael Schwilk	Assoc. ISA (Sp) 1470-009

PROGRAMMING	
Renee Davis	Assoc. ISA (Sp) 1470-010+
Vacant	Staff PA (Sp) 1581-002+
Staci Stewart	Sr. PA (Sp) 1583-001+
Glenda Takimoto	Sr. PA (Sp) 1583-002+

CLIENT SERVER APPLICATIONS		
Keith Kun	SSS III (Tech)	1367-002
Vacant	SSS II (Tech)	1373-004
Alex Villucci	SSS I (Tech)	1587-001

DATA SERVICES SUPPORT		
Cindy Phung-Le	Assoc. ISA (Sp)	1470-011+
Amanda Siler	Asst. ISA	1479-004+

IWAS PROGRAMMING		
Cindy Alire	Staff PA (Spec)	1581-003

Registrar or Designee _____ Date _____

Classification and Pay Analyst _____ Date _____

+CORI POSITION

**LICENSING
DIVISION**

1 of 4

**Department of Consumer Affairs
CONTRACTORS STATE LICENSE BOARD
July 1, 2016**

FY 2016/17

Authorized Positions: 44
BL 12-03 (999 Blanket): 0

Cindi Christenson Registrar+
Cindy Kanemoto Chief Dep Registrar+

CURRENT

LICENSING AND EXAMINATION DIVISION 622-201	
Larry Parrott	CEA A 7500-001+
LICENSE MANAGEMENT & PROCESSING OPERATIONS 622-201	
Charlotte Allison	SSM I 4800-003+

CRIMINAL BACKGROUND 622-216	
Cassandra Bolds	SA 4870-907+
Kim Stephens	SSA 5157-001+
Debbie Sepulveda	SSA 5157-006+
Jennifer Henney	SSA 5157-007+
Rose Smith	SSA 5157-008+
Stacie Rodriguez	SSA 5157-009+
Rochelle Wooten	SSA 5157-010+
Jerry Smith (RA)	AGPA 5393-907+
Geraldine Martinez	PT II 9928-001+

SUPP APPS 622-221	
Marilyn Norman	SPT III 9926-003
Gemma Smith	PT II 9928-053
Cathy McCaster	PT II 9928-068
Carlton Robertson	PT II 9928-069
Timothy Hafer	PT III 9929-006
Juanita Daniels	PT III 9929-008
Vacant	PT III 9929-011
Patricia Walker	PT III 9929-012
Jan Beasley	PT III 9929-017
Erik Charles	PT III 9929-020
Vanessa Jager	PT III 9929-026
Adrian Paguaga	PT III 9929-027

EXAM APPLICATIONS 622-221	
Sara Allen	SPT III 9926-004
Jordan Takimoto	SA 4870-907
Doris Yee	PT II 9928-056
Kristin Elder	PT III 9929-001
Vacant	PT III 9929-004
Gloria Sagario	PT III 9929-007
Terri White	PT III 9929-010
Samii Yang	PT III 9929-015
Tina Witcher	PT III 9929-016
Angela Thomas	PT III 9929-018
Kristine Thorn	PT III 9929-019
Foad Gharahtgozlou	PT III 9929-024

APP WAIVERS 622-221	
Denise Owens	SPT III 9926-005
Denise Murata	SA 4870-907
Ida McElwee	PT II 9928-050
Leticia Esquivel	PT II 9928-076
Karen Franco	PT III 9929-002
Susan Payne	PT III 9929-003
Connie Hathaway	PT III 9929-005
Vickie Chavez	PT III 9929-009
Stephen Isbell	PT III 9929-014
Maria Arisman	PT III 9929-021
Linda Loudon	PT III 9929-022
Rose Slater	PT III 9929-023
Kathleen Otermat	PT III 9929-025

Registrar or Designee _____ Date _____

Classification and Pay Analyst _____ Date _____

+CORI POSITION

Department of Consumer Affairs
CONTRACTORS STATE LICENSE BOARD
July 1, 2016

FY 2016/17

Authorized Positions: 27
BL 12-03 (999 Blanket): 4

CURRENT

Cindi Christenson Cindy Kanemoto	Registrar+ Chief Dep Registrar+
-------------------------------------	------------------------------------

LICENSING AND EXAMINATION DIVISION	
Larry Parrott	CEA A+

LICENSE MAINTENANCE & INFORMATION OPERATIONS 622-201	
Nicole Newman	SSM I 4800-001

RECORD CERTIFICATION 622-241	
Holly Young	SSA 5157-001
Shannon Mills	MST 5278-001
Gina Lopez	MST 5278-003
Aireka Tarver	MST 5278-004
Amanda Franco	MST 5278-999

JUDGMENTS 622-217	
Mari Anne Diloroto	SSA 5157-001
Patricia Jones	MST 5278-001
Elizabeth Robinson	AGPA 5393-002

LICENSING INFORMATION 622-271	
Ellen Maier	SSA 5157-001

PUBLIC INFORMATION 622-261	
Katrina Galbraith	SPT III 9926-001

PUBLIC INFORMATION #1 (CALL CENTER) 622-271	
Annette Walker-Marshall	SPT II 9925-002
Vaiputasi Liaiga	PT II* 9928-002
Vacant	PT II* 9928-003
Sean McColley	PT II* 9928-006
Marcus Brown	PT II* 9928-009
Brett Marinelli	PT II* 9928-012
Kevin Laybourn	PT II* 9928-014
Terry Kenoyer	PT II* 9928-017
Daphne Duncan	PT II* 9928-999
Dwayne Thomas	PT II* 9928-999
Brad Boemecke (RA)	PT II* 9928-907
<i>* Position eligible for Call Center Differential</i>	

PUBLIC INFORMATION #2 (PUBLIC COUNTER) 622-261	
Mary Jo Battilana	SPT II 9925-001

PUBLIC INFORMATION #1 (CALL CENTER) 622-271	
Jennifer Rogers	PT II* 9928-007
Kim Yang	PT II* 9928-010 (B)
Channnda Yi	PT II* 9928-030
Theodis Ross	PT II* 9928-031
LaVonne Gibson	PT II* 9928-032
Jeffery King	PT II* 9928-033
Stacie Estrada	PT II* 9928-034
Juana Ramirez	PT II* 9928-XXX
Vacant	PT II* 9928-999
<i>* Position eligible for Call Center Differential</i>	

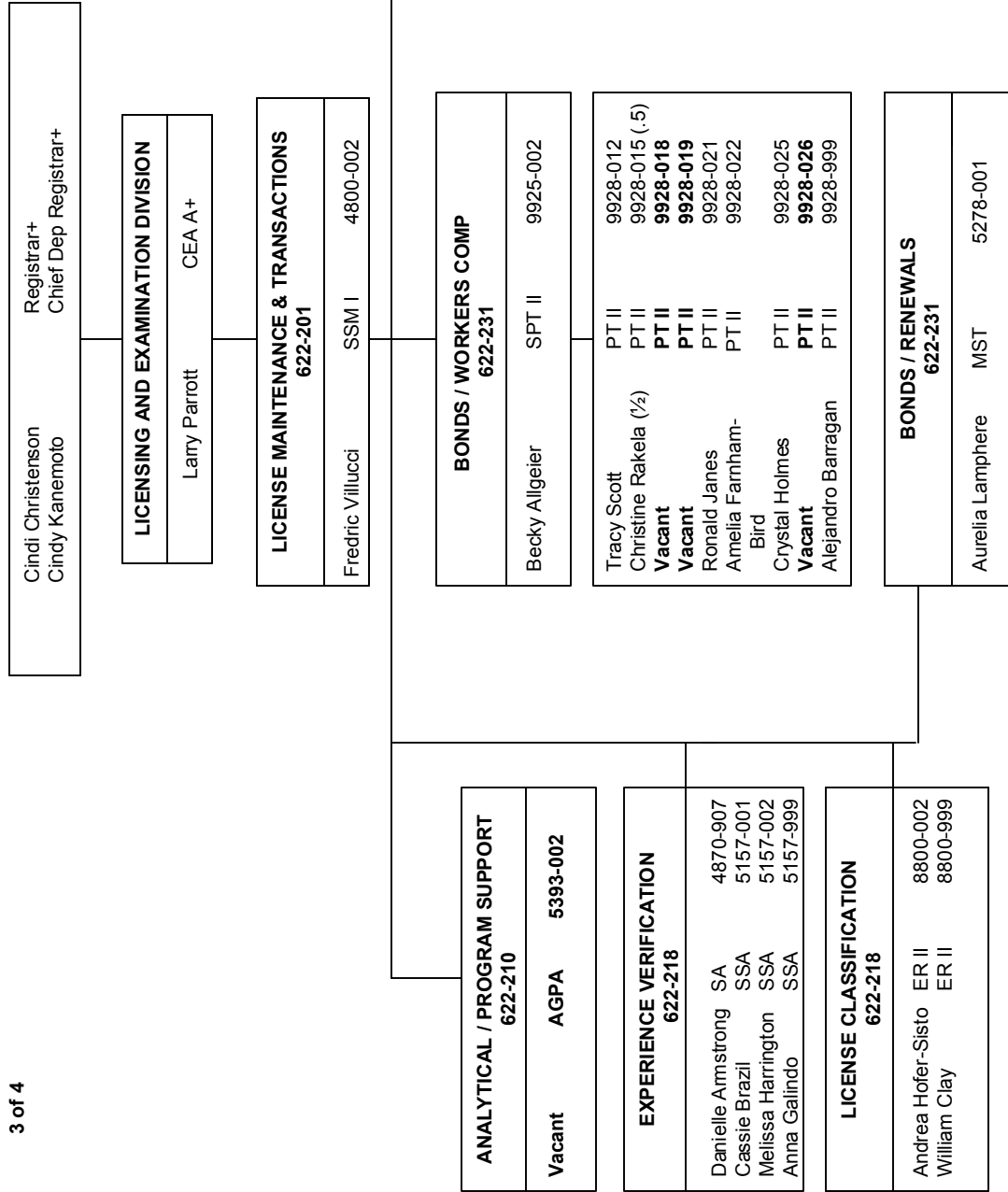
Registrar or Designee _____ Date _____

Classification and Pay Analyst _____ Date _____

+ CORI POSITION
(B) BILINGUAL POSITION

Department of Consumer Affairs
CONTRACTORS STATE LICENSE BOARD
July 1, 2016

CURRENT



Registrar or Designee _____ Date _____

Classification and Pay Analyst _____ Date _____

Department of Consumer Affairs
CONTRACTORS STATE LICENSE BOARD
July 1, 2016

FY 2016/17

Authorized Positions: 24.5
BL 12-03 (999 Blanket): 1

CURRENT

Cindi Christenson Registrar+
Cindy Kanemoto Chief Dep Registrar+

LICENSING AND EXAMINATION DIVISION
Larry Parrott CEA A+

TESTING DIVISION 622-432
Wendi Balvanz SPSC 5164-001

EXAMINATION ADMINISTRATION 622-433
Natalie Chernich SSM I 4800-999

EXAMINATION DEVELOPMENT 622-432
Carol Gagnon PSC II (Sup) 5165-002

Kristin Wood OT (T) 1139-002
Sergio Guillen SA (E&A) 4871-907
Kenneth Boyd PSC I 5144-003
Hayley Figeroid (FT) SSA 5157-001 (.5)
Kelvin Tan TVDS I 5183-001

Vacant PSC II 5165-003

NORTHERN TESTING CENTERS SACRAMENTO
Ashleigh Kunin OT (T) 1139-018
Michele Bonk (Pl) OT (T) 1139-907
Angie Matsumoto (Pl) OT (T) 1139-907
Kathryn Drewes AGPA 5393-001
Valerie Riazzi AGPA 5393-002

SACRAMENTO
Amanda Rossetti OT (T) 1139-800

BERKELEY
Marilyn Price-Jefferson OT (T) 1139-814
Amy Heu-Wong OA (T) 1379-003

SAN JOSE
Wina Abarca OT (T) 1139-014
Elizabeth Daniels OT (T) 1139-809

FRESNO
Tykie Rodriguez OT (T) 1139-004

SOUTHERN TESTING CENTERS NORWALK
Theresa Navarro SSA 5157-001 (B)

NORWALK
Jennifer Walker OT (T) 1139-012
Juan Tejada OT (T) 1139-013

OXNARD
Natasha Prinkleton OT (T) 1139-803
Tanisha Lankin OT (T) 1139-808

SAN BERNARDINO
Reanna Munez OT (T) 1139-010 (B)
Demeitria Poole OT (T) 1139-805

SAN DIEGO
Trang Trieu OT (T) 1139-815
Brandi Gaboury OT (T) 1139-019

Registrar or Designee _____ Date

Classification and Pay Analyst _____ Date

+ CORI POSITION
(B) BILINGUAL POSITION

**ENFORCEMENT
DIVISION**

1 of 6

**Department of Consumer Affairs
CONTRACTORS STATE LICENSE BOARD
July 1, 2016**

FY 2016/17

Authorized Positions: 18
BL 12-03 (999 Blanket): 3

CURRENT

Cindi Christenson Cindy Kanemoto	Registrar+ Chief Dep Registrar+
-------------------------------------	------------------------------------

DIVISION OF ENFORCEMENT 622-301	
David Fogt Jessie Flores	CEA A SSM III
	7500-002+ 4802-999+E

QUALITY ASSURANCE (SACRAMENTO) 622-301	
Holly Loder (PI)	OT (T) 1139-907+
Heather Young	AGPA 5393-800
Michael Jamnietki	AGPA 5393-801
Rebecca Lyke	ER I 8791-002
Melissa Huckaby	ER I 8791-999

QUALITY ASSURANCE (NORWALK) 622-301	
Vacant Nyssa Wilson	AGPA 5393-002 ER II 8800-004

622-301 (SACRAMENTO)	
Skip Jones (RA)	Gen Aud III 4285-907
Doug Galbraith (RA)	ER II 8800-907
Greg Hamway (RA)	ER II 8800-907

SPECIAL INVESTIGATIONS UNIT (SACRAMENTO) 622-361	
Vacant Shelby Nordman	ES I 8796-001 OT (T) 1139-001
Joseph Martinez	ER II (P/O) 8795-002
Vacant	ER II (P/O) 8795-005
Vacant* Hugh Henderson	ER II (P/O) 8795-008 ER II (P/O) 8795-009

*Designated Home as Headquarters

SPECIAL INVESTIGATIONS UNIT (SANTA ROSA) 622-361	
Amanda Martinez	ER II (P/O) 8795-XXX

SPECIAL INVESTIGATIONS UNIT (NORWALK) 622-361	
Arlene Borboa	ER II (P/O) 8795-001
Vacant Deidre Greene	ER II (P/O) 8795-004 ER II (P/O) 8795-007

SPECIAL INVESTIGATIONS UNIT (SAN FRANCISCO) 622-361	
Peter Keown	ER I (P/O) 8793-999

SPECIAL INVESTIGATIONS UNIT (VALENCIA) 622-361	
Shelbie Brooks	ER II (P/O) 8795-006

SPECIAL INVESTIGATIONS UNIT (SAN DIEGO) 622-361	
Maile Williams	ER II (P/O) 8795-003

Registrar or Designee _____ Date _____

Classification and Pay Analyst _____ Date _____

+ CORI POSITION
E EXCEPTIONAL ALLOCATION

**ENFORCEMENT
DIVISION**
2 of 6

Department of Consumer Affairs
CONTRACTORS STATE LICENSE BOARD
July 1, 2016

FY 2016/17

Authorized Positions: 41.5
BL 12-03 (999 Blanket): 1

CURRENT

Cindi Christenson Registrar+
Cindy Kanemoto Chief Dep Registrar+

DIVISION OF ENFORCEMENT 622-301	
David Fogt Jessie Flores	CEAA+ SSM III+E

INVESTIGATIVE CENTERS (NORTH) 622-301	
Michelle Vickrey	ES II 8790-003

SAN FRANCISCO 622-338	
David Shue Armi Labitan (1/2) Vacant Vacant Huy Vo Robert Twomey	8796-001 1139-002 (5) 8791-006 8791-009 8791-010 8800-005

BERKELEY 622-335	
Jennifer Kennedy (RA)	ERI 8791-999

SANTA ROSA 622-338	
Brady Leavitt Oather McClung	ERI 8791-008 ER II 8800-004

SACRAMENTO (NORTH) 622-331	
Tammy Borgman Devan Anderson Dominique Anderson Dawn Willis James Spence Brian Gedney Kolin Moriatt Thomas Jager Justin Wickersham Ana Rodriguez	8796-001 1139-801 8791-003 8791-011 8791-018 8791-020 8791-026 8791-028 8791-030 8800-005

BERKELEY 622-335	
Pamela Woodson	OT (T) 1139-003

VALENCIA 622-339	
Steven Skogebo Amanda Berg Jennifer Newman Colleen Rebol Santosh Padfield* Gregory Alexander* Mary Holloway Sergio Alvarado Veronica Medina** Robert Morales Maria Gonzales*	8796-001 1139-002 1139-003 8791-003 8791-005 8791-006 8791-010 8791-011 8791-012 8800-001 8800-002

*Reports to Oxnard Office
**Reports to Bakersfield Office

SACRAMENTO (SOUTH) 622-331	
Jesus Ibarra Sidney Villareal Brianna Brewer Shaun Baland Candis Geddes Caleb Cameron Pai Thao Bryce Allwardt Robert Rice	8796-002 1139-011 8791-001 8791-002 8791-023 8791-029 8791-xxx 8800-003 8800-006

FRESNO 622-336	
Winston Horn Daniel Voolstra	ERI 8791-005 ERI 8791-008

Registrar or Designee _____ Date _____
Classification and Pay Analyst _____ Date _____

+ CORI POSITION
E EXCEPTIONAL ALLOCATION

**ENFORCEMENT
DIVISION**
3 of 6

**Department of Consumer Affairs
CONTRACTORS STATE LICENSE BOARD
July 1, 2016**

FY 2016/17

Authorized Positions: 42
BL 12-03 (999 Blanket): 2

Cindi Christenson Registrar+
Cindy Kanemoto Chief Dep Registrar+

CURRENT

**DIVISION OF ENFORCEMENT
622-301**

David Fogt CEA A+
Jessie Flores SSM III+E

INVESTIGATIVE CENTER (SOUTH)
622-301
Sally Luna ES II 8790-004

**WEST COVINA
622-332**

Vacant	ES I	8796-001
Angela Ciccone	OT (T)	1139-001
Karla Surdo	OT (T)	1139-803
Paul Zaragoza	ER I	8791-001
Daniel Conway	ER I	8791-011
Vacant	ER I	8791-015
Robert Vance*	ER I	8791-020
Delphine Tran	ER I	8791-023
Prameela Tomashesk	ER II	8800-002
Nora Uñas	ER II	8800-003 (B)

** Designated as Home Office*

**SAN BERNARDINO
622-334**

James Anderson	ES I	8796-001
Donna Dyer	OT (T)	1139-001
Matthew Boeck	ER I	8791-001
Terry Mejia	ER I	8791-003
Joslyn Kozlowski	ER I	8791-008
Richard Montelius	ER I	8791-016
Vacant	ER I	8791-017
Jackie Anderson	ER I	8791-018
Sylvia Marin	ER II	8800-001
Eduardo Rodriguez	ER II	8800-999 (B)

**NORWALK
622-333**

Adriana Marin	ES I	8796-001
Mary Winborne	OT (T)	1139-002
Patricia Cisneros	OT (T)	1139-803
Rene Blackshire	ER I	8791-001
Anita Adams	ER I	8791-002
Vacant	ER I	8791-003
Traci Anderson	ER I	8791-006
Rosemary Hall	ER I	8791-012
Jerry Hassan	ER I	8791-013
Dania Vaquera	ER I	8791-014
Jose Bergara	ER I	8791-019
Ubaldo Sanchez	ER II	8800-002
Maurice Estabrooks	ER II	8800-003

**SAN DIEGO
622-337**

Sharon Thompkins	ES I	8796-001
Kathleen Macare	OT (T)	1139-001
Ana Garcia	OT (T)	1139-002 (B)
Johanna Basset	ER I	8791-002
Michael Ford	ER I	8791-004
Tyler Hicks	ER I	8791-013
Jose Sanchez	ER I	8791-020
Jennifer Miller	ER I	8791-999
Aaron Holloway	ER II	8800-001
Mary Chapman	ER II	8800-002

Registrar or Designee _____ Date _____

Classification and Pay Analyst _____ Date _____

+ CORI POSITION
E EXCEPTIONAL ALLOCATION
(B) BILINGUAL POSITION

**ENFORCEMENT
DIVISION**
4 of 6

Department of Consumer Affairs
CONTRACTORS STATE LICENSE BOARD
July 1, 2016

FY 2016/17

Authorized Positions: 50
BL 12-03 (999 Blanket): 1

Cindi Christenson Registrar+
Cindy Kanemoto Chief Dep Registrar+

**DIVISION OF ENFORCEMENT
622-301**

David Fogt CEA A+
Jessie Flores SSM III+E

**INTAKE / MEDIATION CENTERS
622-301**

R. Scott Weber ES II 8790-002

**SACRAMENTO
622-314**
Cynthia Moore ES I 8796-001

**NORWALK
622-315**
Bridgette Hall ES I 8796-001

CURRENT

INTAKE CENTER	
Vacant	SPT II 9925-001
Jagdeep Chauhan	PT II 9928-001
Monique Newsom (LT)	PT II 9928-002
Greg Cullen	PT II 9928-003
Vacant (LT)	PT II 9928-006
My (Aimee) Hoang	PT II 9928-007

INTAKE CENTER	
Emynee Carter	SA 4870-907
Dennis Leet	SA 4870-907
Ellen Brittain	SSA 5157-001
Mary Miller	AGPA 5393-001
Urduja Laoyan (LT)	ER I 8791-001
Marvena Harris	ER II 8800-001

MEDIATION CENTER	
Katherine Howard	CSR 8634-002
Richard Perales	CSR 8634-003
Ronda Heard	CSR 8634-008
Armida Cadena	CSR 8634-009
Inga Hammond	CSR 8634-011
Patricia Roderick	CSR 8634-015
Shelly Petkovich	CSR 8634-016
Lidia Moitoso-Champion	CSR 8634-017
Jennifer Handy	CSR 8634-018
Ruby Taylor	CSR 8634-019
Judith Svabik	CSR 8634-020
Tamala DaVigo	CSR 8634-021
Sherry Petty (RA)	CSR 8634-907
Vacant	CSR 8634-xxx
Laura McLean	PT II 9928-010*
Ann Marie Reyes	PT II 9928-011**
Christian Stewart	PT II 9928-999***

* T&D Assignment for pos. 8634-010
** T&D Assignment for pos. 8634-005
*** T&D Assignment

INTAKE CENTER	
Jewel Mendoza	OT (T) 1139-001
Alexis Rhem-Odom	PT II 9928-007
Lynnette Wooten	PT II 9928-008
Lisa Meadows-Robertson	PT II 9928-011
Sonya Boyd	PT II 9928-012

INTAKE CENTER	
Hermenigilda Alconcel	SSA 5157-001
Michelle Ellington	ER I 8791-003
Terae McKinney	ER II 8800-xxx

MEDIATION CENTER	
Vacant	CSR 8634-001
Cindy Speed	CSR 8634-002*
Roderick Smith	CSR 8634-003
John Grimes	CSR 8634-004
Vacant	CSR 8634-006
Douglas Peralta	CSR 8634-007
Marina Romo	CSR 8634-008
Yolanda Cotton	CSR 8634-010
Yvette Sims	CSR 8634-011
Tonja Griffith	CSR 8634-012
Marcus Watts	CSR 8634-015
Arturo Camacho	CSR 8634-016
Elizabeth Reeves	CSR 8634-017
Marliou Felipe	CSR 8634-018

*T&D Assignment from outside agency

Registrar or Designee _____ Date _____

Classification and Pay Analyst _____ Date _____

+ CORI POSITION
E EXCEPTIONAL ALLOCATION

Department of Consumer Affairs
CONTRACTORS STATE LICENSE BOARD
 July 1, 2016

ENFORCEMENT DIVISION
 5 of 6

FY 2016/17

Authorized Positions: 29
 BL 12-03 (999 Blanket): 1

CURRENT

Cindi Christenson Registrar+
 Cindy Kanemoto Chief Dep Registrar+

DIVISION OF ENFORCEMENT
 622-301
 David Fogt CEA+
 Jessie Flores SSM III+E

DISCIPLINARY / ENFORCEMENT SERVICES
 622-301
 Carlos Marquez ES II 8790-005

DISCIPLINARY SERVICES SECTION

CITATION ENFORCEMENT SECTION (NORWALK)
 622-354
 Maha Abraham ES I 8796-001
 Araceli Jaurequi ER I 8791-001
 Jay Zaveri ER II 8800-001
 Raul Oseguera ER II 8800-002
 Elisa Williams ER II 8800-003

SUPPORT SERVICES
 Mai Vo OSS II 1150-001
 Robert Mansfield (LT) OT (T) 1139-001
 Raymond Fonseca OT (T) 1139-003
 Maria Leonte OT (T) 1139-005
 Rachael Ord-Myers OT (T) 1139-907
 Aubrhea Seymour (Pl) OT (T) 1139-907
 Jennifer Le OT (T) 1139-999

DISCIPLINARY SERVICES CENTER (SACRAMENTO)
 622-353
 J. Wood Robinson ES I 8796-002

DISCIPLINARY ACTIONS SERVICES
 Danica Storms SSA 5157-001
 Vincent Johnston ER II 8800-001
 Kevin Carr ER II 8800-007
 Heather Henderson ER II 8800-009

SUPPORT SERVICES
 Jasmine Newman (LT) OT (T) 1139-004
 Pamm Arnold OT (T) 1139-007
 Patricia Nelson PT 9927-001

ENFORCEMENT SERVICES SECTION (SACRAMENTO)
 622-355
 John McDowell ES I 8796-001+

OUT-OF-CLASS DETERMINATIONS
 Brian Melvin ER II 8800-002+

FLAG REVIEW / INVESTIGATIONS
 Reiana Mayorga SSA 5157-001

SUBSEQUENT ARRESTS / CONVICTIONS
Vacant OT (T) 1139-002+
 Kathy Mae Jones AGPA 5393-001+
 Marcela Diaz ER I 8791-007+ (B)
 Gary Bouvia ER I 8791-008+
 Susan Hooks ER I 8791-009+

ARBITRATION PROGRAM SUPPORT
 Michael Phillips SSA 5157-002+

SUPPORT SERVICES
 Mark Williams OT (T) 1139-001+

APPLICATION INVESTIGATIONS
Vacant ER I 8791-010

Registrar or Designee _____ Date _____

Classification and Pay Analyst _____ Date _____

+ CORI POSITION
 E EXCEPTIONAL ALLOCATION
 (B) BILINGUAL POSITION

Department of Consumer Affairs
CONTRACTORS STATE LICENSE BOARD
 July 1, 2016

ENFORCEMENT DIVISION
 6 of 6

FY 2016/17

Authorized Positions: 33.5
 BL 12-03 (999 Blanket): 4

CURRENT

Cindi Christenson Registrar +
 Cindy Kanemoto Chief Deputy Registrar+

DIVISION OF ENFORCEMENT 622-301
David Fogt CEA A+ Jessie Flores SSM III+E

STATEWIDE INVESTIGATIVE FRAUD TEAM 622-301
Steve Grove ES II 8790-006

SWIFT SUPPORT 622-341
Kayla Bosley AGPA 5393-001

SWIFT (NORTH) 622-341
Vacant ES I 8796-002

Alison Adams OT (T) 1139-002 (.5)	
Irene Crowder- Johnson OT (T) 1139-801	
Asma Ahmad-Asher SA 4870-907	
Gregory Hampton ER I 8791-001	
Eric Stephens* ER I 8791-005	
Lori Miles ER I 8791-009	
Jose Barajas ER I 8791-020 (B)	
Jason Stoddard ER I 8791-023	
Nephtali Lopez ER I 8791-025	
Blake Williams (PFT) ER I 8791-999	
Vacant** ER I 8791-999	
Vacant ER II 8800-001	
John (Jeff) Miller ER II 8800-005	
*Reports to Santa Rosa Office	
**Reports to Contra Costa Office	

SAN JOSE BRANCH
William Morris ER I 8791-024

SWIFT (CENTRAL) 622-343
Vacant ES I 8796-001

FRESNO BRANCH	
Theresa Montero OT (T) 1139-002	
Renea Singleton (PI) OT (T) 1139-907	
Margaret Sanchez ER I 8791-001	
Dixie Wright ER I 8791-002	
Karinda Scott** ER I 8791-999	
Georgia Solorzano ER II 8800-001	
**Designated Home-as Headquarters	

BAKERSFIELD BRANCH
Heidi Valenzuela ER I 8791-005
Kirsten Andreassend ER I 8791-008

MONTEREY BRANCH
Vacant ER I 8791-007

SWIFT (SOUTH) 622-342
Soledad Gutierrez ES I 8796-001

Vacant OT (T) 1139-002
Kathleen Walton OT (T) 1139-999
Priscilla Corral (PI) OA (T) 1379-907
Doris Velasquez ER I 8791-007 (B)
Sandra Mendez ER I 8791-014
Lillian Griffin ER I 8791-016
Dai Le ER I 8791-017
Stephanie Jones ER I 8791-019
Matthew Anaya ER I 8791-020
Christopher Acevedo ER I 8791-021
Vacant ER I 8791-999
Jerry Romiti ER II 8800-003

SAN DIEGO BRANCH
Lee Simpson ER I 8791-023
Kim Clanton ER II 8800-004

Registrar or Designee _____ Date _____

Classification and Pay Analyst _____ Date _____

+ CORI POSITION
 E EXCEPTIONAL ALLOCATION
 (B) BILINGUAL POSITION

Department of Consumer Affairs
CONTRACTORS STATE LICENSE BOARD
 July 1, 2016

FY 2016/17

Authorized Positions: 14
 BL 12-03 (999 Blanket): .5

CURRENT

**EXECUTIVE
 DIVISION**

EXECUTIVE 622-501	
Cindi Christenson Cindy Kanemoto	Registrar (Exempt) Chief Deputy Registrar (CEA B)
	8941-001+ 7500-004+

PUBLIC AFFAIRS OFFICE 622-510	
Rick Lopes	CEA A 7500-001

MEDIA/OUTREACH/PUBLICATIONS UNIT	
Vacant	IO II 5595-001

Amber Foreman	GD III	2886-001
Christopher Cardoso	SA	4870-907
Jane Kreidler	AGPA	5393-004
Martin Breen	IO I (Sp)	5601-001
Ashley Caldwell	IO I (Sp)	5601-003

LEGISLATION 622-501	
Laura Zuniga	CEA A 7500-003

May Beth Figueira	SSM I (Sp) 4800-001
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BUDGETS	
Stacey Paul	RA II 5731-001
Debbie Thompson (RA)	RPS I 5742-907

LEGAL	
Debbie Stefan	ER II 8800-001

SUPPORT 622-501	
Aaron Schultz (1/2) Erin Echard (FT)	OA (G) 1441-001 (.5) SSA 5157-001 (.5)*
* (.5) BL 12-03 "999" & (.5) PY	

SPECIAL PROJECTS UNIT	
Claire Goldstene	AGPA 5393-001

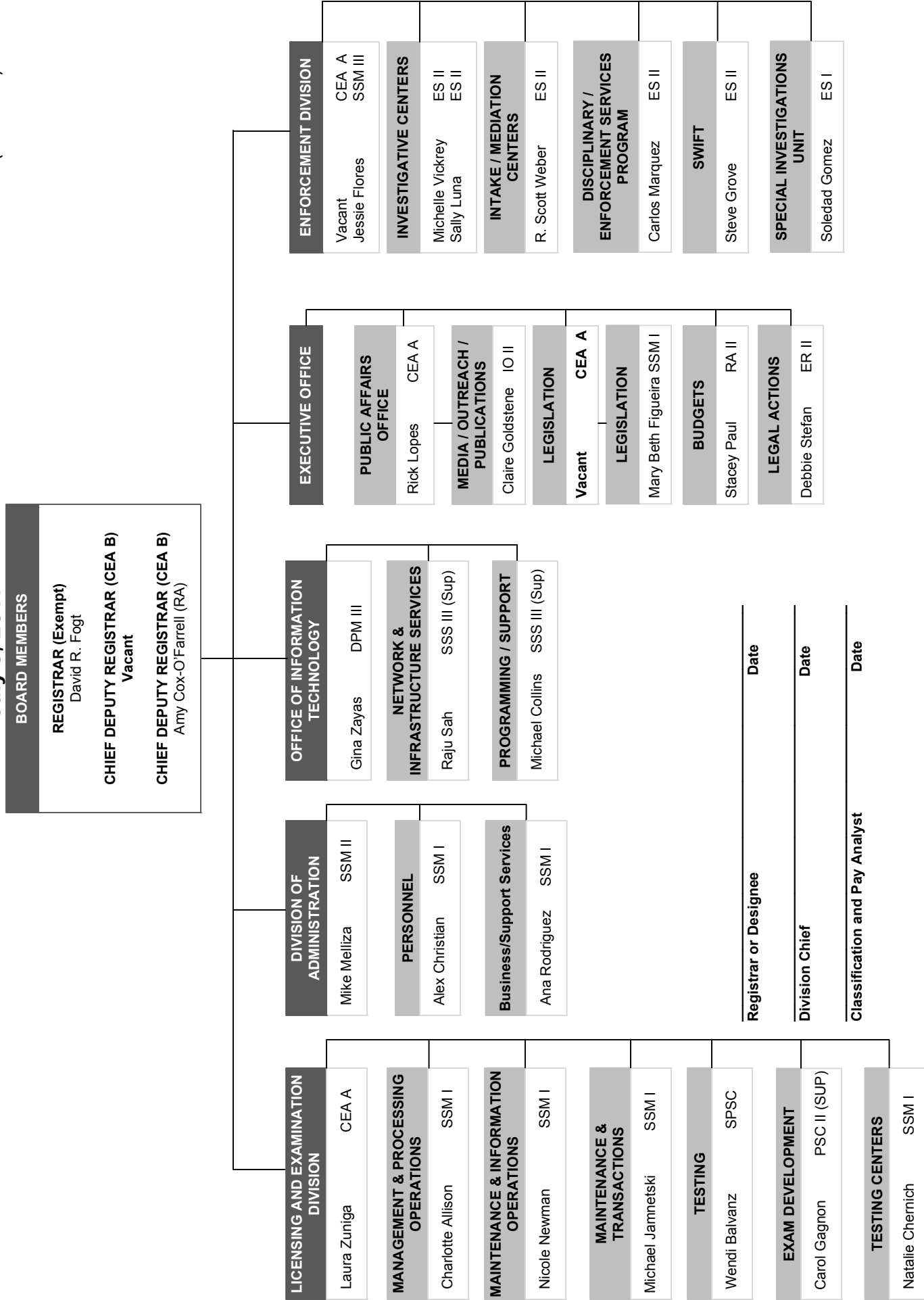
Registrar or Designee _____ Date _____
 Classification and Pay Analyst _____ Date _____

Department of Consumer Affairs
CONTRACTORS STATE LICENSE BOARD
 July 3, 2017

FY 2016/17

Authorized Positions: 405.0
 BL 12-03 (999 Blanket): 21.5

OVERVIEW



CONTRACTORS STATE LICENSE BOARD

July 3, 2017

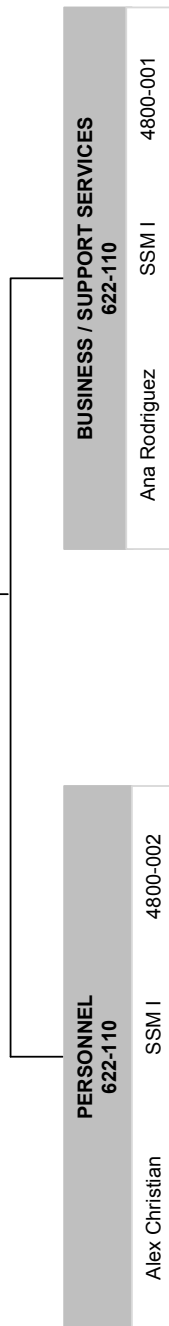
Authorized Positions: 29
BL 12-03 (999 Blanket): 1

DIVISION OF ADMINISTRATION

David R. Fogt Registrar+
Vacant Chief Dep Registrar+
Amy Cox-O'Farrell (RA) Chief Dep Registrar+

DIVISION OF ADMINISTRATION
622-110

Mike Melliza SSM II 4801-001



PERSONNEL 622-110	
Alex Christian	SSM I 4800-002

PERSONNEL 622-110	
Lorena Yabut (PI)	1139-907
Vacant	SSA 5157-809
Ann Greene	AGPA 5393-810
Vacant	AGPA 5393-806
Sally Treadway-Inong	AGPA 5393-807
Tara Maggi	AGPA 5393-812
Jessica Garcia	AGPA 5393-907

IWAS ANALYTICAL SUPPORT 622-110	
May Gonzalez	AGPA 5393-808

MAILROOM 622-111	
Hector Rodriguez	OSS II 1150-003
Vacant	OA (T) 1379-013
Stephen Mark	OA (G) 1441-014
Kristina Hintzman-Levy (PI)	OA (G) 1441-907

BUSINESS SERVICES / PAYABLES 622-110	
Alisyn Rudis	SSA 5157-005
Josh Takimoto	MST 5278-001
Renee Bradford	AGPA 5393-006
Janet Stark	AGPA 5393-805

CASHIERS 622-111	
Michele Kent	OSS II 1150-002
Vacant	OT (T) 1139-003
Susan Corbett	OT (T) 1139-005
Eliana Duenas	OT (T) 1139-006
Sirmarcia Blair	OT (T) 1139-007
Cedric Valdemoro	OT (T) 1139-010

IWAS SUPPORT 622-110	
Yalanda Barry	SC 1120-907
Amy Bieneman	OT (G) 1138-002
Casee Simmons	OT (G) 1138-003
Gillian Copenhaver	OT (G) 1138-999
Jamie Asher	OT (T) 1139-003
Vacant	OT (T) 1139-005

WAREHOUSE 622-111	
Vacant	MSS 1506-001
Bobby Clark	WW 6220-001
William Hypes	WW 6220-003

Registrar or Designee _____ Date _____

DCA Personnel Analyst _____ Date _____

Department of Consumer Affairs
CONTRACTORS STATE LICENSE BOARD
 July 3, 2017

FY 2016/17

Authorized Positions: 24
 BL 12-03 (999 Blanket): 0

**OFFICE OF INFORMATION
 TECHNOLOGY**

David R. Fogt Registrar+
 Vacant Chief Dep Registrar+
 Amy Cox-O'Farrell (RA) Chief Dep Registrar+

OFFICE OF INFORMATION TECHNOLOGY
 622-120

Gina Zayas DPM III 1393-002

BUSINESS CONSULTANT

Tori Jones Assoc. ISA (Sp) 1470-007
 Jeannine Wong Assoc. ISA (Sp) 1470-012

NETWORK AND INFRASTRUCTURE SERVICES

Raju Sah SSS III (Sup) 1559-001

PROGRAMMING / SUPPORT

Michael Collins SSS III (Sup) 1559-003

CLIENT SERVER APPLICATIONS

Bill Schroeder SSS III (Tech) 1367-002
 Peter DiFalco SSS II (Tech) 1373-004
 Alex Villucci SSS I (Tech) 1587-001

TECHNICAL SUPPORT

Charles Ashmore Staff ISA (Sp) 1312-001
 Greg Dines SSS III (Tech) 1367-001
 Michael Schwiik SSS II (Tech) 1373-002
Vacant SSS II (Tech) 1373-003
 Aravin Natarajan Sr. PA (Sp) 1583-003

HELP DESK

Brian Estonilo Assoc. ISA (Sp) 1470-001
 Maksim Krasnov Assoc. ISA (Sp) 1470-005
 Renae Rathjen Assoc. ISA (Sp) 1470-006
 Ty Tien Assoc. ISA (Sp) 1470-009

PROGRAMMING

Renee Davis Assoc. ISA (Sp) 1470-010+
 Anh Truong Staff PA (Sp) 1581-002+
 Sheila Schiffman Sr. PA (Sp) 1583-001+
 Glenda Takimoto Sr. PA (Sp) 1583-002+
 Staci Stewart Sr. PA (Sp) 1583-907+

DATA SERVICES SUPPORT

Cindy Phung-Le Assoc. ISA (Sp) 1470-011+
 Amanda Siler Asst. ISA 1479-004+

IWAS PROGRAMMING

Cindy Alire Staff PA (Spec) 1581-003

Registrar or Designee _____ Date _____

DCA Personnel Analyst _____ Date _____

+CORI POSITION

Department of Consumer Affairs
CONTRACTORS STATE LICENSE BOARD
 July 3, 2017

FY 2016/17

Authorized Positions: 46
 BL 12-03 (999 Blanket): 1

**LICENSING
 DIVISION**

1 of 4

David R. Fogt Registrar+
 Vacant Chief Dep Registrar+
 Amy Cox-O'Farrell (RA) Chief Dep Registrar+

LICENSING AND EXAMINATION DIVISION 622-201		ANALYTICAL / PROGRAM SUPPORT 622-210	
Laura Zuniga	CEA A	7500-001+	Katie Le
			AGPA 5393-002+
LICENSE MANAGEMENT & PROCESSING OPERATIONS 622-201		Anita Phelps	
Charlotte Allison	SSM I	4800-003+	OT (T) 1139-999

CRIMINAL BACKGROUND 622-216	SUPP APPS 622-221	EXAM APPLICATIONS 622-221	APP WAIVERS 622-221
Cassandra Bolds SA 4870-907+	Marilyn Norman SPT III 9926-003	Sara Allen SPT III 9926-004	Denise Owens SPT III 9926-005
Kim Stephens SSA 5157-001+	Gemma Smith PT II 9928-053	Doris Yee PT II 9928-056	Ida McElwee PT II 9928-050
Debbie Sepulveda SSA 5157-006+	Cathy McCaster PT II 9928-068	Kristin Elder PT III 9929-001	Leticia Esquivel PT II 9928-076
Jennifer Henney SSA 5157-007+	Carlton Robertson PT II 9928-069	Theodis Ross PT III 9929-004	Karen Paguega PT III 9929-002
Vacant SSA 5157-008+	Timothy Hafer PT III 9929-006	Gloria Sagario PT III 9929-007	Susan Payne PT III 9929-003
Stacie Rodriguez SSA 5157-009+	Juanita Daniels PT III 9929-008	Terri White PT III 9929-010	Connie Hathaway PT III 9929-005
Rochelle Wooten SSA 5157-010+	Foad Gharahgozlou PT III 9929-011	Nicki Marshall PT III 9929-015	Channnda Yi PT III 9929-009
Jerry Smith (RA) AGPA 5393-907+	Patricia Walker PT III 9929-012	Tina Witcher PT III 9929-016	Stephen Isbell PT III 9929-014
Geraldine Martinez PT II 9928-001+	Jan Beasley PT III 9929-017	Angela Thomas PT III 9929-018	Maria Arisman PT III 9929-021
	Erik Charles PT III 9929-020	Kristine Thorn PT III 9929-019	Derek Kaihara PT III 9929-022
	Vacant PT III 9929-026	Ronald Janes PT III 9929-024	Vacant PT III 9929-023
	Adrian Paguega PT III 9929-027	Trynn Le PT III 9929-907	Vacant PT III 9929-025
	Rose Slater PT III 9929-028		

Registrar or Designee _____ Date _____

DCA Personnel Analyst _____ Date _____

+CORI POSITION

Department of Consumer Affairs
CONTRACTORS STATE LICENSE BOARD
 July 3, 2017

David R. Fogt Registrar+
 Vacant Chief Dep Registrar+
 Amy Cox-O'Farrell(RA) Chief Dep Registrar+

LICENSING AND EXAMINATION DIVISION
 Laura Zuniga CEA A

LICENSE MAINTENANCE & INFORMATION OPERATIONS 622-201
 Nicole Newman SSM I 4800-001

JUDGMENTS 622-217		
Mari Anne Diloreto-Montiero	SSA	5157-001
Patricia Jones	MST	5278-001
Elizabeth Robinson	AGPA	5393-002

RECORD CERTIFICATION 622-241		
Holly Young	SSA	5157-001
Shannon Mills	MST	5278-001
Gina Lopez	MST	5278-003
Arreka Tarver	MST	5278-004
Amanda Franco	MST	5278-999

LICENSING INFORMATION 622-271		
Ellen Maier	SSA	5157-001

PUBLIC INFORMATION 622-261		
Katrina Galbraith	SPT III	9926-001

PUBLIC INFORMATION #1 (CALL CENTER) 622-271		
Annette Walker-Marshall	SPT II	9925-002
Vacant	PT II*	9928-002
Vacant	PT II*	9928-006
Marcus Brown	PT II*	9928-009
Brett Marinelli	PT II*	9928-012
Kevin Laybourn	PT II*	9928-014
Terry Kenoyer	PT II*	9928-017
Vacant	PT II*	9928-999
Vacant	PT II*	9928-999
Brad Boemecke (RA)	PT II*	9928-907

* Position eligible for Call Center Differential

PUBLIC INFORMATION #2 (PUBLIC COUNTER) 622-261		
Stacie Estrada	SPT II	9925-001

PUBLIC INFORMATION #1 (CALL CENTER) 622-271		
Jennifer Rogers	PT II*	9928-007
Paul Feliciano	PT II*	9928-010
Vacant	PT II*	9928-030
Michael Matheny	PT II*	9928-032
Jeffery King	PT II*	9928-033
Jean Schroeder	PT II*	9928-034
Cris Olson	PT II*	9928-035

* Position eligible for Call Center Differential

Registrar or Designee _____ Date _____

DCA Personnel Analyst _____ Date _____

LICENSING DIVISION

3 of 4

Department of Consumer Affairs
CONTRACTORS STATE LICENSE BOARD
 July 3, 2017

FY 2016/17

Authorized Positions: 26.5
 BL 12-03 (999 Blanket): 3

David R. Fogt Registrar+
 Vacant Chief Dep Registrar+
 Amy Cox-O'Farrell (RA) Chief Dep Registrar+

LICENSING AND EXAMINATION DIVISION
 Laura Zuniga CEA A

LICENSE MAINTENANCE & TRANSACTIONS
 622-201
 Michael Jammetski SSM I 4800-002

EXPERIENCE VERIFICATION 622-218		
Danielle Armstrong	SA	4870-907
Cassie Brazil	SSA	5157-001
Melissa Harrington	SSA	5157-002
Anna Galindo	SSA	5157-999

LICENSE CLASSIFICATION 622-218		
Andrea Hofer-Sisto	ER II	8800-002
William Clay	ER II	8800-999

BONDS / WORKERS COMP
 622-231
 Becky Allgeier SPT II 9925-002

Kelly Lourick	PT II	9928-012
Christine Rakela (1/2)	PT II	9928-015 (.5)
Ernest Macatuno	PT II	9928-018
Amoreena Wonnell	PT II	9928-019
Lazandra Hunt	PT II	9928-021
Michelle Gonzales	PT II	9928-022
Crystal Holmes	PT II	9928-025
Tom Panages	PT II	9928-026
Alejandro Barragan	PT II	9928-999

BONDS / RENEWALS
 622-231
 Aurelia Lamphere MST 5278-001

LICENSE MODIFICATIONS / RENEWALS
 622- 231
 Dana Donofrio SPT II 9925-001

Paige Shiles	SA	4870-907
Geri Pozo	PT II	9928-001
Albert Demesa	PT II	9928-004
Marcia Leduc-Kerr	PT II	9928-009
Joann Vice	PT II	9928-014
Kim Yang	PT II	9928-016
Randal Slater	PT II	9928-017
Deanna Zavala	PT II	9928-020
Rafael Greenwood	PT II	9928-023
Amanda Velasquez	PT II	9928-024
Oralia Garcia	PT II	9928-027
Willie Davis Jr.	PT II	9928-028
Laveenia Peavy	PT II	9928-029

Registrar or Designee _____ Date _____

DCA Personnel Analyst _____ Date _____

TESTING DIVISION

4 of 4

Department of Consumer Affairs
CONTRACTORS STATE LICENSE BOARD
 July 3, 2017

FY 2016/17

Authorized Positions: 24.5
 BL 12-03 (999 Blanket): 1

David R. Fogt Registrar+
 Vacant Chief Dep Registrar+
 Amy Cox-O'Farrell (RA) Chief Dep Registrar+

LICENSING AND EXAMINATION DIVISION
 Laura Zuniga CEA A

TESTING DIVISION
 622-432
 Wendi Balvanz SPSC 5164-001

EXAMINATION ADMINISTRATION
 622-433
 Natalie Chernich SSM I 4800-999

EXAMINATION DEVELOPMENT
 622-432
 Carol Gagnon PSC II (Sup) 5165-002

Kristin Wood OT (T) 1139-002
 Sergio Guillen SA (E&A) 4871-907
 Steven Khong SA (E&A) 4871-907
Vacant PSC I 5144-003
 Kelvin Tan TVDS I 5183-001
 Hayley Figeroid (FT) AGPA 5393-001 (.5)

Karl Jeager PSC II 5165-003

NORTHERN TESTING CENTERS
SACRAMENTO
 Ashleigh Kunin OT (T) 1139-018
 Angie Matsumoto (Pl) OT (T) 1139-907
 Tanisha Lankin (Pl) OT (T) 1139-907
 Henry Duong AGPA 5393-001
 Valerie Riazzi AGPA 5393-002

SACRAMENTO
 Amanda Rossetti OT (T) 1139-800 (B)

BERKELEY
 Marilyn Price-Jefferson OT (T) 1139-814
 Amy Heu-Wong OA (T) 1379-003

SAN JOSE
 Wina Abarca OT (T) 1139-014
 Elizabeth Daniels OT (T) 1139-809 (B)

FRESNO
 Tykie Rodriguez OT (T) 1139-004

SOUTHERN TESTING CENTERS
NORWALK
 Theresa Navarro SSA 5157-001 (B)

NORWALK
 Jennifer Walker OT (T) 1139-012
 Juan Tejada OT (T) 1139-013

OXNARD
 Natasha Prinkleton OT (T) 1139-803
Vacant OT (T) 1139-808

SAN BERNARDINO
 Reanna Munez OT (T) 1139-010 (B)
 Demetria Poole OT (T) 1139-805

SAN DIEGO
 Trang Trieu OT (T) 1139-815
 Brandi Gaboury OT (T) 1139-019

Registrar or Designee _____ Date

DCA Personnel Analyst _____ Date

+ CORI POSITION
 (B) BILINGUAL POSITION

Department of Consumer Affairs
CONTRACTORS STATE LICENSE BOARD
 July 3, 2017

**ENFORCEMENT
 DIVISION**
 1 of 6

FY 2016/17

Authorized Positions: 18
 BL 12-03 (999 Blanket): 3

David R. Fogt Registrar+
 Vacant Chief Dep Registrar+
 Amy Cox-O'Farrell (RA) Chief Dep Registrar+

DIVISION OF ENFORCEMENT 622-301	
Vacant Jessie Flores	CEA A SSM III
	7500-002+ 4802-999+E

QUALITY ASSURANCE (SACRAMENTO) 622-301	
Heather Young	AGPA 5393-800
Rebecca Lyke	AGPA 5393-801
Vacant	ER I 8791-002
Melissa Huckaby	ER I 8791-999

SPECIAL INVESTIGATIONS UNIT (SANTA ROSA) 622-361	
Amanda Martinez	ER II (P/O) 8795-010

SPECIAL INVESTIGATIONS UNIT (NORWALK) 622-361	
Soledad Gomez	ES I 8796-001
Kathleen Walton	OT (T) 1139-001
Arlene Borboa	ER II (P/O) 8795-001
Doris Velasquez	ER II (P/O) 8795-004
Vacant	ER II (P/O) 8795-007

QUALITY ASSURANCE (NORWALK) 622-301	
Vacant	AGPA 5393-002
Nyssa Wilson	ER II 8800-004

SPECIAL INVESTIGATIONS UNIT (SACRAMENTO) 622-361	
Joseph Martinez	ER II (P/O) 8795-002
Vacant	ER II (P/O) 8795-005
Vacant*	ER II (P/O) 8795-008
Hugh Henderson	ER II (P/O) 8795-009
*Designated Home as Headquarters	

622-301 (SACRAMENTO)	
Skip Jones (RA)	Gen Aud III 4285-907
Doug Galbraith (RA)	ER II 8800-907
Greg Hamway (RA)	ER II 8800-907

SPECIAL INVESTIGATIONS UNIT (SAN FRANCISCO) 622-361	
Peter Keown	ER I (P/O) 8793-999

SPECIAL INVESTIGATIONS UNIT (VALENCIA) 622-361	
Vacant	ER II (P/O) 8795-006

SPECIAL INVESTIGATIONS UNIT (SAN DIEGO) 622-361	
Maile Williams	ER II (P/O) 8795-003

Registrar or Designee _____ Date _____

DCA Personnel Analyst _____ Date _____

+ CORI POSITION
 E EXCEPTIONAL ALLOCATION

Department of Consumer Affairs
CONTRACTORS STATE LICENSE BOARD
 July 3, 2017

ENFORCEMENT DIVISION
 2 of 6

FY 2016/17

Authorized Positions: 44.5
 BL 12-03 (999 Blanket): 1

David R. Fogt Registrar+
 Vacant Chief Dep Registrar+
 Amy Cox-O'Farrell (RA) Chief Dep Registrar+

DIVISION OF ENFORCEMENT 622-301	
Vacant Jessie Flores	CEA+ SSM III+E

SAN FRANCISCO 622-338	
David Shue	8796-001
Armi Labitan (1/2)	1139-002 (.5)
Kevin Abbes	8791-006
Jessie Durham	8791-009
Huy Vo	8791-010
Robert Twomey	8800-005

BERKELEY 622-335	
Vacant	ER II 8800-999

SANTA ROSA 622-338	
Brady Leavitt	8791-008
Oather McClung	8800-004

INVESTIGATIVE CENTERS (NORTH) 622-301	
Michelle Vickrey	ES II 8790-003

SACRAMENTO (NORTH) 622-331	
Tammy Borgman	ES I 8796-001
Vacant	OT (T) 1139-801
Vacant	OT (T) 1139-012
Dominique Anderson	ER I 8791-003
Dawn Willis	ER I 8791-011
James Spence	ER I 8791-018
Brian Gedney	ER I 8791-020
Christian Stewart	ER I 8791-026
Justin Wickersham	ER I 8791-030
Caleb Cameron	ER II 8800-005
Kolin Morlatt	ER II 8800-007
Vacant	ER II 8800-XXX

BERKELEY 622-335	
Pamela Woodson	OT (T) 1139-003

VALENCIA 622-339	
Steven Skogebo	ES I 8796-001
Amanda Berg	OT (T) 1139-002
Jennifer Newman	OT (T) 1139-003
Veronica Medina	ER I 8791-003
Santasha Padfield*	ER I 8791-005
Gregory Alexander*	ER I 8791-006
Mary Holloway	ER I 8791-010
Sergio Alvarado	ER I 8791-011
Vacant**	ER I 8791-012
Colleen Rebol	ER II 8800-001
Maria Gonzales*	ER II 8800-002

*Reports to Oxnard Office
 **Reports to Bakersfield Office

SACRAMENTO (SOUTH) 622-331	
Jesus Ibarra	ES I 8796-002
Kim Cutts	OT (T) 1139-011
Tamala Davigo (LT)	ER I 8791-001
Shaun Baland	ER I 8791-002
Candis Geddes	ER I 8791-023
Vacant	ER I 8791-029
Pai Thao	ER I 8791-031
Dawn Willis	ER II 8800-XXX
Bryce Allwardt	ER II 8800-003
Robert Rice	ER II 8800-006

FRESNO 622-336	
Vacant	ER I 8791-005
Daniel Voolstra	ER I 8791-008

Registrar or Designee _____ Date _____
 DCA Personnel Analyst _____ Date _____

+ CORI POSITION
 E EXCEPTIONAL ALLOCATION

Department of Consumer Affairs
CONTRACTORS STATE LICENSE BOARD
 July 3, 2017

**ENFORCEMENT
 DIVISION**
 3 of 6

FY 2016/17

Authorized Positions: 43
 BL 12-03 (999 Blanket): 2

David R. Fogt Registrar+
 Vacant Chief Dep Registrar+
 Amy Cox-O'Farrell (RA) Chief Dep Registrar+

**DIVISION OF ENFORCEMENT
 622-301**

Vacant CEA A+
 Jessie Flores SSM III+E

**WEST COVINA
 622-332**

Raul Oseguera	ES I	8796-001
Angela Ciccone	OT (T)	1139-001
Karla Surdo	OT (T)	1139-803
Paul Zaragoza	ER I	8791-001
Vacant	ER I	8791-011
Sandra Mendez	ER I	8791-015
Robert Vance	ER I	8791-020
Delphine Tran	ER I	8791-023
Daniel Conway	ER II	8800-002
Nora Urias	ER II	8800-003 (B)

**INVESTIGATIVE CENTER (SOUTH)
 622-301**

Sally Luna	ES II	8790-004
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**NORWALK
 622-333**

Adriana Marin	ES I	8796-001
Mary Winborne	OT (T)	1139-002
Patricia Cisneros	OT (T)	1139-803
Rene Blackshire	ER I	8791-001
Anita Adams	ER I	8791-002
Arturo Camacho	ER I	8791-003
Vacant	ER I	8791-006
Rosemary Hall	ER I	8791-012
Jerry Hassan	ER I	8791-013
Dania Vaquera	ER I	8791-014 (B)
Jose Bergara	ER I	8791-019
Ubaldo Sanchez	ER II	8800-002
Vacant	ER II	8800-003

**SAN BERNARDINO
 622-334**

James Anderson	ES I	8796-001
Donna Dyer	OT (T)	1139-001
Sandra Martinez	OT (T)	1139-002
Matthew Boeck	ER I	8791-001
Terry Mejia	ER I	8791-003
Joslyn Kozlowski	ER I	8791-008
Christopher Herron	ER I	8791-016
Virna Valdivia	ER I	8791-017
Jackie Anderson	ER I	8791-018
Sylvia Marin	ER II	8800-001
Eduardo Rodriguez	ER II	8800-999 (B)

**SAN DIEGO
 622-337**

Sharon Thompkins	ES I	8796-001
Kathleen Macare	OT (T)	1139-001
Ana Garcia	OT (T)	1139-002 (B)
Johanna Bassett	ER I	8791-002
Michael Ford	ER I	8791-004
Tyler Hicks	ER I	8791-013
Jose Sanchez	ER I	8791-020
Jennifer Miller	ER I	8791-999
Aaron Holloway	ER II	8800-001
Mary Chapman	ER II	8800-002

Registrar or Designee _____ Date _____

DCA Personnel Analyst _____ Date _____

+ CORI POSITION
 E EXCEPTIONAL ALLOCATION
 (B) BILINGUAL POSITION

Authorized Positions: 50
 BL 12-03 (999 Blanket): 1

David R. Fogt Registrar+
 Vacant Chief Dep Registrar
 Amy Cox-O'Farrell (RA) Chief Dep Registrar+

DIVISION OF ENFORCEMENT
 622-301

Vacant
 Jessie Flores
CEA A+
 SSM III+E

INTAKE / MEDIATION CENTERS
 622-301

R. Scott Weber ES II 8790-002

SACRAMENTO
 622-314

Cynthia Moore ES I 8796-001

NORWALK
 622-315

Bridgette Hall ES I 8796-001

INTAKE CENTER	
My (Aimee) Hoang	SPT II 9925-001
Jagdeep Chauhan	PT II 9928-001
Ann Marie Reyes	PT II 9928-002
Chakeina Gilchrist-Smith	PT II 9928-003
Vacant	PT II 9928-006
Katie Keith	PT II 9928-007

INTAKE CENTER	
Eillen Brittain	SSA 5157-001
Mary Miller	AGPA 5393-001
Vacant	ER I 8791-001
Marvena Harris	ER II 8800-001

MEDIATION CENTER	
Katherine Howard	CSR 8634-002
Vacant	CSR 8634-003
Ronda Heard	CSR 8634-008
Arnida Cadena	CSR 8634-009
Inga Hammond	CSR 8634-011
Patricia Roderick	CSR 8634-015
Shelly Petkovich	CSR 8634-016
Lidia Moitoso-Champion	CSR 8634-017
Jennifer Handy	CSR 8634-018
Tracy Scott	CSR 8634-020
Vacant LT	CSR 8634-021
Shelby Nordman	CSR 8634-022
Greg Cullen	CSR 8634-023
Sami Yang	CSR 8634-024
Vanessa Jager	CSR 8634-xxx
Sherry Petty (RA)	CSR 8634-907
Paula Alvarado-Smith (RA)	CSR 8634-907
Sean McColley	CSR 8634-999

INTAKE CENTER	
Vacant	OT (T) 1139-001
Alexis Rhem-Odom	PT II 9928-007
Lynnette Wooten	PT II 9928-008
Lisa Meadows-Robertson	PT II 9928-011
Sonyia Boyd	PT II 9928-012

INTAKE CENTER	
Hermenigilda Alconcel	SSA 5157-001
Yolanda Cotton	SSA 5157-002
Vacant	ER I 8791-003
Terae McKinney	ER II 8800-002

MEDIATION CENTER	
Geraldine Middleton	CSR 8634-001
Jessica Lopez	CSR 8634-003
John Grimes	CSR 8634-004
Roderick Smith	CSR 8634-006
Douglas Peralta	CSR 8634-007
Vacant	CSR 8634-008
Vacant	CSR 8634-010
Tonja Griffith	CSR 8634-012
Marcus Watts	CSR 8634-015
Elizabeth Reeves	CSR 8634-017
Marilou Felipe	CSR 8634-018
Cindy Speed	CSR 8634-019
Michelle Ellington	CSR 8634-xxx

Registrar or Designee _____ Date _____
 DCA Personnel Analyst _____ Date _____

+ CORI POSITION
 E EXCEPTIONAL ALLOCATION

Department of Consumer Affairs
CONTRACTORS STATE LICENSE BOARD
 July 3, 2017

FY 2016/17

Authorized Positions: 27
 BL 12-03 (999 Blanket): 1

ENFORCEMENT DIVISION
 5 of 6

David R. Fogt Registrat+
 Vacant Chief Deputy Registrat+
 Amy Cox-O'Farrell (RA) Chief Deputy Registrat+

DIVISION OF ENFORCEMENT
 622-301

Vacant CEA A+
 Jessie Flores SSM III+E

DISCIPLINARY / ENFORCEMENT SERVICES
 622-301

Carlos Marquez ES II 8790-005

DISCIPLINARY SERVICES SECTION

CITATION ENFORCEMENT SECTION (NORWALK)
 622-354

Maha Abraham ES I 8796-001
 Vacant ER I 8791-001
 Jay Zaveri ER II 8800-001
 Araceli Jauregui ER II 8800-002
 Elisia Williams ER II 8800-003

SUPPORT SERVICES

Mai Vo OSS II 1150-001
 Robert Mansfield OT (T) 1139-003
 Maria Leonte OT (T) 1139-005
 Vacant (L-T) OT (T) 1139-006
 Rachael Ord-Myers (PFT) OT (T) 1139-907
 Micah Ornelas (PI) OT (T) 1139-907
 Jennifer Le OT (T) 1139-999

DISCIPLINARY SERVICES CENTER (SACRAMENTO)
 622-353

J. Wood Robinson ES I 8796-002

DISCIPLINARY ACTIONS SERVICES

Danica Storms SSA 5157-001
 Vincent Johnston ER II 8800-001
 Thomas Jager ER II 8800-007
 Heather Henderson ER II 8800-009

SUPPORT SERVICES

Jasmine Newman OT (T) 1139-004
 Amelia Farnham-Baird OT (T) 1139-007
 Patricia Nelson PT 9927-001

ENFORCEMENT SERVICES SECTION (SACRAMENTO)
 622-355

John McDowell ES I 8796-001+

OUT-OF-CLASS DETERMINATIONS

Brian Melvin ER II 8800-002+

FLAG REVIEW / INVESTIGATIONS

Judith Svabik SSA 5157-001

SUBSEQUENT ARRESTS / CONVICTIONS

Mark Williams OT (T) 1139-001+
 Kathy Mae Jones AGPA 5393-001+
 Marcela Diaz ER I 8791-007+ (B)
 Gary Bouvia ER I 8791-008+
 Susan Hooks ER I 8791-009+

ARBITRATION PROGRAM SUPPORT

Michael Phillips SSA 5157-002+

Registrar or Designee _____ Date _____

DCA Personnel Analyst _____ Date _____

+ CORI POSITION
 E EXCEPTIONAL ALLOCATION
 (B) BILINGUAL POSITION

Department of Consumer Affairs
CONTRACTORS STATE LICENSE BOARD
 July 3, 2017

ENFORCEMENT DIVISION
 6 of 6

FY 2016/17

Authorized Positions: 33.5
 BL 12-03 (999 Blanket): 4

David R. Fogt Registrar +
 Vacant Chief Deputy Registrar+
 Amy Cox-O'Farrell Chief Deputy Registrar+

DIVISION OF ENFORCEMENT 622-301
 Vacant CEA A+
 Jessie Flores SSM III+E

STATEWIDE INVESTIGATIVE FRAUD TEAM 622-301
 Steve Grove ES II 8790-006

SWIFT SUPPORT 622-341
 Kayla Bosley AGPA 5393-001

SWIFT (NORTH) 622-341
 Rick Villucci ES I 8796-002

Misty Hillbourne	SA	4870-907
Alison Adams	OT (T)	1139-002 (.5)
Irene Crowder-Johnson	OT (T)	1139-801
Gregory Hampton	ER I	8791-001
Eric Stephens*	ER I	8791-005
Lori Miles	ER I	8791-009
Blake Williams	ER I	8791-020
Juan Ordaz	ER I	8791-023
Nephtali Lopez	ER I	8791-025
Lisa Dickerson**	ER I	8791-999
Jose Barajas	ER II	8800-001 (B)
Jason Stoddard	ER II	8800-005

*Reports to Santa Rosa Office
 **Reports to Berkeley Office

SAN JOSE BRANCH
 William Morris ER I 8791-024

SWIFT (CENTRAL) 622-343
 Winston Horn ES I 8796-001

FRESNO BRANCH

Phoua Vang	OT (T)	1139-002
Renea Singleton (Pl)	OT (T)	1139-907
Margaret Sanchez	ER I	8791-001
Vacant	ER I	8791-002
Karinda Scott**	ER I	8791-999
Georgia Solorzano	ER II	8800-001

**Designated Home-as Headquarters

BAKERSFIELD BRANCH
 Heidi Valenzuela ER I 8791-005
 Kirsten Andreaessend ER I 8791-008

MONTEREY BRANCH
 Zachary Zeidman ER I 8791-007

SWIFT (SOUTH) 622-342
 Jerry Romiti ES I 8796-001

Erika Rodriguez OT (T) 1139-002
 Vacant OT (T) 1139-999
 Priscilla Corral (Pl) OA (T) 1379-907
 Raymond Fonseca ER I 8791-007
 April Liang ER I 8791-014
 Lillian Griffin ER I 8791-016
 Dai Le ER I 8791-017
 Matthew Anaya ER I 8791-020
 Vacant ER I 8791-021
 Richard Montelius ER I 8791-999
 Christopher Acevedo ER II 8800-003

SAN DIEGO BRANCH
 Stephanie Jones ER I 8791-019
 Vacant ER I 8791-023
 Kim Clanton ER II 8800-004

Registrar or Designee Date

DCA Personnel Analyst Date

+ CORI POSITION
 E EXCEPTIONAL ALLOCATION
 (B) BILINGUAL POSITION

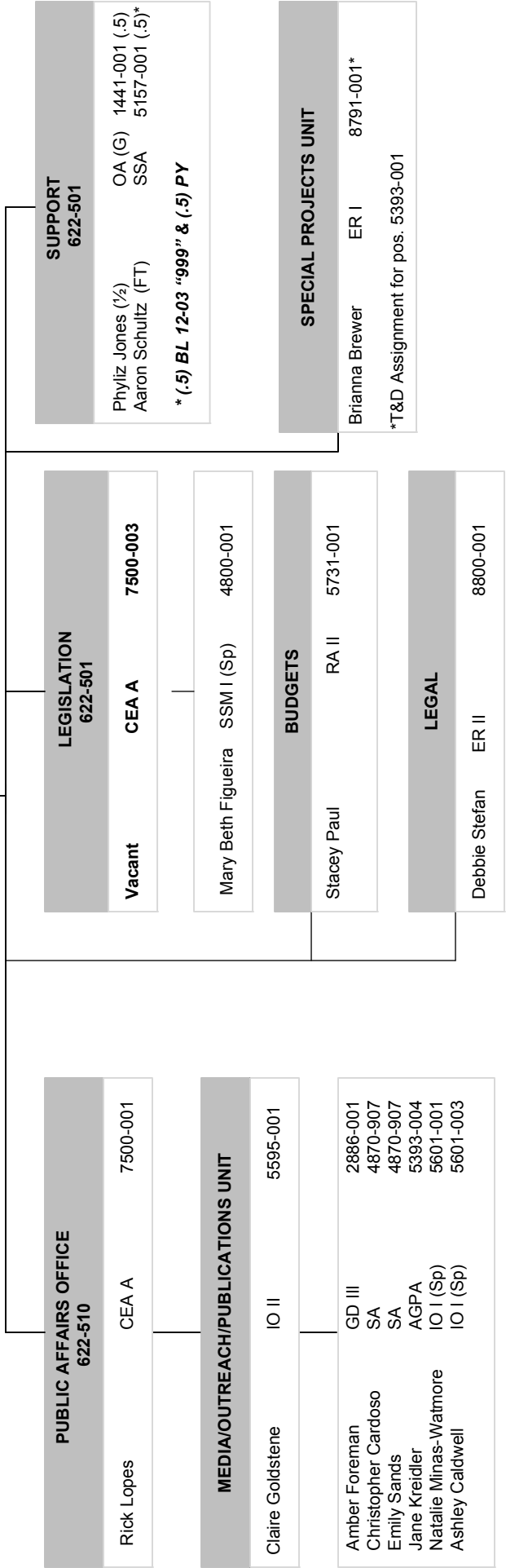
Department of Consumer Affairs
CONTRACTORS STATE LICENSE BOARD
 July 3, 2017

FY 2016/17

Authorized Positions: 14
 BL 12-03 (999 Blanket): .5

**EXECUTIVE
 DIVISION**

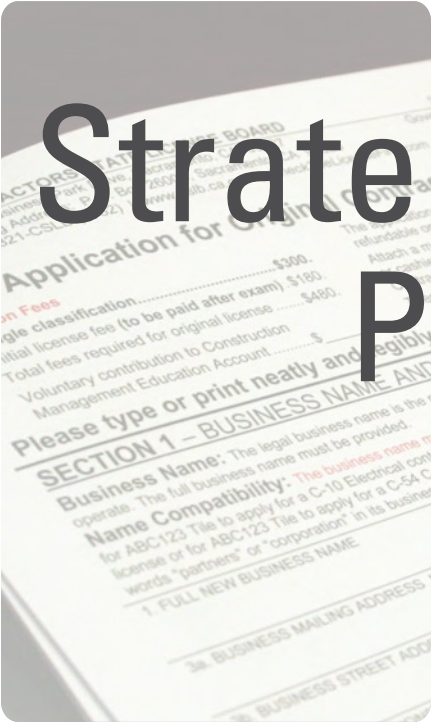
EXECUTIVE 622-501	
David R. Fogt Vacant Amy Cox-O'Farrell(RA)	Registrar (Exempt) Chief Deputy Registrar (CEA B) 7500-004+ Chief Deputy Registrar (CEA B) 7500-907+



ATTACHMENTS

CSLB Strategic Plans





Strategic Plan

2014-15





MEMBERS OF THE BOARD

KEVIN J. ALBANESE, CONTRACTOR MEMBER

AGUSTIN BELTRAN, PUBLIC MEMBER

LINDA CLIFFORD, CONTRACTOR MEMBER

DAVID DIAS, PUBLIC MEMBER

JOAN HANCOCK, CONTRACTOR MEMBER

PASTOR HERRERA JR., PUBLIC MEMBER

ROBERT LAMB, PUBLIC MEMBER

ED LANG, PUBLIC MEMBER

JOHN O'ROURKE, PUBLIC MEMBER

BRUCE RUST, PUBLIC MEMBER

FRANK SCHETTER, CONTRACTOR MEMBER

PAUL SCHIFINO, CONTRACTOR MEMBER

NANCY SPRINGER, PUBLIC MEMBER



EDMUND G. BROWN JR.
Governor

ANNA M. CABALLERO
Secretary, Business, Consumer Services, and Housing Agency

DENISE D. BROWN
Director, Department of Consumer Affairs

STEPHEN P. SANDS
Registrar, Contractors State License Board

2014

TABLE OF CONTENTS

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Overview	3
Significant 2013-2014 Accomplishments	8
Program Priorities	10
CSLB in the Year 2020	11
Mission, Vision and Values	14
Goals and Objectives	15





OVERVIEW

California's construction industry is unique from other states in terms of its breadth, magnitude, and complexity. California has one of the top 10 world economies, and construction continues to be one of the state's largest industries. California's physical size, large and diverse population, varied landscape and climate, frequent seismic activity, distinctive legal framework, and massive economy create an unusually demanding context for contractor licensing.

The responsibility for licensing and regulating California's construction industry belongs to the Contractors State License Board (CSLB).

CSLB was established by the Legislature in 1929 as the Contractors License Bureau, under the Department of Professional and Vocational Standards, to protect the public from irresponsible contractors. In 1935, the mission and duties were placed under the auspices of a seven-member Board. The Board increased to 15 members in 1960. Since 1970, CSLB has been part of the Department of Consumer Affairs.

CSLB's legal and regulatory role has changed since its creation. Initially, applicants were not issued licenses in specific classifications. Instead, applicants simply indicated the type of construction work that would be performed under the license, and the license was issued without examination or experience requirements.

In 1938, the Legislature made it mandatory for contractor license applicants to be examined for competence in their designated field. By 1947, CSLB had authority to establish experience standards and to adopt rules and regulations to affect the classification of contractors "in a manner consistent with established usage and procedure as found in the construction business, and... limit[ing] the field and scope of operations of a licensed contractor to those in which he or she is classified and qualified to engage..."



BOARD STRUCTURE AND FUNCTIONS

The 15-member Board is comprised of five contractor members and 10 public members. The public members include one labor representative, one local building



official, and one representative of a statewide senior citizen organization. The governor and state legislature make these appointments.

The Board appoints the Registrar of Contractors, who directs administrative policy for CSLB operations. CSLB currently has five standing committees that perform various functions for the Board.

- **Licensing Committee** – Ensures that all applicants and licensees are qualified 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 consumers about making informed choices related to construction services, and provides information to licensed contractors so they can improve their technical, management and service skills
- **Legislative Committee** – Ensures that statutes, regulations, policies, and procedures strengthen and support CSLB operations
- **Executive Committee** – Enhances organizational effectiveness and improves the quality of service in all programs

LICENSING CONTRACTORS

CSLB regulates contractors in 43 license classifications and two certifications under which members of the construction industry practice their trades and crafts. As of May 2014, there were about 288,000 licensed contractors (both active and inactive status) in California.

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

- **Class “A” General Engineering –**
Infrastructure and similar projects requiring specialized engineering knowledge and skill
- **Class “B” General Building –**
Buildings – housing, commercial, office, etc.
- **Class “C” Specialty –**
Specific trades, such as painters, plumbers, electricians, etc.

CSLB may issue a license to an individual, partnership, corporation, limited liability company, or joint venture. All licenses must have a qualifying individual (also referred to as a “qualifier”). A qualifying individual is the person listed in CSLB records who satisfies the experience and examination requirements for a license.

Depending on the type of license, the qualifying individual 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 qualifying individual is required for every classification and on each license issued by CSLB; 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 May 2014, there were nearly 9,600 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. In fiscal year (FY) 2012-13, CSLB helped recover nearly \$44 million in ordered restitution for consumers.



CSLB receives complaints from members of the public, licensees and professional groups, governmental agencies, and others concerning all phases of the construction industry. However, the majority of complaints come from owners of residential property involved in remodeling or repair work. In the 2013 calendar year, CSLB opened 17,543 cases and closed 18,386 complaints.

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 disciplinary action is not necessary;
- Complaint investigation: field investigations performed by Enforcement Representatives;
- Arbitration: resolution of disputes for cases meeting defined criteria;
- Minor cases: issuance of a warning letter for technical violations of law;
- Citations: issued when public disclosure is warranted and/or a material financial injury exists;
- Accusations: referral of completed investigation reports to the Attorney General's (AG) Office for serious violations that warrant suspension or revocation of a license;
- Criminal referrals: cases involving criminal violations referred to local prosecutors for filing of criminal charges;
- Appeal hearings: evidentiary hearings before an administrative law judge (ALJ) from the Office of Administrative Hearings;
- Proposed decision: submission of the ALJ's proposed decision to the Registrar of Contractors for final agency decision;
- Reconsideration: request to the Registrar to reconsider the proposed decision; and
- Judicial review: Petition of Writ of Mandate in superior court;

THE UNDERGROUND ECONOMY

California's underground economy drastically affects law-abiding businesses, consumers, and workers. The problem is particularly prevalent in the construction industry, where cheating businesses underbid law-abiding businesses 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; and
- Lying on workers' compensation insurance applications to obtain a lower rate.

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 jurisdictions in the areas of labor law enforcement have joined forces to make a concerted, consistent, and effective dent in California's underground economy. CSLB is a partner in the Labor Enforcement Task Force (LETF).

LETF, which was launched January 1, 2012, is comprised of investigators from CSLB, the Department of Industrial Relations, Employment Development Department, and Board of Equalization, in collaboration with the Insurance Commissioner and Attorney General's Office. Partners have broadened information-sharing and the use of new enforcement technology to improve the way they target businesses in the underground economy.



UNLICENSED ACTIVITY

CSLB's Statewide Investigative Fraud Team (SWIFT) proactively combats illegal contractors who operate in the underground economy. 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 legitimate licensed contractors.

SIGNIFICANT ACCOMPLISHMENTS OF 2013-2014

Board members develop CSLB's annual strategic plan after reviewing the previous fiscal year's accomplishments. During FY 2013-14, CSLB divisions accomplished the following:

Licensing/Testing

- Established a Veterans Application Assistance program for military service personnel transitioning to civilian employment
- Enabled Renewal/Registration Fee Waiver for active military personnel
- Increased by 17% the number of calls answered by Licensing Information Center (LIC) staff; more than 146,000 calls answered in 2013
- Reduced average wait time for LIC callers to from 7:00 to 2:13 minutes
- Conducted eight occupational analyses and updated eight license exams in calendar year 2013
- Scheduled more than 30,000 license exams at CSLB's eight test centers throughout California

Enforcement

- Expanded Public Works Unit from two to four investigators
- Added nine Peace Officer positions (for a total of 12)
- Lowered consumer complaint cases aged over 270 days to a record average low of 84 days
- Conducted 84 stings during calendar year 2013, resulting in 773 individuals being issued Notices to Appear in superior court for charges including contracting without a license

- Partnerships established with Employment Development Department (EDD), Franchise Tax Board (FTB), Division of Labor Standards Enforcement (DLSE), and Division of Occupational Safety and Health (DOSH) resulting in the suspension of 553 licenses for outstanding liabilities totaling more than \$37 million; suspension program resulted in payment of more than \$15 million to allied state agencies
- Arbitration program rendered 288 awards in calendar year 2013, with \$1,254,767 in restitution ordered for financially injured persons; forty-five licenses were revoked for failure to comply with an arbitration award
- Appointed CSLB's first Deputy Chief of Enforcement

Legislative

- Sponsored Senate Bill 261 (Monning, Chapter 163, Statutes of 2013)
The new law allows CSLB to take administrative action for certain violations related to misuse of a contractor's license. This change enables CSLB to establish a relevant record against licensed and unlicensed individuals who commit these egregious violations.
- Sponsored Senate Bill 262 (Monning, Chapter 180, Statutes of 2013)
The new law provides that failure of a qualifying individual to exercise direct supervision and control of construction operations constitutes grounds for disciplinary action, punishable as a misdemeanor or imprisonment in a county jail, by a fine of \$3,000 - \$5,000, or both. The authority provided by this bill enhances consumer protection and ensures that licensees are fulfilling their supervisory requirements.

Public Affairs

- Organized and conducted 76 Senior Scam Stopper seminars during calendar year 2013 (average attendance of 59); 300th seminar was held in January 2014
- Redesigned and worked with Information Technology division to launch new employee-only intranet site



Information Technology/Administration

- Began disclosing partner agencies' disciplinary actions on CSLB's website
- Implemented new storage and backup solutions for all critical CSLB data, including redundant system in Fresno to prevent loss of critical information in a disaster
- Successfully moved test center from Oakland to Berkeley
- Received a prestigious state award for CSLB's emphasis on buying from small businesses and disabled veteran business enterprises

PROGRAM PRIORITIES

The Board established the following priorities to direct program activities:

- Focus on early enforcement intervention and high priority (health and safety) complaints.
- Help keep licensees in business and maintain the collection of revenue by keeping renewals and license maintenance current.
- License applicants by reviewing qualifications and criminal background, and administering legal and effective examinations.
- Educate consumers about their rights and responsibilities, and empower consumers with methods to protect themselves.
- Stress early intervention and resolution of reactive complaints, and refer minor complaints to small claims court.
- Provide services through the Licensing Information Center (call center) and public counters.
- Ensure that Administrative Services and Information Technology divisions provide the support necessary to maintain unit operations.

CSLB IN THE YEAR 2020

CSLB has adopted and aims to establish the following vision by 2020:

Licensing/Call Center and Testing

- Electronic/paperless application, renewal and license management processes
- Fully automated bond and workers' compensation insurance submission processes
- Majority of all communication with applicants and licensees via email
- Virtual call center with chat ability
- Email Unit
- State-of-the-art security technology in testing centers

Enforcement

- System for purchasing new vehicles that utilizes the latest technology, including GPS and Bluetooth
- Improved, direct communication between CSLB headquarters and field offices including video conferencing, online training, etc.
- Improved CSLB presence statewide with more small field offices
- Staff access to new communication equipment
- Staffed in-house training program
- Pay differentials and adjustments for staff in high-cost areas of state
- Utilization of state-of-the-art audio/video equipment



Public Affairs

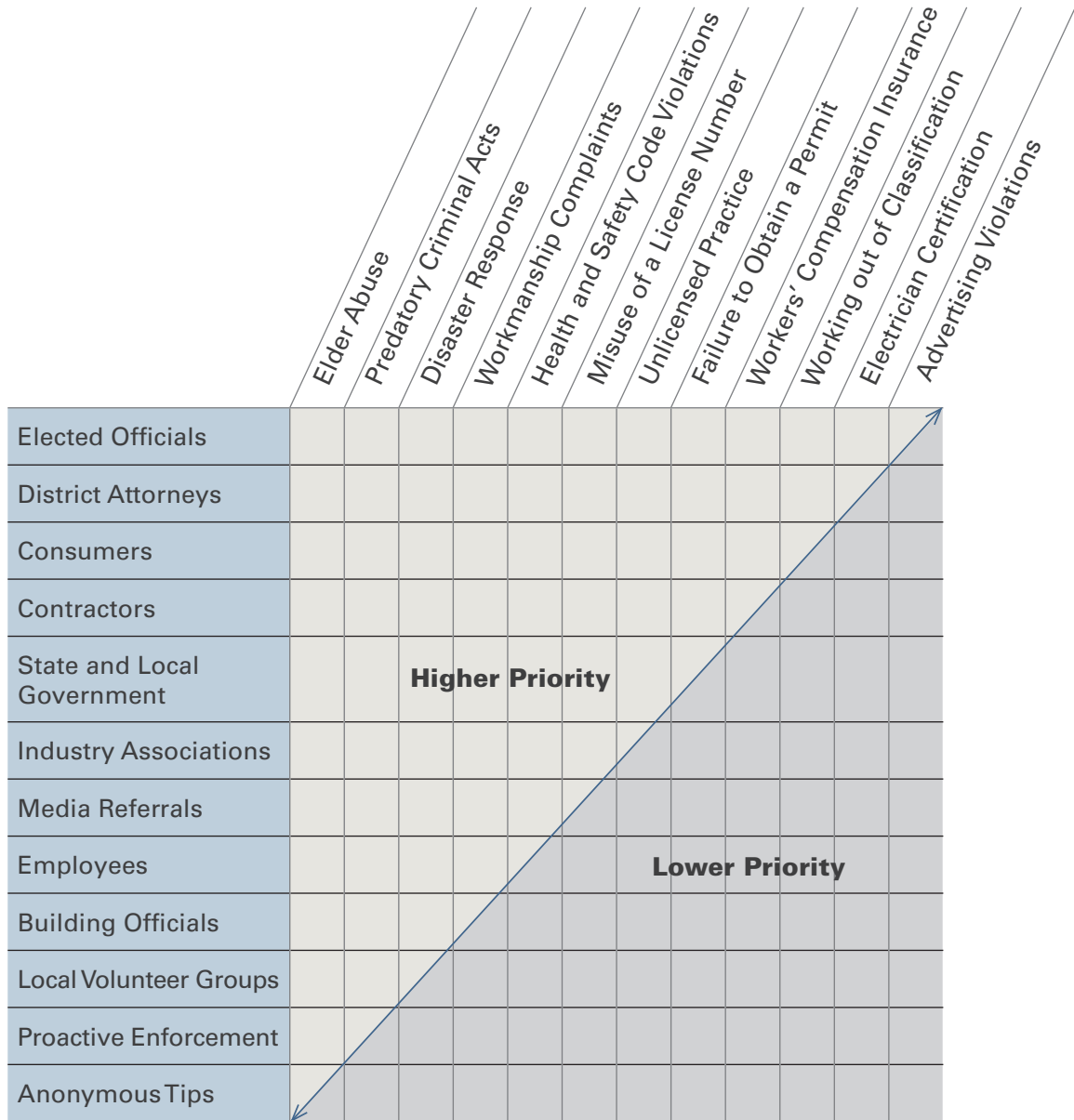
- State-of-the-art audio/video studio to communicate directly with media/ stakeholders
- State-of-the-art social network communications
- Ability to quickly look up license information with smartphones through QR codes or other technology
- Ability to attend/participate in conferences (both inside and outside of California)

Administration and IT

- VDI (Virtual Desktop)
- Hiring and retention plan for IT staff
- Enhanced Tele-Work/telecommuting in a virtual environment
- Supervisors provided with real-time snapshot of work in progress
- Automation of all internal services using state-of-the-art technology
- Develop Email Alert system for licensees



CSLB ENFORCEMENT PRIORITIZATION





MISSION

CSLB protects consumers by regulating the construction industry through licensure, enforcement, and education.

VISION

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

VALUES

CSLB provides the highest quality throughout its programs by:

- Being responsive and treating all consumers and contractors fairly;
- Focusing on prevention 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.

GOALS AND OBJECTIVES

CSLB has identified the following objectives to help meet its goals. These objectives are assigned with a priority status of: (E) Essential, (I) Important or (B) Beneficial.

GOAL 1: LICENSING AND TESTING

Ensure that all applicants and licensees are qualified to provide construction services.

1.1	Increase high-tech security monitoring in test centers (I)	December 2014
1.2	Establish task force to analyze application process and reduce rejection rates (I)	January 2015
1.3	Develop and apply consistent application evaluation criteria (E)	July 2015
1.4	Develop online smart application package to reduce application decline rates (I)	January 2016
1.5	Fully automate bonds and workers' compensation insurance submission processes (I)	January 2016
1.6	Implement online licensure tool for credit card payment (B)	January 2016

GOAL 2: ENFORCEMENT

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

2.1	Establish enforcement strategy to address predatory service and repair scams (E)	July 2014
2.2	Update Industry Expert Training Program (I)	October 2014



2.3	Automate official educational letter to consumers who repeatedly hire unlicensed operators (B)	November 2014
2.4	Establish RMO/Application Waiver Task Force to identify issues and make enforcement strategy recommendations (E)	December 2014
2.5	Create Peace Officer Special Investigations Unit (I)	December 2014
2.6	Implement Peace Officer Training Curriculum (I)	December 2014
2.7	Provide for the disclosure of partnering agencies' administrative actions section on CSLB website (B)	December 2014
2.8	Partner with Public Affairs Office and California Energy Commission to create an energy efficiency campaign (B)	January 2015

GOAL 3: PUBLIC AFFAIRS

Educate consumers about how to make informed choices related to construction services, and provide information to licensed contractors so they can improve their technical management and service skills.

3.1	Establish outreach strategy to address predatory service and repair scams (E)	August 2014
3.2	Complete flagship consumer publication (E)	September 2014
3.3	Complete flagship contractor publication (E)	December 2014
3.4	Work with Information Technology (IT) division to determine feasibility of developing opt-in "Find a Contractor" website feature (B)	December 2014
3.5	Work with Information Technology (IT) division to determine feasibility/need to update pocket license cards (B)	December 2014
3.6	Determine feasibility of developing system to send licensees renewal information and updates via text and email (B)	December 2014

3.7	Explore feasibility of obtaining a contract for advertising services to enhance media outreach opportunities (B)	December 2014
3.8	Develop contractor bid presentation kit (B)	March 2015
3.9	Develop CSLB style guide and brand standards manual (B)	March 2015

GOAL 4: LEGISLATION

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

4.1	Prepare and submit Sunset Review Report to California Legislature (E)	November 2014
4.2	Provide end-of-year training for staff on new laws that will take effect the next year (B)	December 2014
4.3	Pursue legislation to allow CSLB enforcement representatives to investigate active job sites (E)	January 2015
4.4	Pursue legislation to increase amount of surety bond to reflect homeowner risk (I)	December 2015
4.5	Review CSLB's laws and rules (B)	Ongoing

GOAL 5: IT AND ADMINISTRATION

Enhance organizational effectiveness, and improve the quality of service in all programs.

5.1	Request additional staff in Case Management (Citation Program) through the Budget Change Proposal (BCP) process to meet operational demands (E)	July 2015
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5.2	Request additional Statewide Investigative Fraud Team (SWIFT) staff in remote locations through the BCP process to meet operational demands (E)	July 2015
5.3	Request additional staff for the Public Works Program through the BCP process to meet operational demands (E)	July 2015
5.4	Implement State Contractor Official Regulatory Exam (SCORE) 2.0 computer testing system to improve security and make exams more user-friendly (I)	December 2015
5.5	Prepare CSLB for implementation of BreEZe by actively working with Department of Consumer Affairs BreEZe team (E)	January 2017



CONTRACTORS STATE LICENSE BOARD

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9821 Business Park Drive
Sacramento, CA 95826-0026
800.321.CSLB (2752)

www.cslb.ca.gov
CheckTheLicenseFirst.com
SeniorScamStopper.com



13P-209/0614



CONTRACTORS STATE LICENSE BOARD
Strategic Plan 2015-16





MEMBERS OF THE BOARD

KEVIN J. ALBANESE, CONTRACTOR MEMBER

AGUSTIN BELTRAN, PUBLIC MEMBER

LINDA CLIFFORD, CONTRACTOR MEMBER

DAVID DE LA TORRE, PUBLIC MEMBER

DAVID DIAS, PUBLIC MEMBER

SUSAN GRANZELLA, PUBLIC MEMBER

JOAN HANCOCK, CONTRACTOR MEMBER

PASTOR HERRERA JR., PUBLIC MEMBER

ROBERT LAMB, PUBLIC MEMBER

EDDIE LANG, JR., PUBLIC MEMBER

MARLO RICHARDSON, PUBLIC MEMBER

FRANK SCHETTER, CONTRACTOR MEMBER

PAUL SCHIFINO, CONTRACTOR MEMBER

JOHNNY SIMPSON, PUBLIC MEMBER

NANCY SPRINGER, PUBLIC MEMBER — BUILDING OFFICIAL



EDMUND G. BROWN JR.
Governor

ANNA M. CABALLERO
Secretary, Business, Consumer Services and Housing Agency

AWET KIDANE
Director, Department of Consumer Affairs

CINDI A. CHRISTENSON
Registrar, Contractors State License Board

2015

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OVERVIEW

California's construction industry is unique from other states in terms of its breadth, magnitude, and complexity. California has one of the top 10 world economies, and construction continues to be one of the state's largest industries. California's physical size, large and diverse population, varied landscape and climate, frequent seismic activity, distinctive legal framework, and massive economy create an unusually demanding context for contractor licensing.

The responsibility for licensing and regulating California's construction industry belongs to the Contractors State License Board (CSLB).

CSLB was established by the Legislature in 1929 as the Contractors License Bureau, under the Department of Professional and Vocational Standards, to protect the public from irresponsible contractors. In 1935, the mission and duties were placed under the auspices of a seven-member Board. CSLB's Board increased to 15 members in 1960, and since 1970, CSLB has been part of the Department of Consumer Affairs.

CSLB's legal and regulatory role has changed since its creation. Initially, applicants were not issued licenses in specific classifications; they simply indicated the type of construction work that would be performed under the license, and the license was issued without examination or experience requirements.

In 1938, the Legislature made it mandatory for contractor license applicants to be examined for competence in their designated field. By 1947, CSLB had authority to establish experience standards and to adopt rules and regulations to affect the classification of contractors "in a manner consistent with established usage and procedure as found in the construction business, and... limit[ing] the field and scope of operations of a licensed contractor to those in which he or she is classified and qualified to engage..."



BOARD STRUCTURE AND FUNCTIONS

CSLB's 15-member Board is comprised of five contractor members and 10 public members. Public members include one labor representative, one local building



official, and one representative of a statewide senior citizen organization. The governor and state legislature make these appointments.

The Board appoints the Registrar of Contractors, who directs administrative policy for CSLB operations. CSLB currently has five standing Board Committees that perform various functions.

- **Licensing Committee** – Ensures that all applicants and licensees are qualified 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 consumers about making informed choices related to construction services, and provides information to licensed contractors so they can improve their awareness of contracting laws, and technical, management, and service skills
- **Legislative Committee** – Ensures that statutes, regulations, policies, and procedures strengthen and support CSLB operations
- **Executive Committee** – Enhances organizational effectiveness and improves the quality of service in all programs

LICENSING CONTRACTORS

CSLB regulates contractors in 44 license classifications and two certifications under which members of the construction industry practice their trades and crafts. As of July 2015, there were about 360,000 contractor licenses in California; 285,700 active and 76,800 inactive.

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

- **Class “A” General Engineering**
Infrastructure and similar projects requiring specialized engineering knowledge and skill
- **Class “B” General Building**
Buildings – housing, commercial, office, etc.
- **Class “C” Specialty**
Specific trades, such as painters, plumbers, electricians, etc.

CSLB may issue a license to an individual, partnership, corporation, limited liability company, or joint venture. All licenses must have a qualifying individual (also referred to as a “qualifier”). A qualifying individual is the person listed in CSLB records who satisfies the experience and examination requirements for a license.

Depending on the type of license, the qualifying individual 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 qualifying individual is required for every classification and on each license issued by CSLB; 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 July 2015, there were about 13,000 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. In fiscal year 2014-15, CSLB helped recover about \$68 million in ordered restitution for consumers.



CSLB receives complaints from members of the public, licensees, professional groups, governmental agencies, and others concerning all phases of the construction industry. However, the majority of complaints come from owners of residential property involved in remodeling or repair work. During the 2014 calendar year, CSLB closed 17,678 complaints.

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 disciplinary action is not necessary;
- **Complaint investigation:** field investigations performed by Enforcement Representatives;
- **Arbitration:** resolution of disputes for complaint cases meeting defined criteria;
- **Minor cases:** issuance of a warning letter for technical violations of law;
- **Citation:** official notice containing allegations of violations and usually containing a fine and 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 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 criminal violations referred to local prosecutors for the 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; and
- **Judicial review:** licensee may file a petition for Writ of Mandate in superior court, seeking to overturn the Registrar's or the Board's decision.

THE UNDERGROUND ECONOMY

California's underground economy drastically affects law-abiding businesses, consumers, and workers. The problem is particularly prevalent in the construction industry, where businesses that cheat are able to underbid law-abiding businesses 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; and
- Lying on workers' compensation insurance applications to obtain a lower rate.

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 dent in California's underground economy.

CSLB is a partner in the Labor Enforcement Task Force (LETF). LETF, which was launched January 1, 2012, is comprised of investigators from CSLB, the Department of Industrial Relations, Employment Development Department, and Board of Equalization, in collaboration with the Insurance Commissioner and





Attorney General's Office. Partners have broadened information-sharing and the use of new enforcement technology to improve the way they target businesses that operate in the underground economy.

UNLICENSED ACTIVITY

CSLB's Statewide Investigative Fraud Team (SWIFT) proactively combats illegal contractors that operate in the underground economy. 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 legitimate licensed contractors.

SIGNIFICANT ACCOMPLISHMENTS OF 2014-2015

Board members develop CSLB's annual strategic plan after reviewing the previous year's accomplishments.

Licensing/Testing

- Began issuing licenses for the new C-22 Asbestos Abatement classification
- Began accepting Individual Taxpayer Identification Numbers (ITIN), in lieu of Social Security numbers, as required by Senate Bill 1159
- Implemented a more comprehensive, consistent, and user-friendly Renewal Application "return-for-correction" letter and other CSLB letters/documents that staff access from CSLB's intranet, with the assistance of CSLB's Information Technology division
- Received Board approval for a listing of the types of "Acceptable Supporting Experience Documentation" that applicants may submit to help verify their claimed work experience, as reported on a Certification of Work Experience (The listing is distributed to applicants and included on CSLB's website to increase understanding of acceptable supporting documentation for claimed work experience.)
- Updated 11 examinations and completed five occupational analyses, keeping CSLB current with its goal of updating occupational analyses every five years
- Developed and administered two civil service examinations

Enforcement

- Developed a Service and Repair Strategy to identify predatory contractors, provide for staff training from the Office of Attorney General and industry leaders, and identify consumer/elder abuse prosecutors to significantly increase administrative and criminal prosecution/convictions
- Developed an Industry Expert (IE) Recruitment and Training Module that is conducted by Investigative Center staff and includes the importance of tailoring IE reports and analysis to reflect the facts and issues essential to administrative, civil, and/or criminal prosecution
- Developed an automated closing letter that is now routinely sent to consumers to educate them about the need to verify a contractor's license, and cautioning them that if they continue to hire unlicensed individuals they will be subject to investigation by partnering state agencies for workers' compensation and tax withholding requirements
- Developed an RMO task force that established essential identifiers to determine when a qualifier may not be involved in the business, and investigation strategies to expedite administrative and criminal filings of investigations identifying fraudulent qualifiers (The task force already has referred a series of complex investigations for administrative and criminal prosecution and works closely with district attorney staff to explore unfair business practice filings under Business and Professions Code §17200.)
- Created a new Peace Officer Special Investigations Unit (SIU) in December 2014 whereby CSLB's 11 Peace Officers report to one Enforcement Supervisor (with administrative support from an Office Technician), eliminating the need for numerous Investigative Center supervisors
- Developed a comprehensive Peace Officer (PO) training curriculum whereby CSLB POs attend quarterly DCA Division of Investigation training, monthly meetings with the Riverside District Attorney's office, and other training provided by DCA and the Commission on Peace Officer Standards and Training (POST).



Legislative

- Sponsored SB 315 (Lieu, Chapter 392, Statutes of 2014), to (1) provide CSLB clear statutory authority to access business locations where labor is present when participating in activities of the Joint Enforcement Strike Force, and (2) clarify that unlicensed individuals can only advertise for construction work they are legally able to perform without a license, which are projects with a total cost under \$500
- Sponsored SB 560 (Monning, 2015), which would authorize CSLB Enforcement Representatives to issue a written Notice to Appear (NTA) to individuals who fail to secure workers' compensation insurance (An NTA is a court order mandating an individual's presence at a hearing, on a specified date, to answer to a misdemeanor charge.)
- Sponsored Senate Bill 561 (Monning, 2015), which would eliminate the requirement that a home improvement salesperson (HIS) separately register to work for each contractor and, instead, allows a properly registered HIS to utilize his or her individual registration with one or more licensed contractors

Public Affairs

- Helped lead a multi-agency campaign to alleviate the shortage of water well drillers in support of the governor's drought-related state of emergency
- Organized and conducted 150 outreach events; 400th Senior Scam StopperSM seminar occurred in March 2015
- Produced or co-produced 19 webcasts, including 16 CSLB Board and Committee meetings
- Collaborated with the Information Technology division to redesign and update content for the launch of CSLB's new website

Information Technology/Administration

- Implemented an upgraded, mission-critical Imaging and Workflow Automation System (IWAS) to improve paper-to-electronic document monitoring and management
- Implemented the first phase of an expanded electronic payment system (previously limited to Sacramento headquarters) in the Norwalk office for contractors who wish to pay licensing fees with credit cards, and added

enhanced security to all public computers that are used for this process to avoid potential security breaches (Similar payment kiosks are under way for the San Diego, Fresno, and San Bernardino field offices.)

- Launched a new system-wide monitoring system, called SolarWinds, to provide IT staff with a centralized dashboard that provides a visible, real-time accounting of CSLB’s data network availability, functions, and performance
- Collaborated with the Licensing division to analyze reasons for application errors that result in a time-consuming rejection and reapplication process, implement an improved tracking system, and better determine how to improve forms and information sent to applicants in order to minimize the application correction rate
- Launched a new CSLB website in coordination with the Public Affairs Office that meets State website standards and provides users with streamlined content architecture for seamless navigating
- Launched the upgraded 1.5 version of CSLB’s State Contractors Official Regulatory Examination (SCORE), which includes improved text and screen features for license applicants who now take their examinations using touchscreen technology, and has reduced the amount of time it takes to complete exams
- Continued collaboration with partner agencies to post disciplinary actions from those agencies on CSLB’s website for more transparent information about licensees
- Implemented wireless access points at Sacramento headquarters, and Fresno, San Diego, San Bernardino, Valencia, Norwalk, and West Covina field offices, to enable staff to conduct business without having to be connected to network cables
- Received state recognition for the Business Service Unit’s excellent record of buying goods and services from small businesses and disabled veteran business enterprises for the second consecutive year

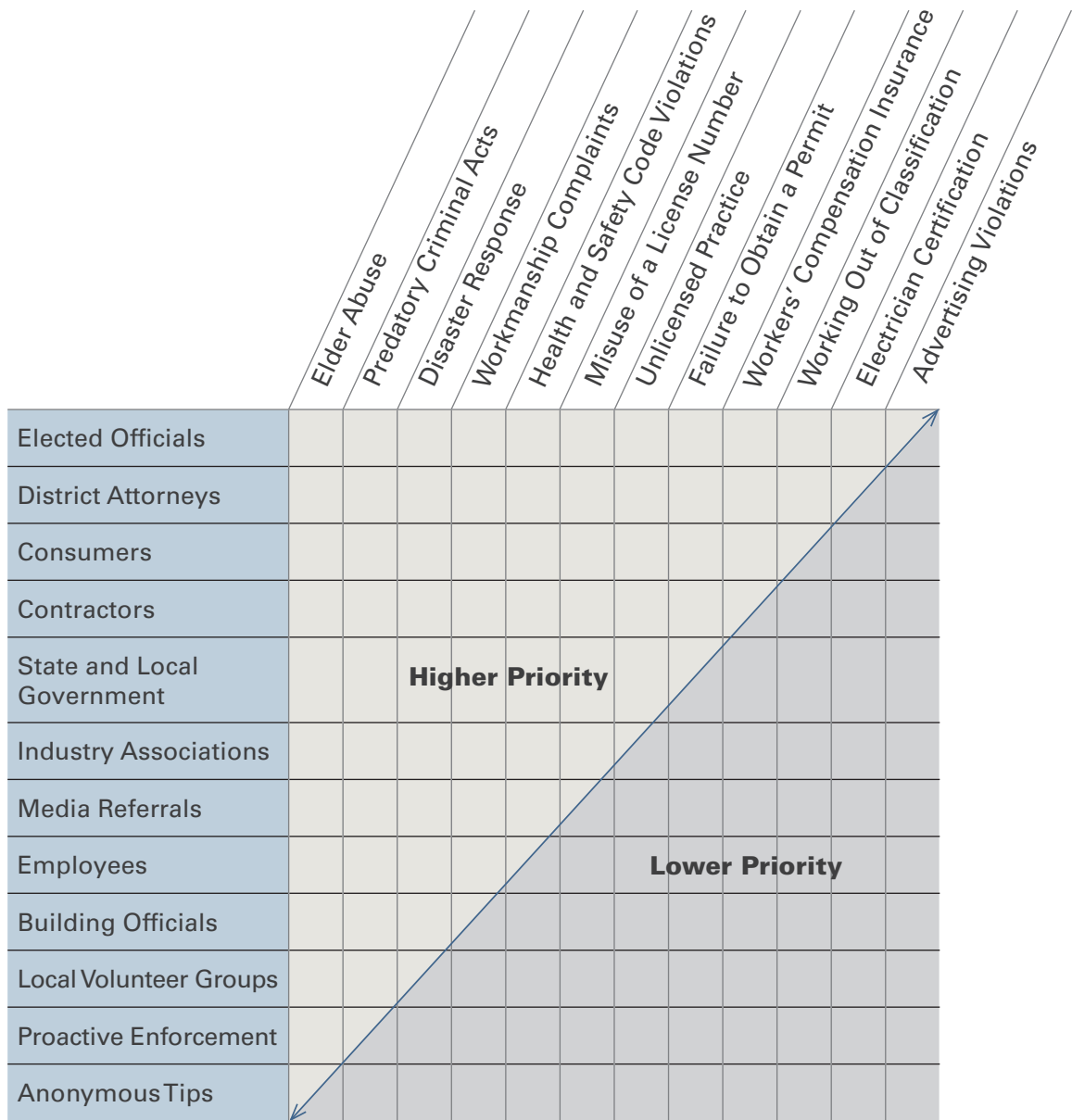


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The Board has established the following priorities to direct program activities:

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3. License applicants by reviewing qualifications and criminal background, and administering legal and effective examinations,
4. Educate consumers about their rights and responsibilities, and empower consumers with ways they can protect themselves,
5. Stress early intervention and resolution of reactive complaints, and refer minor complaints to small claims court,
6. Provide services through the Licensing Information Center (call center) and the public counter, and
7. Ensure that Administrative Services and Information Technology divisions provide the support necessary to maintain unit operations.

CSLB ENFORCEMENT PRIORITIZATION





CSLB IN THE YEAR 2020

CSLB has adopted and aims to establish the following vision by 2020:

1. Licensing/Call Center and Testing

- Electronic/paperless application, renewal and license management processes
- Fully automated bond and workers' compensation insurance submission processes
- All communication with applicants and licensees via email
- Virtual Call Center with chat ability
- Email Unit
- State-of-the-art security technology in test centers

2. Enforcement

- Appropriate management structure, including a Deputy Enforcement Chief
- System for purchasing new vehicles that utilizes the latest technology, including GPS and Bluetooth
- Improved, direct communication between CSLB headquarters and field offices including video conferencing, Skype, online training, etc.
- Improved CSLB presence throughout the state with more small field offices (e.g., San Luis Obispo, Barstow)
- Staff access to new communication equipment
- Staffed in-house training program
- Staffed Subsequent Arrest Unit
- Pay differentials and adjustments for staff in high-cost areas of CA to address retention issues
- Utilization of state-of-the-art audio/video equipment

3. Public Affairs

- State-of-the-art audio/video studio to communicate directly with media/stakeholders
- State-of-the-art social network communications
- Ability to quickly look up license information with smartphones through QR codes or other technology
- Ability to attend/participate in conferences (both inside and outside of California)

4. Administration and IT

- Improved hiring and retention practices to minimize vacancies
- Full-service Human Resources Unit
- VDI (Virtual Desktop)
- Hiring and retention plan for IT staff
- Enhance Tele-Work/Telecommuting in a Virtual Environment
- Supervisors provided with real-time snapshot of work in progress
- Automation of all internal services using state-of-the-art technology



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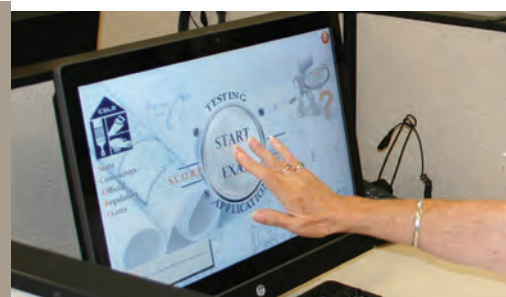
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- Focusing on prevention and providing educational information to consumers and contractors;
- Embracing technology and innovative methods to provide services; and
- Supporting a team concept and the professional development of staff.



CURRENT GOALS AND OBJECTIVES

CSLB has identified the following objectives to help meet its goals. These objectives are assigned with a priority status of (E) Essential, (I) Important, or (B) Beneficial.

ENFORCEMENT

Enforcement Objectives	Target	Description
1. Public Works (I)	August 2015	Review and revise the memorandum of understanding with the Labor Commissioner’s Office.
2. Establishment of Government Accounts to Obtain Court Records (I)	October 2015	Online county criminal records require establishment of a fee-based account to access them.
3. Refine Proactive Strategies and Objectives (I)	December 2015	Develop a matrix to prioritize proactive response to leads, sweeps, and stings.
4. Revision of Enforcement Manual (E)	December 2015	Establish a task force to update and improve the existing complaint-handling manual.
5. Update Regulation for Assessment of Civil Penalties (I)	December 2015	Revisit penalty guidelines to determine if they have kept up with inflation and consumer protection requirements.
6. Solar Industry Schemes (E)	June 2016	Develop outreach, education, and enforcement strategies to address deceptive solar tactics.



LEGISLATIVE

Legislative Objectives	Target	Description
1. Seek Legislation to Authorize Sharing of Licensee Information with the Employment Development Department (E)	July 2015	Legislative authority would address a new issue raised by the Department of Consumer Affairs.
2. Prepare Legislative Proposal to Eliminate Capital Requirement for Licensure and Increase Contractor Bond by Corresponding Amount (B)	September 2015	Legislative authority would address a new issue raised by the Board in the Sunset Review Report; included in SB 465 (Hill).
3. Prepare Draft Proposal to reorganize Contractors' State License Law (I)	December 2015	Revisions would make the law easier to follow.
4. Prepare Legislative Proposal to Provide for Comprehensive Rewrite of the Home Improvement Contractor Provisions (B)	December 2015	Legislative direction would address a new issue raised by the Board in the Sunset Review Report.
5. Seek Amendments to Arbitration Program Statutory Provisions (I)	December 2015	Amendments would address the awarding of attorney fees as a result of participation in the arbitration program.

LICENSING & TESTING

Licensing & Testing Objectives	Target	Description
1. Research Security Devices for Testing Center and Workshop Conference Room Windows (I)	December 2015	Research and evaluate various security devices that could be installed in test centers and conference rooms.
2. Evaluate Test Centers for Functionality (I)	December 2015	Determine possible improvements to the layout (floor plan, types of cubicles, etc.) of test centers.
3. Research National Contractor Examinations (B)	December 2015	Testing division staff will review and evaluate existing examinations for licensure in the construction field.
4. Install Surveillance Cameras in Test Centers (I)	December 2015	The Department of General Services is putting this project out to bid; it will enhance security at all eight test centers.
5. Develop and Apply Consistent Application Experience Evaluation Criteria (E)	January 2016	Training of all application staff was conducted in May 2014 on existing evaluation criteria; task force is to be appointed to develop regulation proposal(s) for evaluation criteria.
6. Develop Online Smart Application Package to Reduce Application Rejection Rates (I)	January 2016	Online services are currently tied to DCA BreEZe project; research other options to move forward.
7. Fully Automate Bonds and Workers' Compensation Insurance Submission Processes (I)	January 2016	Automated services are tied to DCA BreEZe project; research other options to move forward.



8. Implement Online Licensure Tool for Credit Card Payment (B)	January 2016	Online payment services are tied to DCA BreEZe project; research other options to move forward.
9. Review Current Reciprocity Agreements (I)	January 2016	Review current agreements with Arizona, Nevada, and Utah and research licensing criteria for other states to determine whether reciprocity should/can be expanded.
10. Determine Feasibility of Tiered "B" General Building Classification (I)	January 2016	Determine whether a secondary "B" classification is needed to address contractors who provide home improvement services that do not include structural changes.
11. Fully Implement SCORE 2.0 (E)	September 2016	The most critical SCORE 2.0 modules will be completed first, with completion date of Fall 2016. SCORE 2.0 will provide enhanced functionality for examination development and administration.

PUBLIC AFFAIRS

Public Affairs Objectives	Target	Description
1. Complete Flagship Consumer Publication (E)	July 2015	Continued from 2014-15 Strategic Plan.
2. Complete Flagship Contractor Publication (E)	September 2015	Continued from 2014-15 Strategic Plan.
3. Develop Realtor Outreach Program (B)	October 2015	Develop a program to educate realtors, a prime referral source for new homeowners, to locate licensed contractors.
4. Determine Feasibility of Building a Full-Service Broadcast Studio (I)	December 2015	Assess feasibility/costs of constructing a broadcast studio in the space currently occupied by Public Affairs Office staff.
5. Determine Feasibility of Updating Technology in John C. Hall Hearing Room (B)	January 2016	Assess the feasibility/cost of updating the hearing room to improve audio/visual services for meeting participants and audiences.
6. Develop Schedule for Development of an Opt-In, "Find a Contractor" Website Feature (E)	February 2016	Determine a schedule to develop a website feature that will allow consumers to identify licensed contractors.
7. Determine Feasibility of Developing a Mobile Web App (I)	March 2016	Research current technology to determine if there is a need or opportunity to create a mobile application(s).
8. Develop Features for Use on Contractors/Industry Members' Websites (I)	April 2016	Utilize Rich Site Summary (RSS) to create content that can be used on licensee or industry group websites.
9. Develop CSLB Style Guide and Standards Manual (B)	June 2016	Continued from 2014-15 Strategic Plan.



INFORMATION TECHNOLOGY

Information Technology Objectives	Target	Description
1. Implement ePayment Expansion to Field Sites (I)	Spring 2016	Expand ePayment to cover California's Northern (Sacramento), Central (Fresno) and Southern (Norwalk, San Bernardino, and San Diego) regions; this will allow contractors to make 16 payment types by major credit cards.
2. Implement ePayment Online (I)	Winter 2015	Online payment will allow contractors to make 16 payment types by major credit cards from anywhere.
3. Implement Home Improvement Salesperson (HIS) Online Application (I)	Spring 2016	HIS applicants would be able to submit applications online, and could submit online registration renewals.
4. Increase Network Bandwidth to Field Sites (E)	Spring 2016	Field site network bandwidth currently is limited and slow; IT staff will upgrade network circuits to increase available bandwidth to enable CSLB to implement Enterprise IT solutions.



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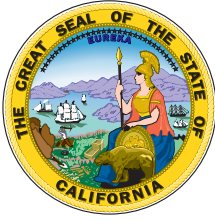
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CONTRACTORS STATE LICENSE BOARD
Strategic Plan 2016-18





MEMBERS OF THE BOARD

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DAVID DIAS, LABOR ORGANIZATION MEMBER

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MARLO RICHARDSON, PUBLIC MEMBER

PAUL SCHIFINO, (C) SPECIALTY CONTRACTOR MEMBER

FRANK SCHETTER, (C) SPECIALTY CONTRACTOR MEMBER

JOHNNY SIMPSON, PUBLIC MEMBER

NANCY SPRINGER, BUILDING OFFICIAL MEMBER

☒ _____

EDMUND G. BROWN JR.
Governor

ALEXIS PODESTA
Acting Secretary, Business, Consumer Services and Housing Agency

AWET KIDANE
Director, Department of Consumer Affairs

CINDI A. CHRISTENSON
Registrar, Contractors State License Board

2016

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OVERVIEW / CSLB HISTORY

California's construction industry is unique from other states in terms of its breadth, magnitude, and complexity. California has one of the top 10 world economies, and construction continues to be one of the state's largest industries. California's physical size, large and diverse population, varied landscape and climate, frequent seismic activity, distinctive legal framework, and massive economy create an unusually demanding context for contractor licensing.

The responsibility for licensing and regulating California's construction industry belongs to the Contractors State License Board (CSLB).

CSLB was established by the Legislature in 1929 as the Contractors License Bureau, under the Department of Professional and Vocational Standards, to protect the public from irresponsible contractors. In 1935, the mission and duties were placed under the auspices of a seven-member Board. CSLB's Board increased to 15 members in 1960, and since 1970, CSLB has been under the umbrella of the Department of Consumer Affairs.

CSLB's legal and regulatory role has changed since its creation. Initially, applicants were not issued licenses in specific classifications; they simply indicated the type of construction work that would be performed under the license, and the license was issued without examination or experience requirements.

In 1938, the Legislature made it mandatory for contractor license applicants to be examined for competence in their designated field. By 1947, CSLB was given the authority to establish experience standards and to adopt rules and regulations, including the classification of contractors "in a manner consistent with established usage and procedure as found in the construction business, and... limiting the field and scope of operations of a licensed contractor to those in which he or she is classified and qualified to engage..."

Today, CSLB licenses more than 280,000 contractors with a staff of more than 400 at its headquarters in Sacramento and field offices/test centers around California, and is considered one of the top consumer protection agencies in the country. In 2015, Senate Bill 467 (Hill) extended CSLB's sunset date until January 1, 2020.



CSLB'S 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.

The Board accomplishes this by:

- Ensuring that construction 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 industry as necessary for the protection of consumers and licensed contractors.

VALUES

CSLB provides the highest quality throughout its programs by:

- Being responsive and treating all consumers and contractors fairly;
- Focusing on prevention 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 is comprised of 10 public members and five contractor members. Public members include one representative of a statewide senior citizen organization, one local building official, and one labor representative. The governor and state Legislature makes these appointments.

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 Department of Consumer Affairs Director, the Registrar of Contractors. The Registrar directs administrative policy for CSLB's statewide operations.

CSLB currently has five standing Board Committees that perform various functions.

- **Licensing Committee**
Ensures that all applicants and licensees are qualified 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 consumers about making informed choices related to construction services, and provides information to licensed contractors so they can improve their awareness of contracting laws, and technical, management, and service skills
- **Legislative Committee**
Ensures that statutes, regulations, policies, and procedures strengthen and support CSLB operations
- **Executive Committee**
Enhances organizational effectiveness and improves the quality of service in all programs

LICENSING CONTRACTORS

CSLB regulates contractors in 44 license classifications and two certifications under which members of the construction industry practice their trades and crafts. As of June 1, 2016, there were 283,444 contractor licenses in California; 223,788 active and 59,656 inactive.

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

- **Class “A” General Engineering**
Infrastructure and similar projects requiring specialized engineering knowledge and skill
- **Class “B” General Building**
Buildings – housing, commercial, office, etc.
- **Class “C” Specialty**
Specific trades, such as painters, plumbers, electricians, etc.

CSLB may issue a license to a sole owner, partnership, corporation, limited liability company, or joint venture. All licenses must have a qualifying individual (also referred to as a “qualifier”). A qualifying individual is the person listed in CSLB records who satisfies the experience and examination requirements for a license.

Depending on the type of license, the qualifying individual 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 qualifying individual is required for every classification and on each license issued by CSLB; 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 June 1, 2016, there were 14,995 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. In fiscal year 2014-15, CSLB helped recover nearly \$68 million in ordered restitution for consumers.

CSLB receives complaints from members of the public, licensees, professional groups, governmental agencies, and others concerning all phases of the construction industry. However, the majority of complaints come from owners of residential property involved in remodeling or repair work. During the 2015 calendar year, CSLB opened more than 19,000 complaints.





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 disciplinary action is not necessary;
- **Complaint Investigation**
Field investigations performed by CSLB Enforcement Representatives;
- **Arbitration**
Resolution of disputes for complaint cases meeting defined criteria;
- **Minor Cases**
Issuance of a warning letter for technical violations of law;
- **Citation**
Official notice containing allegations of violations and usually ordering a fine and 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; and
- **Judicial Review**
Licensee may file a petition for Writ of Mandate in superior court, seeking to overturn the Registrar's or the Board's decision.

THE UNDERGROUND ECONOMY

California’s underground economy drastically affects law-abiding businesses, consumers, and workers. The problem is particularly prevalent in the construction industry, where businesses that cheat are able to underbid law-abiding businesses 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; and
- Lying on workers’ compensation insurance applications to obtain a lower rate.

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 dent in California’s underground economy. CSLB is a member of multiple task forces.

JOINT ENFORCEMENT TASK FORCE (JESF)

The 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. The 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 LETF, which was launched in January 2012, is comprised of investigators from CSLB, the Department of Industrial Relations, Employment Development Department, and Board of Equalization, in collaboration with the Insurance Commissioner and Attorney General's Office. Partners have broadened information-sharing and the use of new enforcement technology to improve the way they target businesses that operate in the underground economy.

UNLICENSED ACTIVITY

CSLB's Statewide Investigative Fraud Team (SWIFT) proactively combats illegal contractors that operate in the underground economy. 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 legitimate licensed contractors.

SIGNIFICANT ACCOMPLISHMENTS OF 2015

Board members developed CSLB's 2016-18 strategic plan in part by reviewing the previous year's accomplishments. A complete review of accomplishments can be seen in the CSLB publication, 2015 Accomplishments and Activities Report, available to download from CSLB's website (www.cslb.ca.gov).

Licensing/Testing

- Issued 1,000,000th license
- Began testing and issuing licenses for the new C-22 Asbestos Abatement classification
- Received 25,731 license applications, an increase of nearly 6 percent from 2014
- Helped address state's ongoing and severe drought by expediting 239 Well Drilling (C-57) applications, issuing 165 licenses; and expediting 95 Machinery and Pumps Limited Specialty (C-61/D-21) applications, issuing 60 licenses
- Licensing Information Center answered 153,258 calls, a 5 percent increase from 2014, with an average wait time of just over two minutes

- Exam Development Unit completed 13 occupational analyses and updated 10 licensing examinations
- Testing Unit scheduled 31,892 examinations

Enforcement

- Opened 19,654 complaints, an increase of 985 from 2014
- Completed 19,906 investigations, an increase of 880 from 2014
- Revoked 393 licenses via accusation process
- Referred 1,333 cases for criminal action
- Statewide Investigative Fraud Team increased number of undercover sting operations by 23 percent
- Newly created Special Investigations Unit completed 430 investigations, with 57 percent referred for legal action
- Newly created Waiver Task Force took action against 77 licensees, including four revocations, where responsible managing officers exercised little or no control over the company's operations
- Public Works Unit closed 255 cases, 20 more than in 2014, with 68 complaints referred for administrative disciplinary action and 13 to local prosecutors for possible criminal charges.
- Fully staffed Subsequent Arrest and Conviction Unit investigated 1,358 licensee criminal convictions
- Created first-ever handbook for unlicensed contracting prosecution, and sponsored in-person and online training session for district attorney staffs from around California

Legislative

- Sponsored SB 560 (Monning, 2015), authorizing CSLB Enforcement Representatives to issue a written Notice to Appear (NTA) to individuals who fail to secure workers' compensation insurance (An NTA is a court order mandating an individual's presence at a hearing, on a specified date, to answer to a misdemeanor charge.)



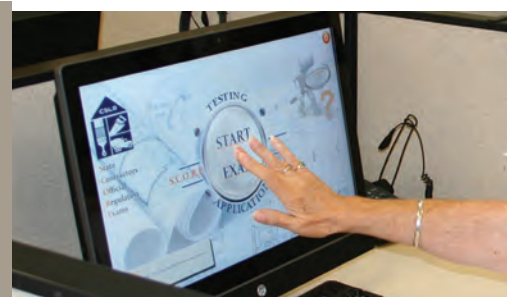
- Sponsored Senate Bill 561 (Monning, 2015) which eliminated the requirement that a home improvement salesperson (HIS) separately register to work for each contractor and, instead, allows a properly registered HIS to utilize his or her individual registration with one or more licensed contractors

Public Affairs

- Fielded more than 230 media inquiries
- Distributed 44 news releases and 16 industry bulletins
- Organized, conducted, or participated in six media events
- Produced 19 webcasts
- Organized and conducted 91 Senior Scam StopperSM, Consumer Scam StopperSM, and other seminars, speeches and presentations
- Coordinated disaster response to wildfires and flooding across state, with more than 50 Public Affairs and Enforcement staff working local, state and federal agencies to assist homeowners and victims
- Posted online every edition of *California Licensed Contractor* newsletter produced since 1937
- Began posting historical Board meeting minutes, starting with meetings from 1935-39

Information Technology/Administration

- Implemented new Home Improvement Salesperson registration process, including the update and conversion of records for more than 14,000 current registrants
- Upgraded systems to accommodate increase of contractors' surety bond from \$12,500 to \$15,000
- Updated Imaging and Workflow Automated System to new fully supported platform



- Implemented ePayment expansion to most field offices, allowing applicants and licensees to pay some fees via credit/debit card
- Upgraded computer security by installing next generation firewall
- Information Technology Service Help Desk processed more than 3,100 employee requests
- Hiring of CSLB's first female Registrar of Contractors
- Renewing of leases for CSLB's Norwalk and San Bernardino offices
- Creation of comprehensive career consultation program to help employees advance their careers

PROGRAM PRIORITIES

The Board has established the following priorities to direct program activities:

1. License applicants by reviewing qualifications and criminal background, and administering legal and effective examinations;
2. Help keep licensees compliant with licensing requirements and maintain the collection of revenue by keeping renewals and license maintenance current;
3. Provide services through the Licensing Information Center (call center) and the public counter;
4. Educate consumers about their rights and responsibilities, and empower consumers with ways they can protect themselves;
5. Focus on early enforcement intervention and high priority (health and safety) complaints;
6. Stress early intervention and resolution of reactive complaints, and refer minor complaints to small claims court; and
7. Ensure that Administrative Services and Information Technology divisions provide the support necessary to maintain unit operations.



CURRENT PROGRAM OBJECTIVES

CSLB has identified the following program objectives to help meet its priorities. These objectives are assigned with a priority status of (E) Essential, (I) Important, or (B) Beneficial.

LICENSING & TESTING

Licensing & Testing Objectives	Target	Description
1.1 Revise Application Package and Related Outreach Materials (E)	September 2016	In conjunction with Public Affairs Office, update package of application materials to decrease confusion, increase compliance, and reduce the time it takes to issue new licenses
1.2 Create Exam Development Presentation for Future Board Meetings (I)	September 2016	Help current and future Board members, as well as the public, better understand CSLB's computerized license testing process
1.3 Identify Specific Criteria for Examination Waiver Application Review (B)	September 2016	In conjunction with Enforcement division, develop criteria to review waiver applications that better identifies potentially fraudulent submissions <i>(See Legislative Objective 3.4)</i>
1.4 Research and Implement Measures to Reduce Initial Application Processing Times (E)	December 2016	In connection to Objective 1.1, examine current processes, procedures, staffing levels, and other issues to identify ways to speed up the time it takes to issue new licenses
1.5 Conduct Comparative Study of Pass/Fail Rates of Contractor License Exams in Other States (I)	December 2016	Educate and inform Board members and public about how California pass/fail rates compare with other states
1.6 Develop Online Smart Application Content to Reduce Application Return for Correction Rates (E)	January 2017	In conjunction with Information Technology Unit, develop and implement online application to ensure applicants provide accurate and complete information
1.7 Research Handyperson Exemption (B)	January 2018	Determine if current handyperson exemption should be modified, or if a new license type should be developed to better protect consumers

ENFORCEMENT

Enforcement Objectives	Target	Description
2.1 Implement Memorandum of Understanding with Labor Commissioner’s Office (B)	July 2016	Create partnership to engage and inform Labor Commissioner’s Office staff about provisions and process for directing referrals to CSLB
2.2 Update Civil Penalties Assessments (E)	September 2016	Review penalty guidelines to determine if they have kept up with inflation and consumer protection requirements
2.3 Develop Strategies to Reduce Solar Industry Fraud (E)	December 2016	In conjunction with Public Affairs Office, develop outreach, education, and enforcement tactics to address deceptive tactics in solar industry <i>(See Public Affairs Objective 4.4)</i>
2.4 Formalize Strategy to Identify Licensee Misuse of Workers’ Compensation Insurance Requirement Exemption (E)	March 2017	In conjunction with Public Affairs Office, develop education and enforcement program targeted at licensees who employ workers despite having workers’ compensation exemption on-file with CSLB
2.5 Reduce Legal Action Expenditures While Not Compromising Consumer Protection (E)	July 2017	Develop partnerships with prosecutors and other government agencies to leverage resources, as well as a strike force to achieve greater legal action settlements
2.6 Expand Proactive Enforcement Targets (B)	July 2017	Develop strategies and partnerships to include public work projects and larger contractors in proactive enforcement efforts



LEGISLATIVE

Legislative Objectives	Target	Description
3.1 Present Draft Proposal to Reorganize Contractors' State License Law (I)	December 2016	Closely examine and reorganize current law to create a more logical flow and be more user-friendly; cleaning up and clarifying language as needed
3.2 Research Increased Penalties for Predatory Business Practices, Misrepresentation of Services, or Need of Services (I)	March 2017	In conjunction with Enforcement division, examine appropriateness of existing penalties in statute and regulation and if there is a need for changes
3.3 Develop and Implement Regulatory Proposal to Formalize Experience Requirement Criteria (E)	January 2018	In conjunction with Licensing division, clarify the accepted verifiable experience requirements necessary for licensure to help ensure that qualified applicants are able to test for a license
3.4 Further Define Examination Waiver Criteria (I)	January 2018	In conjunction with Licensing division, thoroughly review statutory waiver authority and develop regulations to clarify examination waiver criteria, possibly including methods to prevent fraudulent submissions <i>(See Licensing & Testing Objective 1.3)</i>
3.5 Research Alternative Fee Structures (B)	January 2018	In conjunction with Enforcement division, conduct cost/benefit analyses of Enforcement activities and Enforcement-based fees, including citations; consider need for statutory and/or regulatory revisions
3.6 Review Home Improvement Contract Provisions (I)	June 2018	Identify ways to simplify and improve clarity of provisions in Business and Professions Code section 7159
3.7 Increase Fees (E)	July 2018	Increase statutory authority and limits; follow up with regulations for future increases within statutory limits
3.8 Track and Update Board on Any Legislation Seeking to Modify Business and Professions Code section 7031 (B)	Ongoing	Keep Board members and interested stakeholders updated on potential changes to code section relating to court actions for recovery of compensation in relation to unlicensed contractors

PUBLIC AFFAIRS

Public Affairs Objectives	Target	Description
4.1 Complete Flagship Consumer Publication (E)	September 2016	Update of <i>What You Should Know Before You Hire a Licensed Contractor</i> booklet
4.2 Complete Flagship Contractor Publication (E)	November 2016	Creation of new publication targeted toward journeymen, applicants, and licensees
4.3 Update Communications Plan for 2017-2020 (E)	December 2016	Formal guideline that provides overview of Public Affairs objectives, goals, audiences, tools, and timetables to reach those audiences, and plans to evaluate results
4.4 Develop Solar Outreach Materials (I)	March 2017	In conjunction with Enforcement and Information Technology divisions, create portal on CSLB website to link consumers to most reliable solar-related information, supplemented by newly created CSLB material <i>(See Enforcement Objective 2.3)</i>
4.5 Develop Orientation Videos for New Staff/Board Members (I)	December 2017	Produce series of videos to be used as part of efforts to introduce staff and Board members to CSLB <i>(See Administrative Objective 6.5)</i>
4.6 Develop Schedule for Opt-In, "Find a Contractor" Website Feature (E)	June 2018	Web-based feature that enables consumers to get a list of available licensed contractors in specific license classifications for specific geographic locations (May be affected by Assembly Bill 2486)
4.7 Expand Consumer Scam Stopper Outreach Program (B)	June 2018	Look for opportunities to expand CSLB's face-to-face outreach to groups other than seniors



INFORMATION TECHNOLOGY

Information Technology Objectives	Target	Description
5.1 Implement Internal Group to Prioritize and Execute IT Projects (E)	August 2016	Develop executive team to review and prioritize all IT Project requests, ensuring that resources are directed to meet the business needs and priorities of CSLB Division Chiefs
5.2 Conduct Needs Assessment to Determine Requirements for New Licensing/ Enforcement Computer System	September 2016	Work with various CSLB units, including Cashiering, Testing, Licensing, and Enforcement, to ensure current and future computer needs are met (May be affected by Department of Consumer Affairs' BreEZe Project)
5.3 Upgrade Investigator Cell Phones and Acquire Tablets (I)	Cell Phones: December 2016 Tablets: December 2017	Provide investigators working in field with equipment that improves usability, increases their use of electronic documentation, and offers more effective access to information (May be affected by cell phone refresh date)
5.4 Implement Online Application for Home Improvement Salespersons (I)	February 2017	Applicants would be able to submit applications online, association-disassociation, and could submit online registration renewals (May be affected by Teale)
5.5 Implement ePayment Expansion to San Bernardino Office (E)	June 2017	Will take place after completion of building improvements
5.6 Research Options to Replace Current Imaging and Workflow Automated System (IWAS) (I)	October 2017	Examine available solutions to replace system currently used to scan all incoming license-related paperwork into CSLB's computer system (May integrate into Objective 5.2)
5.7 Implement Online ePayment System (E)	December 2017	Expand ePayment system currently only available in CSLB offices, by allowing 16 payment types to be made by credit card online
5.8 Implement SCORE 2.0 Programming (E)	December 2018	Allow exam development and administration to be more effective and efficient

ADMINISTRATION

Administration Objectives	Target	Description
6.1 Partner with DCA to Implement Live Captioning Contract (E)	December 2016	Increase accessibility to public meetings and compliance with the Americans with Disabilities Act
6.2 Develop Succession Planning, Mentoring and Upward Mobility Program for Staff (E)	June 2017	Assess job requirements and skills of existing employees and seek to fill the gaps between needs and skills with targeted training and development activities
6.3 Assess/Enhance Security and Safety Procedures for All CSLB Facilities (I)	June 2017	Examine the security and safety of all CSLB facilities to identify and enhance areas that require improvements
6.4 Evaluate Enforcement Division Staffing Levels (B)	September 2017	Determine if additional personnel are needed to meet CSLB Enforcement division goals
6.5 Enhance Onboarding and Orientation Program for New Staff, Managers and Board Members (I)	December 2017	In conjunction with Public Affairs Office, increase communication and foster cohesive mission-oriented working culture <i>(See Public Affairs Objective 4.5)</i>
6.6 Research and Implement a Special Investigator Classification Series (E)	June 2018	Examine feasibility of establishing new classification to improve recruitment and retention of Enforcement staff
6.7 Pursue Salary Differentials in Regions with Higher Living Costs (E)	June 2018	Define and pursue opportunities to pay competitive wages in high cost of living sections of the state to improve recruitment and reduce employee vacancies in these areas



6.8 Determine Requirements and Procure Equipment for Full Service Broadcast Studio (I)	June 2018	In conjunction with Public Affairs Office, identify and purchase necessary equipment needed for video/audio production (Timing is dependent on CSLB Headquarters building lease negotiations)
6.9 Review Consumer Service Representative Job Classification (B)	June 2018	Expand the qualifying degrees and required courses to increase the applicant pool for recruitment (May have to be coordinated with CalHR modernization project)

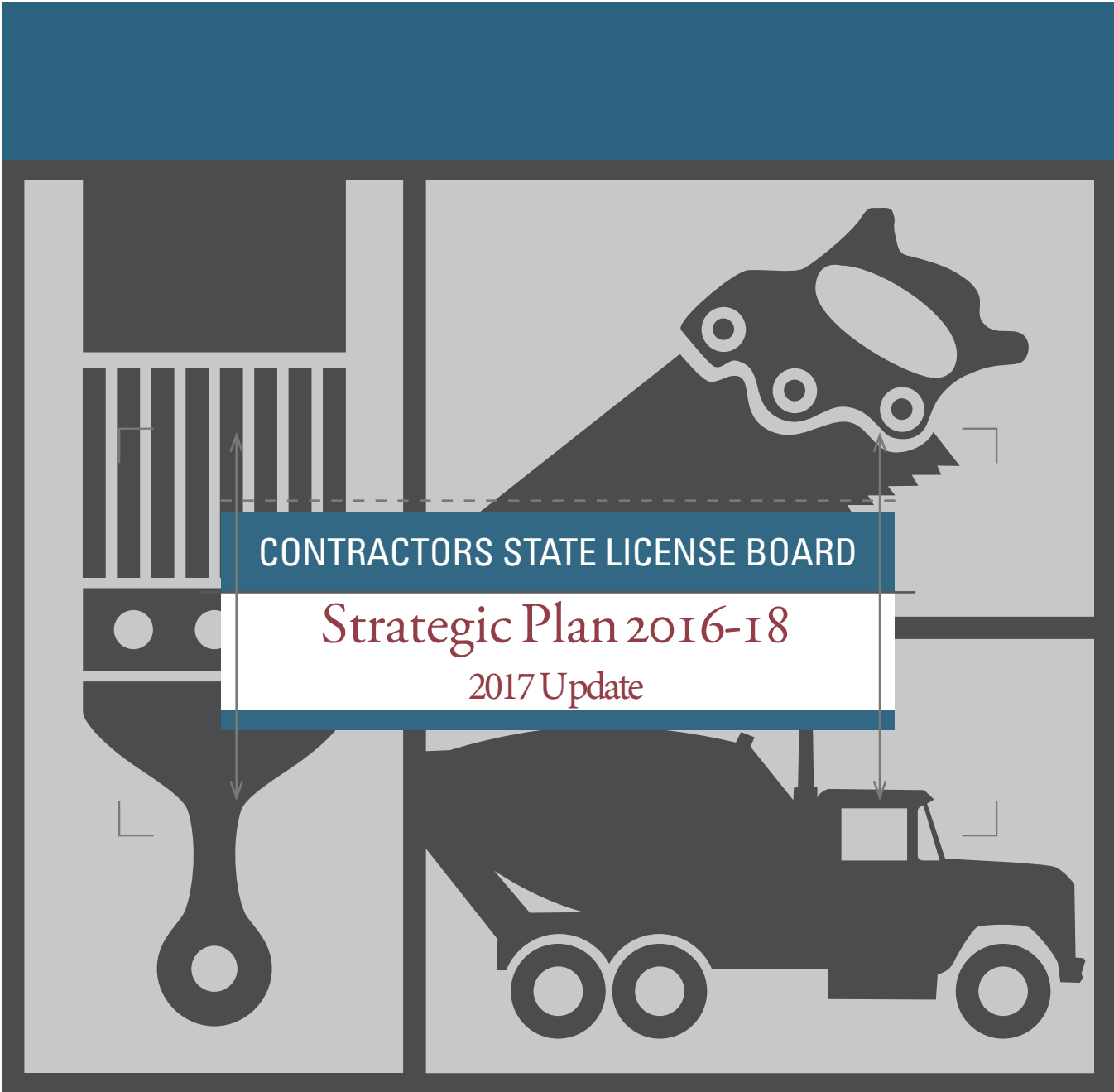


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CONTRACTORS STATE LICENSE BOARD
Strategic Plan 2016-18
2017 Update





In 2016 the Contractors State License Board (CSLB) voted to conduct formal strategic planning sessions every other year, which would lead to a two-year Strategic Plan. Previously these planning sessions were held annually. In the off-year, the Board would review and vote on suggested updates to action items.

A formal strategic session was conducted in March 2016, resulting in the 2016-18 Strategic Plan. In March 2017 Board members voted on proposals to update action plan items. The updated action plan was approved by the Board at its June 2017 meeting.

CURRENT GOALS AND OBJECTIVES

CSLB has identified the following objectives to help meet its goals. These objectives are assigned with a priority status of (E) Essential, (I) Important, or (B) Beneficial.

Licensing & Testing Objectives

ITEM	TARGET	DESCRIPTION
1.1 Revise Application Package and Related Outreach Material (E)	March 2017	In conjunction with Public Affairs, update package of application materials to decrease confusion, increase compliance, and reduce the time to issue new licenses
1.2 Conduct Comparative Study of Pass/Fail Rates of Contractor License Exams in Other States (I)	March 2017	Educate and inform Board members and the public about how California pass/fail rates compare with other states
1.3 Review CSLB license reciprocity agreements	September 2017	In response to Little Hoover Commission report on barriers to occupational licensing, review existing CSLB license reciprocity agreements and how other states handle CSLB licensees
1.4 Review feasibility of process to review license denials	December 2017	In response to Little Hoover Commission report on barriers to occupational licensing, review possibility of establishing an informal process to review license denials
1.5 Identify Specific Criteria for Examination Waiver and Application Review (B)	May 2018	In conjunction with Enforcement division, develop criteria to review waiver applications that better identify potentially fraudulent submissions (see Objective 3.4)
1.6 Research and Implement Measures to Reduce Initial Application Processing Times (E)	July 2018	Examine current processes, procedures, staffing levels, and other issues to identify ways to speed up the time it takes to issue new licenses

**Enforcement Objectives**

ITEM	TARGET	DESCRIPTION
2.1 Formalize Strategy to Identify Licensee Misuse of Workers' Compensation Insurance Requirement Exemption (E)	March 2017	In conjunction with Public Affairs Office, develop education and enforcement program targeted at licensees who employ workers while having a workers' compensation exemption on-file with CSLB
2.2 Reduce Legal Action Expenditures While not Compromising Consumer Protection (E)	July 2017	Develop partnerships with prosecutors and other government agencies to leverage resources, and provide a letter of admonishment for lesser offenses
2.3 Expand Proactive Enforcement Targets (B)	July 2017	Develop strategies and partnerships to include public works projects and larger contractors in proactive enforcement efforts
2.4 Update Civil Penalties Assessments (E)	December 2017	Review penalty guidelines to determine if they have kept up with inflation and consumer protection requirements
2.5 Increase C-10 Electrical License Renewals by \$20 to fund Electrician Certification Enforcement	January 2019	Conduct regulatory hearings and IT programming to provide for a \$20 increase on all C-10 Electrical license renewals

Legislative Objectives

ITEM	TARGET	DESCRIPTION
3.1 Present Draft Proposal to Reorganize Contractors' State License Law (I)	May 2017	Closely examine and reorganize current law to create a more logical flow and make it more user-friendly; cleaning up and clarifying language as needed
3.2 Research Increased Penalties for Predatory Business Practices, Misrepresentation of Services, or Need of Services (I)	May 2017	In conjunction with the Enforcement division, examine appropriateness of existing penalties in statute and regulation and determine if there is a need for changes
3.3 Develop and Implement Regulatory Proposal to Formalize Experience Requirement Criteria (E)	June 2017	In conjunction with the Licensing division, clarify the accepted verifiable experience requirements necessary for licensure to help ensure that qualified applicants are able to test for a license
3.4 Further Define Examination Waiver Criteria (I)	May 2018	In conjunction with the Licensing division, thoroughly review statutory waiver authority and develop regulations to clarify examination waiver criteria, possibly including methods to prevent fraudulent submissions (see Objective 1.5)
3.5 Review Home Improvement Contract Provisions (I)	June 2018	Identify ways to simplify and improve clarity of provisions in Business and Professions Code section 7159
3.6 Increase Fees (E)	July 2018	Increase statutory authority and limits; follow-up with regulations for future increases within statutory limits



Public Affairs Objectives

ITEM	TARGET	DESCRIPTION
4.1 Develop Solar Outreach Material (I)	March 2017	Create CSLB website page to link consumers to most reliable solar-related information, supplemented by newly created CSLB material
4.2 Complete Flagship Consumer Publication (E)	July 2017	Update of <i>What You Should Know Before You Hire a Licensed Contractor</i> booklet
4.3 Complete Flagship Contractor Publication – for Journeymen/ Applicants (E)	October 2017	Update and redesign of <i>Blueprint for Becoming a California Licensed Contractor</i> targeted toward journeymen, applicants, and licensees
4.4 Complete Flagship Contractor Publication – for Licensees (E)	December 2017	Creation of new publication targeted toward licensees
4.5 Develop New License Application Video (E)	December 2017	Update website video reviewing how to complete license application
4.6 Develop Orientation Videos for New Staff/Board Members (I)	June 2018	Produce series of videos to be used as part of efforts to introduce staff and Board members to CSLB (see Administrative Objective 6.3)
4.7 Develop Schedule for Opt-In, “Find a Contractor” Website Feature (E)	June 2018	Work with IT to develop a web-based feature that enables consumers to obtain a list of available licensed contractors in specific license classifications for specific geographic locations
4.8 Expand Consumer Scam Stopper Outreach Program (B)	June 2018	Look for opportunities to expand CSLB’s face-to-face outreach to groups other than seniors

Information Technology Objectives

ITEM	TARGET	DESCRIPTION
5.1 Implement ePayment Expansion to San Bernardino Office (E)	May 2017	Establish ePayment in San Bernardino after completion of building improvements
5.2 Upgrade Investigator Cell Phones and Acquire Tablets (I)	Cell Phones: December 2016 Tablets: December 2017	Provide investigators working in field with equipment that improves usability, increases their use of electronic documentation, and offers more effective access to information (may be affected by cell phone refresh date)
5.3 Conduct Needs Assessment (business requirements gathering) to Determine Requirements for New Licensing/Enforcement Computer System, Which Includes the Current Imaging and Workflow Automated System (IWAS) (I)	February 2018	Work with various CSLB units, including Cashiering, Testing, Licensing, and Enforcement to ensure current and future computer needs are met. Also, examine available solutions to replace system currently used to scan all incoming license-related paperwork into CSLB’s computer system



5.4 Implement Online Application for Home Improvement Salesperson (I)	June 2018	Create system to allow applicants to submit applications, registration renewals, and to associate-disassociate online (may be affected by Teale)
5.5 Implement Online ePayment System (E)	September 2018	Expand ePayment system, currently only available in CSLB offices, by allowing 16 payment types to be made online by credit card
5.6 Implement SCORE 2.0 Programming (E)	December 2018	Conduct cost benefit analysis to determine requirements for a new/upgraded exam development and administration system

Administration Objectives

ITEM	TARGET	DESCRIPTION
6.1 Develop Succession Planning, Mentoring, and Upward Mobility Program for Staff (E)	June 2017	Assess job requirements and skills of existing employees and seek to fill the gaps between needs and skills with targeted training and development activities
6.2 Assess/Enhance Security and Safety Procedures for All CSLB Facilities (I)	June 2017	Examine the security and safety of all CSLB facilities to identify and enhance areas that require improvements
6.3 Enhance Onboarding and Orientation Program for New Staff, Managers, and Board Members (I)	June 2018	Increase communication and foster cohesive mission-oriented work culture
6.4 Research and Implement a Special Investigator Classification Series (E)	June 2018	Examine feasibility of establishing new classification to improve recruitment and retention of Enforcement staff
6.5 Pursue Salary Differentials in Regions with Higher Living Costs (E)	June 2018	Define and pursue opportunities to pay competitive wages in high cost of living sections of the state to improve recruitment and reduce employee vacancies in these areas
6.6 Determine Requirements and Procure Equipment for Full Service Broadcast Studio (I)	June 2018	In conjunction with Public Affairs Office, identify and purchase necessary equipment needed for video/audio production (timing is dependent on CSLB Headquarters building lease negotiations)

ATTACHMENTS

CSLB Brochure “Contracting for Success”





Contracting for Success

A CONTRACTOR'S GUIDE TO
HOME IMPROVEMENT CONTRACTS





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NOTE: This booklet contains legal guidelines for “home improvement” and “service and repair” contracts. It does not contain definitive statements of the law or a precise copy of a legal contract. If you have questions about the application of the law for specific situations, you should contact an attorney who is familiar with the construction business.

Dear Contractor,

A contract is one of the most important tools you have to help you have a successful business. A well written contract can help open the lines of communication between you and your client. A badly written contract can quickly lead to miscommunication and misunderstandings; problems that could land you in court or under investigation by the Contractors State License Board (CSLB).

Contracting for Success was written to help you understand the different elements that are required to be in all home improvement contracts. It also explains the state requirements for Service and Repair contracts. Please review this booklet closely and make sure your contracts follow California law. We also encourage you to use the other materials available to you for free on the CSLB website: www.cslb.ca.gov.

The CSLB hopes that by making this information available, we can help you strengthen your management and service skills. Please help us by doing your part to protect California consumers.

Sincerely,

CONTRACTORS STATE LICENSE BOARD

CONTRACTS – THE GROUND RULES

There are several basic elements that all Home Improvement Contracts must legally contain:

- > A home improvement contract and any changes to the contract must be in writing and signed by all parties. The writing must be legible and printed forms must be readable.
- > Before any work is started, the contractor must give the buyer a copy of the contract signed and dated by both the contractor and the buyer.
- > Unless a larger typeface is specified in the law (*Business and Professions Code 7159*), text in any printed form shall be in at least 10-point typeface and the headings shall be in at least 10-point boldface type. (Example of 10-point bold)
- > Except for a down payment, a contractor can't demand or accept payment for work or materials until the work is actually done or the materials are delivered. The down payment may not exceed \$1,000 or 10 percent of the contract amount, whichever is less.
- > If the contract includes a salesperson's commission in the contract price, the payment to the salesperson shall be made on a pro rata basis in proportion to the schedule of payments made to the contractor.
- > The contract must also contain the name and registration number of the salesperson.

[A] NUTS AND BOLT - PUTTING THE CONTRACT TOGETHER

Contracts can vary according to personal and business needs. California law (*Civil Code: 1689.7*) does require the following elements in all home improvement and swimming pool contracts. Service and Repair Contracts are different. (For details on those differences see page 20.)

[A.1] CONTRACTOR INFORMATION

The name, business address, and license number of the contractor. If applicable, the name and registration number of the home improvement salesperson that solicited or negotiated the contract.

Example:



1234 Address – Santa Sierra, CA 90000 – License # 12345 (Earthwork and Paving)

[A.2] IDENTIFY THE CONTRACT

Identify the type of contract in at least **10-point boldface type**: “Home Improvement”. (Also see “Service and Repair Contracts” on page 20.)

Example:

CONSTRUCTION CONTRACT (Home Improvement)

This Construction Contract entered into by and between EFG and...

[A.3] CONSUMER NOTIFICATION

Insert the following statement in at least **12-point boldface type**:

“You are entitled to a completely filled in copy of this agreement, signed by both you and the contractor, before any work may be started.”



[A] PUTTING THE CONTRACT TOGETHER *Continued*

[A.4] DESCRIBE WORK

“Description of the Project and Description of the Significant Materials to be Used and Equipment to be Installed”

This should be followed by a description of the project along with what materials will be used and what equipment will be installed. Swimming pools go further, requiring a plan and scale drawing showing the shape, size, dimensions, construction and equipment specifications. The more details that are included, the less chance there is for misunderstandings. (Get more details about putting together accurate work descriptions on the next page.)

Example:

Description of the Project and Description of the Significant Materials to be Used and Equipment to be Installed.

Contractor will furnish all labor, materials, equipment, supervision, and contract administration to complete in a good and workmanlike manner the following: Alterations to home of Owner, located at [address] (the “Project”), as described more fully in the drawings prepared by [design professional], Sheets 1-___, dated_____. By this reference, those drawings are incorporated in and made a part of this Contract. Contractor’s scope of work under this Contract does not include any of the following items:_____.

2. DESCRIPTION OF MATERIALS AND EQUIPMENT.

The materials and equipment to be used in the construction of the Project are described more fully in the specifications prepared by [designer name], dated _____. By this reference, those specifications are incorporated in and made part of this contract.





DESCRIPTION OF WORK TO BE DONE

(THE SIGN OF A WELL-BUILT CONTRACT)

The best way to avoid disputes over what is or isn't expected from a home improvement job is to write out the details in a contract.

The contract should be as specific as possible regarding all materials to be used, such as the quality, quantity, weight, color, size, or brand name as it may apply.

For example, the contract should say "Install oak kitchen cabinets, manufactured by Company XYZ, model 01381A, as per the plan," not just "Install kitchen cabinets."

DESCRIBING THE JOB – THE GOOD, THE BAD AND THE UGLY		
THE GOOD	THE BAD	THE UGLY
Install kitchen cabinets manufactured by Company XYZ, model ABC, per plan.	Install oak country style kitchen cabinets	Install kitchen cabinets
Paint indoor entry (per plan) using brand X paint, color ABC, two coats, with preparation described in next paragraph.	Prep and paint entryway with blue paint	Paint the entry
Install brand X kitchen faucet in style ABC and color BCS.	Kitchen faucet replaced if necessary	Replace kitchen fixtures

Swimming pool contracts must include a plan and scale drawing showing the shape, size dimensions, and construction and equipment specifications.

Make sure the contract includes everything that is agreed to, up to and including complete cleanup and removal of debris and materials, and special requests, like saving lumber for firewood or saving certain materials or appliances. Also, note any work that will be done by the homeowner.

[A] PUTTING THE CONTRACT TOGETHER *Continued*

[A.5] THE PRICE

Use the heading: **“CONTRACT PRICE”** followed by the amount of the contract in dollars and cents. If a finance charge will be charged, the heading: **“FINANCE CHARGE”** followed by the amount in dollars and cents. The finance charge must be separate from the contract amount. (The contract amount must include the entire cost of the contract, including profit, labor, and materials, but excluding finance charges.)

Example:

THE CONTRACT PRICE

Owner shall pay Contractor the fixed sum of \$_____ (the “Contract Price”) for the work to be performed under this Contract, subject to additions and deductions pursuant to change orders agreed upon in writing by the parties, and subject to “allowances” as provided in this Paragraph 3.

The Contract Price can include specific dollar amounts that are set aside for certain materials, finishes, fixtures, and other items that have not been selected or decided upon by the Owner. These allowances from the Contractor include all overhead and profit, plus all applicable sales taxes. If the final cost of any item covered by the allowance is more or less than the dollar amount listed, the Contract Price will be increased or decreased by a written change order from the Contractor.

[A.6] DOWN PAYMENT

If a down payment is charged, the details of the down payment shall be stated in the following form:

- (A) The heading: **“DOWN PAYMENT”**
- (B) A space where the actual down payment appears.
- (C) The following statement in at least **12-point boldface type**:

“THE DOWN PAYMENT MAY NOT EXCEED \$1,000 OR 10 PERCENT OF THE CONTRACT PRICE, WHICHEVER IS LESS.”

[A.7] PROGRESS PAYMENTS

If any payments (other than the down payment) are required before the project is completed, the details must be spelled out in the following format:

- (A) A schedule of progress payments shall be preceded by the heading: **“SCHEDULE OF PROGRESS PAYMENTS.”**

PROGRESS PAYMENT SCHEDULE WORKSHEET

This worksheet is to help you determine the progress payment schedule you will use in your Home Improvement Contract.

The information should be transferred to the actual contract.

Note: *This worksheet should NOT be included with the contract.*

1.	Total Contract Price		\$	_____
2.	Down Payment (10 percent or \$1,000, whichever is less)	-	\$	_____
3.	Amount Remaining to be Billed to Customer (Subtract Line #2 from Line #1 above)	=	\$	<input style="width: 100px; height: 40px;" type="text"/>

Remember: *Except for the original down payment (Line #2 above), it is against the law for you to get paid before you do the work, or for materials before they have been delivered.*

In the left column below list the work or services that you will perform for a particular phase of the project. In the right column show the amount of money the customer should pay you when that portion of the project is complete.

	Work or Service Performed		Amount Due on Completion
4.	_____		\$ _____
5.	_____	+	\$ _____
6.	_____	+	\$ _____
7.	_____	+	\$ _____
8.	_____	+	\$ _____
9.	_____	+	\$ _____
10.	_____	+	\$ _____
11.	Amount of Progress Payments (This should equal the figure in Line #3 above)	=	\$ <input style="width: 100px; height: 40px;" type="text"/>

(B) Each progress payment shall be stated in dollars and cents and specifically reference the amount of work or services to be performed and any materials and equipment to be supplied.

(C) The section of the contract reserved for the progress payments shall include the following statement in at least **12-point boldface type**

"The schedule of progress payments must specifically describe each phase of work, including the type and amount of work or services scheduled to be supplied in each phase, along with the amount of each proposed progress payment. IT IS AGAINST THE LAW FOR A CONTRACTOR TO COLLECT PAYMENT FOR WORK NOT YET COMPLETED, OR FOR MATERIALS NOT YET DELIVERED. HOWEVER, A CONTRACTOR MAY REQUIRE A DOWN PAYMENT." (12-point bold)

[A.8] THE WORK TIME FRAME

The contract should describe the work schedule in the following form:

- A statement that describes what the “start of work” consists of, a heading of **"APPROXIMATE START DATE"** and the approximate date when the work will start.
- Under the heading: **"APPROXIMATE COMPLETION DATE"**, put in approximate date of completion.

Example:

START AND COMPLETION OF WORK

The work to be performed under this Contract shall be commenced on approximately [date], as long as any required building permits are received and any agreed upon funds are paid to Contractor. The Project shall be completed by approximately [date], subject to permissible delays as defined in this contract.

[A.9] CONSUMER NOTICES

"LIST OF DOCUMENTS TO BE INCORPORATED INTO THE CONTRACT"

Use this statement followed by the list of papers if additional documents need to be added into the contract.

[A] PUTTING THE CONTRACT TOGETHER *Continued*

[A.9] CONSUMER NOTICES *Continued*

Insert: “Note about Extra Work and Change Orders”
followed by the following statement:

“Extra Work and Change Orders become part of the contract once the order is prepared in writing and signed by the parties prior to the commencement of any work covered by the new change order. The order must describe the scope of the extra work or change, the cost to be added or subtracted from the contract, and the effect the order will have on the schedule of progress payments.”

ADDITIONAL CONSUMER NOTICES

All of the following notices must be provided to consumers in the contract or, in some cases they can be added as an attachment if the law allows.

- > *Commercial General Liability Insurance*
- > *Workers’ Compensation Insurance*
- > *Performance of Extra or Change-order Work Notice*
- > *Mechanics’ Lien Warning*
- > *Contractors Board Notice*

CANCELLATION NOTICE

More information about these notices and how they should be presented is outlined in pages 15-18.

[A.10] THE BOTTOM LINE

Places for signatures of contractor, salespersons and representatives, consumers, along with today’s date.

EFG CONSTRUCTION, INC.

PROPERTY OWNER

DATED: _____

DATED: _____

By: _____

Arnold W. Mason, President or Salesperson

Owner’s Name

Registration#

NOTE: You can get sample contracts from trade associations, off the Web, and through other legal publications. It is always advisable to have an attorney or legal expert check out your contracts to make sure they are accurate and up-to-date. There have been a number of recent changes in contract law that could affect the validity of older forms.



1234 Address – Santa Sierra, CA 90000 – License # 12345 (Earthwork and Paving)

CONSTRUCTION CONTRACT (Home Improvement)

This Construction Contract ("Contract") is entered into by and between EFG Construction, Inc. ("Contractor") and _____ ("Owner"), whose residence address is _____, and whose project address is _____.

"You are entitled to a completely filled in copy of this agreement, signed by both you and the contractor, before any work may be started."

1. DESCRIPTION OF WORK.
2. DESCRIPTION OF MATERIALS AND EQUIPMENT.
3. THE CONTRACT PRICE. Gue elis eu feum ing elis nim vulluptat
4. PAYMENT SCHEDULE. El et eu feugait utatetum dolore consequat. Ut ulla consed dolor inciduisim aut iustisseniam nonum zzrilit vel ute magnissi exeraes tisis: \$_____ upon signing this Contract;
5. START AND COMPLETION OF WORK. Put wissequis doloborem nosto consequat
6. PERMITS AND TESTS. Vulputat praestie velenibh euissim volorpe rcilit ver irillum volor
8. PERMISSIBLE DELAYS. Facinci liquisl essim dolorpe raesse faciduisi
9. EXTRA WORK. Exerat nonse ero commy numsandre molor accum et am do cor
10. RELEASE OF MECHANICS' LIENS. Sum quipit veros ent in ullam, consequam veril
11. ATTORNEY'S FEES. quis dolore dolobore feugiat incil init alit iliquam consed moluptat ipit erat, quat, core tis enisisi smolobore mincilis at la commy nim dit lut.
12. CONTRACTORS REQUIRED TO BE LICENSED. Irit acidunt eugait acilis accum dui tion
13. COMPLETE AGREEMENT. Ure tis nullamet, commy niscidunt praestie veniat
14. OWNER'S RIGHT OF CANCELLATION. Ut ulla consed dolor inciduisim aut iustisseniam nonum zzrilit vel ute magnissi exeraes tisis ad tet, sim quis duipis acipit nit accum velit augiat

EFG CONSTRUCTION, INC.

PROPERTY OWNER

DATED: _____

DATED: _____

By: _____
Arnold W. Mason, President or Salesperson

Owner's Name

Registration#

[B] NOTIFICATION AND DISCLOSURE STATEMENTS

Home improvement and swimming pool contracts in California are required to have a number of notices for consumers. Some of these notices must be in the main body of the contract and others may be attached as a separate piece of paper.

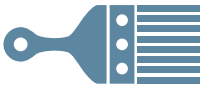
Service and Repair contracts are slightly different. See page 20 for details about notifications in Service and Repair contracts.

The following is a list of notifications and how they should be presented.

[B.1] EXTRA WORK AND CHANGE ORDERS

On the contract insert the heading: **“NOTE ABOUT EXTRA WORK AND CHANGE ORDERS,”** followed by the following statement:

“Extra Work and Change Orders become part of the contract once the order is prepared in writing and signed by the parties prior to the commencement of any work covered by the new change order. The order must describe the scope of the extra work or change, the cost to be added or subtracted from the contract, and the effect the order will have on the schedule of progress payments.”



CHANGE ORDERS

Disputes frequently arise over “changes” or “extras”. First of all, in order to determine if something is extra or outside the scope of the original agreement, contractors must see what the original contract says. If the original agreement is well defined, it will be easier to determine if something is extra.

Change orders are required to perform extra or changed work. Change order forms become a part of the contract once the contractor and the homeowner sign them. The order must describe the scope of the extra work or change, the cost to be added or subtracted from the contract, and the effect the order will have on the schedule of progress payments. Change orders can also be written for the removal of items from the original agreement. All change orders must be in writing.

[B.2] COMMERCIAL GENERAL LIABILITY INSURANCE

This notice may be provided as an attachment to the contract if the contract includes the following statement: “A notice concerning commercial general liability insurance is attached to this contract.”

The notice shall include the heading: **“COMMERCIAL GENERAL LIABILITY INSURANCE (CGL)”** followed by whichever of the following statements is correct:

- (A) “(The name on the license or ‘This contractor’) does not carry commercial general liability insurance.”
 - (B) “(The name on the license or ‘This contractor’) carries commercial general liability insurance written by (the insurance company). You may call the (insurance company) at _____ to check the contractor’s insurance coverage.”
 - (C) “(The name on the license or ‘This contractor’) is self-insured.”
-

[B.3] WORKERS’ COMPENSATION INSURANCE.

This notice may be provided as an attachment to the contract if the contract includes the statement: **“A NOTICE CONCERNING WORKERS’ COMPENSATION INSURANCE IS ATTACHED TO THIS CONTRACT.”**

The notice shall include the heading: **“WORKERS’ COMPENSATION INSURANCE”** followed by whichever of the following statements is correct:

- (A) “(The name on the license or ‘This contractor’) has no employees and is exempt from workers’ compensation requirements.”
 - (B) “(The name on the license or ‘This contractor’) carries workers’ compensation insurance for all employees.”
-

[B.4] PERFORMANCE OF EXTRA OR CHANGE-ORDER WORK NOTICE

- (A) A statement telling the buyer that a contractor is not required to perform additional work or changes without written approval in a “Change Order” before any of the new work is started.
 - (B) A statement informing the buyer that extra work or a change order is not enforceable against a buyer unless the change order also identifies all of the following in writing prior to the commencement of any work covered by the new change order:
 - (i) The scope of work encompassed by the order.
 - (ii) The amount to be added or subtracted from the contract.
 - (iii) The effect the order will make in the progress payments or the completion date.
-

[B] NOTIFICATION AND DISCLOSURE STATEMENTS *Continued*

[B.4] PERFORMANCE OF EXTRA OR CHANGE-ORDER WORK NOTICE *Continued*

(C) A statement informing the buyer that the contractor's failure to comply with the requirements of this paragraph does not preclude the recovery of compensation for work performed based upon legal or equitable remedies designed to prevent unjust enrichment.

[B.5] MECHANICS' LIEN WARNING

All contracts must contain the following statement and heading:

"MECHANICS LIEN WARNING:"

"Anyone who helps improve your property, but who is not paid, may record what is called a mechanics' lien on your property. A mechanics' lien is a claim, like a mortgage or home equity loan, made against your property and recorded with the county recorder.

Even if you pay your contractor in full, unpaid subcontractors, suppliers, and laborers who helped to improve your property may record mechanics' liens and sue you in court to foreclose the lien. If a court finds the lien is valid, you could be forced to pay twice or have a court officer sell your home to pay the lien. Liens can also affect your credit.

To preserve their right to record a lien, each subcontractor and material supplier must provide you with a document called a '20-day Preliminary Notice.' This notice is not a lien. The purpose of the notice is to let you know that the person who sends you the notice has the right to record a lien on your property if he or she is not paid.

BE CAREFUL. The Preliminary Notice can be sent up to 20 days after the subcontractor starts work or the supplier provides material. This can be a big problem if you pay your contractor before you have received the Preliminary Notices. You will not get Preliminary Notices from your prime contractor or from laborers who work on your project. The law assumes that you already know they are improving your property.

PROTECT YOURSELF FROM LIENS. You can protect yourself from liens by getting a list from your contractor of all the

subcontractors and material suppliers that work on your project. Find out from your contractor when these subcontractors started work and when these suppliers delivered goods or materials. Then wait 20 days, paying attention to the Preliminary Notices you receive.

PAY WITH JOINT CHECKS. One way to protect yourself is to pay with a joint check. When your contractor tells you it is time to pay for the work of a subcontractor or supplier who has provided you with a Preliminary Notice, write a joint check payable to both the contractor and the subcontractor or material supplier.

For other ways to prevent liens, visit CSLB's website at www.cslb.ca.gov or call CSLB at 1-800-321-CSLB (2752).

Remember, if you do nothing, you risk having a lien placed on your home. This can mean that you may have to pay twice, or face the forced sale of your home to pay what you owe."

[B.6] CONTRACTORS BOARD NOTICE

The following notice shall be included in at least 12-point typeface under the heading:

**"INFORMATION ABOUT THE CONTRACTORS
STATE LICENSE BOARD (CSLB)"**

"CSLB is the state consumer protection agency that licenses and regulates construction contractors. Contact CSLB for information about the licensed contractor you are considering, including information about disclosable complaints, disciplinary actions and civil judgments that are reported to CSLB. Use only licensed contractors. If you file a complaint against a licensed contractor within the legal deadline (usually four years), CSLB has authority to investigate the complaint. If you use an unlicensed contractor, CSLB may not be able to help you resolve your complaint. Your only remedy may be in civil court, and you may be liable for damages arising out of any injuries to the unlicensed contractor or the unlicensed contractor's employees.

For more information:

VISIT CSLB's website at www.cslb.ca.gov

CALL CSLB at 1-800-321-CSLB (2752)

WRITE CSLB at P.O. Box 26000, Sacramento, CA 95826"

[B.7] “THREE-DAY RIGHT TO CANCEL

A “Three-Day Right to Cancel,” notice must be provided to the buyer unless the contract is: negotiated at the contractor’s place of business, subject to the “Seven-Day Right to Cancel,” or subject to licensure under the Alarm Company Act, or is a Service and Repair Contract. This notice should be in **12-point boldface type**. There should be a place near the notice for the consumers signature. It should be written in the same language (e.g., Spanish) that was used in any oral sales presentation.



“THREE-DAY” RIGHT TO CANCEL

“You, the buyer, have the right to cancel this contract within three business days. You may cancel by e-mailing, mailing, faxing, or delivering a written notice to the contractor at the contractor’s place of business by midnight of the third business day after you received a signed and dated copy of the contract that includes this notice. Include your name, your address, and the date you received the signed copy of the contract and this notice.

If you cancel, the contractor must return to you anything you paid within 10 days of receiving the notice of cancellation. For your part, you must make available to the contractor at your residence, in substantially as good condition as you received it, any goods delivered to you under this contract or sale. Or, you may, if you wish, comply with the contractor’s instructions on how to return the goods at the contractor’s expense and risk. If you do make the goods available to the contractor and the contractor does not pick them up within 20 days of the date of your notice of cancellation, you may keep them without any further obligation. If you fail to make the goods available to the contractor, or if you agree to return the goods to the contractor and fail to do so, then you remain liable for performance of all obligations under the contract.”

The notice may be attached to the contract if the contract includes, in at least **12-point boldface type**, a check box with the following statement:

“The law requires that the contractor give you a notice explaining your right to cancel. Initial the check box if the contractor has given you a ‘Notice of the Three-Day Right to Cancel.’”

The notice shall be accompanied by a completed form in duplicate, captioned “Notice of Cancellation,” which shall also be attached to the agreement or offer to purchase and be easily detachable, and which shall contain the following statement written in the same language, e.g., Spanish, as used in the contract on the next page.

NOTICE OF RIGHT TO CANCEL

Notice of Cancellation

(Enter date of transaction)

You may cancel this transaction, without any penalty or obligation, within three business days from the above date.

If you cancel, any property traded in, any payments made by you under the contract or sale, and any negotiable instrument executed by you will be returned within 10 days following receipt by the seller of your cancellation notice, and any security interest arising out of the transaction will be canceled.

If you cancel, you must make available to the seller at your residence, in substantially as good condition as when received, any goods delivered to you under this contract or sale, or you may, if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's expense and risk.

If you do make the goods available to the seller and the seller does not pick them up within 20 days of the date of your notice of cancellation, you may retain or dispose of the goods without any further obligation.

If you fail to make the goods available to the seller, or if you agree to return the goods to the seller and fail to do so, then you remain liable for performance of all obligations under the contract.

To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice, or any other written notice, or send a telegram to:

(Name of seller)

at _____
(Address of seller's place of business)

not later than midnight of _____
(Date)

I hereby cancel this transaction _____
(Date)

(Buyer's signature)

[B.8] “SEVEN-DAY RIGHT TO CANCEL”

This notice is to be provided to the buyer for any contract that is written for the repair or restoration of residential premises damaged by any sudden or catastrophic event for which a state of emergency has been declared by the President of the United States or the Governor, or for which a local emergency has been declared by the executive officer or governing body of any city, county, or city and county:



“SEVEN-DAY RIGHT TO CANCEL

You, the buyer, have the right to cancel this contract within seven business days. You may cancel by e-mailing, mailing, faxing, or delivering a written notice to the contractor at the contractor’s place of business by midnight of the seventh business day after you received a signed and dated copy of the contract that includes this notice. Include your name, your address, and the date you received the signed copy of the contract and this notice.

If you cancel, the contractor must return to you anything you paid within 10 days of receiving the notice of cancellation. For your part, you must make available to the contractor at your residence, in substantially as good condition as you received it, any goods delivered to you under this contract or sale. Or, you may, if you wish, comply with the contractor’s instructions on how to return the goods at the contractor’s expense and risk. If you do make the goods available to the contractor and the contractor does not pick them up within 20 days of the date of your notice of cancellation, you may keep them without any further obligation. If you fail to make the goods available to the contractor, or if you agree to return the goods to the contractor and fail to do so, then you remain liable for performance of all obligations under the contract.”

The “Seven-Day Right to Cancel” notice must have text that is at least **12-point boldface type**, in immediate area next to consumer’s signature, is in the same language, that was used in sales presentation.

The notice may be attached to the contract if the contract includes, in at least **12-point boldface type**, a check box with the following statement:

- “The law requires that the contractor give you a notice explaining your right to cancel. Initial the check box if the contractor has given you a ‘Notice of the Seven-Day Right to Cancel.’”**

The notice shall be accompanied by a completed form in duplicate, captioned “Notice of Cancellation,” which shall also be attached to the agreement or offer to purchase and be easily detachable, and which shall contain the following statement written in the same language, e.g., Spanish, as used in the contract on the next page.

NOTICE OF RIGHT TO CANCEL

Notice of Cancellation

(Enter date of transaction)

You may cancel this transaction, without any penalty or obligation, within seven business days from the above date.

If you cancel, any property traded in, any payments made by you under the contract or sale, and any negotiable instrument executed by you will be returned within 10 days following receipt by the seller of your cancellation notice, and any security interest arising out of the transaction will be canceled.

If you cancel, you must make available to the seller at your residence, in substantially as good condition as when received, any goods delivered to you under this contract or sale, or you may, if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's expense and risk.

If you do make the goods available to the seller and the seller does not pick them up within 20 days of the date of your notice of cancellation, you may retain or dispose of the goods without any further obligation. If you fail to make the goods available to the seller, or if you agree to return the goods to the seller and fail to do so, then you remain liable for performance of all obligations under the contract.

To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice, or any other written notice, or send a telegram

to _____,
(Name of seller)

at _____ not later than midnight of _____.
(Address of seller's place of business) (Date)

I hereby cancel this transaction. _____
(Buyer's signature) (Date)

More information about notifications and contracts is available in section 7159 and 7159.5 of the business and professions code.



NATURAL DISASTERS

Any person who schemes to defraud an owner or tenant of a by offering repairs to damage caused by a natural disaster, can be ordered to make full restitution to the victim (*Section 1203.1b of the Penal Code*) Plus they can face jail time and fines ranging from \$500 to more than \$25,000 This law applies to natural disasters where a state of emergency is proclaimed by the Governor or President of the United States.

COMMON PROBLEMS WITH HOME IMPROVEMENT CONTRACTS



1. Notice regarding CSLB Registrar's address is missing
2. Excessive down payment requested or received
3. Equipment to be used or installed is not detailed, and materials to be used not described specifically enough
4. Notice to owner regarding liens is not included
5. Job to be completed is not clearly stated and described
6. "Right to Cancel" notice missing
7. Bid not figured out carefully and/or completely
8. Change Orders are not included
9. Old notices used with old addresses and noncompliant language
10. Start and Finish dates are not included
11. Home Improvement Salesperson's Registration Number is missing
12. Failure to get required building permits
13. No Payment Schedule



[C] SERVICE AND REPAIR CONTRACTS

Service and Repair Contracts are limited and apply only when all four of the following criteria below are met:

1. The contract amount is seven hundred fifty dollars (\$750) or less;
2. The buyer must have initiated contact with the contractor to request the work;
3. The contractor does not sell the buyer goods or services beyond those reasonably necessary to take care of the particular problem that caused the buyer to contact the contractor; and
4. No payment is due until the work is completed

Any residential remodeling contract that does not fit within all four of the above mentioned items must be written as a Home Improvement or Swimming Pool Contract.

One significant difference between Service and Repair Contracts and others is the Three-Day cancellation notice. Before January 1, 2006, when a consumer wanted immediate/emergency services he/she needed to sign a waiver of the Three-Day cancellation notice.

When a contract falls within the Service and Repair parameters, then the right to cancel ends when contractor provides a fully signed contract complying with the law, and starts work.

[C] SERVICE AND REPAIR CONTRACTS *Continued*

[C.1] THE FINE PRINT

Service and Repair Contracts have many of the same elements as the standard Home Improvement Contracts. Some of the differences are listed below. (*Business and Professions Code 7159.10*)

[C.1a] REPLACEMENT PARTS

The heading: **“The law requires that the contractor offer the consumer any parts that were replaced during the service call. If they do not want the parts, they initial the check box labeled ‘OK for contractor to take replaced parts.’”**

[C.1b] SERVICE CHARGES

If a service charge is charged, the heading **“AMOUNT OF SERVICE CHARGE”** followed by the service charge, and the statement

“You may be charged only one service charge, including any trip charge or inspection fee”.

[C.1c] RIGHT TO CANCEL

The contractor lets the consumer know that the right to cancel, expires when the contract is signed and work starts. The contract, or an attachment to the contract must include, in immediate proximity to the space reserved for the buyer’s signature, the following statement, in a size equal at least to 12-point boldface type (**12-point bold**), which shall be dated and signed by the buyer:

“YOUR RIGHTS TO CANCEL BEFORE WORK BEGINS

(A) You, the buyer, have the right to cancel this contract until:

- 1. You receive a copy of this contract signed and dated by you and the contractor; and**
- 2. The contractor starts work.**

Alarm company operators fall under different rules. See *Civil Code Chapter 11.6 (commencing with Section 7590), provided the person complies with Sections 1689.5, 1689.6, and 1689.7 of the Civil Code, as applicable.*

[D] RESOURCES

[D.1] CSLB WEBSITE

The CSLB website, www.cslb.ca.gov, provides a wealth of information and services, including:

- The status of a contractor's license
- The status of a license application
- Licensing and exam information
- How to file a complaint
- Information for disaster victims
- Forms and applications for contractors and consumers
- CSLB office locations
- CSLB publications and pamphlets
- *"California Contractors License Law and Reference Book"*
- New topics, new laws, pending legislation

Also, search engines available online are an excellent resource for construction related information, including online bookstores for contractors.

[D.2] CSLB HEADQUARTERS CONTACT INFORMATION

Mailing Address:

P.O. Box 26000,
Sacramento CA 95826-0026

Street Address:

9821 Business Park Drive,
Sacramento CA 95827-1703

Licensing Fax:

(916) 366-9130

[D.3] TRADE ASSOCIATIONS

Printed standard forms of agreements used in the industry are available from Contractor associations (i.e., *Associated General Contractors*), Associations for specialized trades (i.e., *California Landscape Contractors Association*); and Builders' Exchanges.

[D] RESOURCES *Continued*

[D.4] STATIONERY & BOOK STORES

Printed standard forms are also available from various stationery and contractors' book stores. When purchasing or obtaining a standard form, you should carefully check it to make sure it contains all the current legal requirements.

[D.5] LEGAL ASSISTANCE

A continuing relationship with an attorney familiar with the construction business is helpful. It is a good idea to have an attorney check arrangements for individual jobs which might not quite fit a standard form.

The CSLB cannot and does not give legal advice as to how the courts or an arbitrator would regard a specific matter. CSLB staff can only provide information about how the CSLB interprets the law for its own purposes. For example, the CSLB staff can give an interpretation on whether a particular action by a contractor would constitute a violation that might lead to action by the CSLB. Any other questions should be researched through other sources.

[D.6] AUTOMATED PHONE RESPONSE SYSTEM (APRS)

The Automated Phone Response System (APRS) is an automated, toll-free number, 1-800-321-CSLB (2752), for obtaining information, forms, publications and other valuable assistance pertaining to contracting and the Contractors State License Board.



www.cslb.ca.gov





CONTRACTORS STATE LICENSE BOARD

P.O. Box 26000
Sacramento, CA 95826-0026
1-800-321-CSLB (2752)
www.cslb.ca.gov

ATTACHMENTS

CSLB Brochure “Terms of Agreement”



Example Contract

Terms of Agreement

A CONSUMER GUIDE TO HOME IMPROVEMENT CONTRACTS

XYZ CONSTRUCTION, INC.

1234 Address – Santa Sierra, CA 90000 – License #012345 (C-12 Earthwork and Paving)

CONSTRUCTION CONTRACT (Home Improvement)

This Construction Contract ("Contract") is entered into by and between XYZ Construction, Inc. ("Contractor") and _____ ("Owner"), whose residence address is _____, and project address is _____.

1. DESCRIPTION OF WORK (Full detail of project)
2. DESCRIPTION OF MATERIALS AND EQUIPMENT (Include raw material descriptions, quantities, etc., and equipment or appliances)
3. CONTRACT PRICE (Detailed breakdown of all costs and compensation)
4. PAYMENT SCHEDULE (Identifies payments to be made at specific segments or intervals of the project)
5. START AND COMPLETION OF WORK (Identifies start and end dates)
6. PERMITS AND TESTS (States who will pull building department permits and/or schedule operational tests)
7. PERMISSIBLE DELAYS (Identifies potential delays that are acceptable)
8. EXTRA WORK (Additional work requires change orders that must be written and signed by all parties.)
9. NOTICE OF MECHANICS LIEN
10. RELEASE OF MECHANICS LIENS (Conditional and unconditional release forms available on CSLB website)
11. ATTORNEY FEES (Outlines expectations in the event of a dispute)
12. CONTRACTORS REQUIRED TO BE LICENSED (Identifies state law requirement for contracting)
13. COMPLETE AGREEMENT (Describes the overall contract obligations of each party)
14. OWNER'S RIGHT OF CANCELLATION (Explains parameters of cancelling the contract)

By:

Arnold W. Mason, President
XYZ CONSTRUCTION, INC.

[Property Owner's Name]

DATED: _____ DATED: _____

CONTRACTORS STATE
LICENSE BOARD

California Department of Consumer Affairs



In California, the terms of all home improvement projects over \$500 (combined material and labor costs) must be in a contract and include specific information about your consumer rights and responsibilities.

What is “Home Improvement?”

“Home improvement” essentially is any change you make to the interior or exterior of your residence or property. It includes:

“...the repairing, remodeling, altering, converting, or modernizing of, or adding to, real or residential property and shall include, but not be limited to, the construction, erection, replacement, or improvement of driveways, swimming pools, including spas and hot tubs, terraces, patios, awnings, storm windows, landscaping, fences, porches, garages, fallout shelters, basements, and other improvements of the structures or land which is adjacent to a dwelling house. Home improvement shall also mean the installation of home improvement goods or the furnishing of home improvement services. (*Business and Professions Code section 7151*)

What is a Home Improvement Contract and When Do I Need One?

A home improvement contract is an agreement between a contractor and a property owner or between a contractor and a tenant, and includes in its description all labor, services, and materials to be furnished and performed. A home improvement contract also can mean an agreement between a salesperson (home improvement salesperson) and property/home owner or tenant. (*Business and Professions Code section 7151.2*)

This contract is the most important communication tool between you and your contractor; it should identify all project expectations to help avoid misunderstandings.

A thorough contract details who will do the work, what materials will be used, where the work will be done, when it will be done, and how much it will cost.

Your home improvement contract always should be **in writing**, legible, easy to understand, and inform you of the right to cancel or rescind the contract. If you are promised something verbally, make sure that it also is included in writing. Any changes to the contract need to be in writing, as well. These “change orders” should be kept with your other project paperwork.

Anatomy of a Contract

A contract should contain all project details agreed upon by you and your contractor. Among the details should be a description of the work, price, payment schedule, who will pull necessary building department permits, and when the job will begin and end. The contractor’s state license number, address, and phone number(s) also should be listed.



DON’T SIGN ANYTHING UNTIL YOU UNDERSTAND THE CONTRACT AND AGREE TO THE TERMS.

The Sign of a Well-Built Contract – Describe Everything

The best way to avoid disputes over what is or isn’t expected from a home improvement job is to include all of the details into a written, signed contract.

The contract should be as specific as possible regarding all materials to be used, such as the style, brand, model, quality, quantity, weight, color, size, or any other description that may apply.

For example: “Install upper and lower maple kitchen cabinets, manufactured by Company XYZ, model 01381A, style/color 0123, hinge and hardware selection, as per the plan dimensions and diagram,” not just “install kitchen cabinets.”

WILL YOUR PROJECT DESCRIPTION GIVE YOU THE RIGHT RESULTS?

GOOD EXPECTATIONS	TROUBLE AHEAD	GOOD LUCK
Install xx (quantity) Company XYZ upper/lower maple kitchen cabinets, model ABC, style/color 0123, European hinges, hardware model 1000, per plan dimensions and diagram.	Install maple kitchen cabinets.	Install some cabinets.
Paint indoor entry (per plan) using Brand X paint, color 567, two coats, with preparation and taping described in next paragraph.	Prep and paint entryway with blue paint.	Paint the entry.
Install Brand X kitchen faucet in style ABC and color BCS.	Replace kitchen faucet, if necessary.	Replace kitchen fixtures.

Swimming pool contracts must include a plan and scale drawing showing the shape, size/dimensions, and construction and equipment specifications.

Make sure the contract includes everything that is agreed to, up to and including complete cleanup and removal of debris and materials, and special requests like saving lumber for firewood or saving certain materials or appliances.

Complaints and Warranties

If the contractor offers a warranty for labor and/or materials, be sure to get that in writing. It should specify which parts of the work are covered and the duration of the warranty. You also should request any written warranties offered by the manufacturers of materials or appliances that are installed by the contractor. Consumers have four (4) years to file a complaint with the Contractors State License Board (CSLB) about a faulty project. That deadline can be extended if additional warranties are written into the contract.

Money – The Bottom Line

Price – All contracts must include the agreed-to price. Any job costing \$500 or more (combined material and labor) needs a written home improvement contract. By law, the job must be completed for the agreed-upon contract price.

If the contract price needs to be changed, it **MUST** be done with a written change order that becomes a part of the contract.

Down Payment – If the contract calls for a down payment before work starts, the down payment cannot be more than \$1,000 or 10 percent of the contract price, whichever is less, for a home improvement job or swimming pool, excluding finance charges. **There are no exceptions for special order materials.** There is a down payment exception for about two dozen licensees who carry special bonds to protect consumers, known as blanket performance and payment bonds. These exceptions are noted on CSLB’s website.

Schedule of Payments – A home improvement contract must include a payment schedule. It should show the amount of each payment and explain what work, materials or services are to be performed for that particular payment. Payments to the contractor cannot exceed the value of the performed work.

Swimming Pools – A final swimming pool contract payment may be made at the completion of the final plastering phase of construction (provided that any installation of equipment, decking, or fencing required by the contract also is completed).

Finance Charges – If applicable, finance charges must be calculated and laid out in detail, separate from the contract amount.

Sales Commission – If the contract provides for payment of a salesperson’s commission as part of the contract price, that payment must be made on a pro rata basis in proportion to the schedule of payments made to the contractor.

Salespersons – A salesperson cannot legally sign a home improvement contract for the contractor unless he or she is a valid, CSLB-registered home improvement salesperson (HIS).

Mechanics Liens

Consumers are required to receive a “Notice to Owner” warning about property liens. Anyone who helps improve property, but is not paid, may place what is called a mechanics lien on the property. A mechanics lien is a claim made against the property by the person who was not paid, and is recorded with the county.

Even if the contractor is paid in full, unpaid subcontractors, suppliers, and laborers involved in the project may record a mechanics lien and sue the property owner in court to foreclose the lien. A property owner could be forced to pay twice or have the court sell the home to pay the lien. Liens also can affect a consumer’s personal credit rating, and affect his or her ability to borrow and refinance.

Consumers can protect themselves from liens by getting a list from the contractor of all subcontractors and material suppliers who will work on the project, along with the dates they will start and finish the work. Material suppliers and subcontractors are required to give the property owner a “Preliminary Notice” of their right to file a lien within 20 days of delivering products/materials or 20 days of beginning the work. Have subcontractors sign lien releases when their portion of the work is completed.

Another option for consumers is to pay with a joint check that is payable to both the contractor and the subcontractor or material supplier.



For more information on this subject, go to www.cslb.ca.gov and search for “mechanics liens.”

Canceling the Contract

Three-Day Right to Cancel

The Home Solicitation Sales Act requires a seller of home goods or services to give the buyer **three (3) business days** to think about whether to buy the offered goods or services.

To cancel, the buyer need only give the contractor written notice of his or her intent *not* to be bound by the contract—there is no penalty or obligation on the part of the buyer. Under state law, when the contract is canceled, the seller is required to return any money that was paid within 10 days of receiving the cancellation request. The consumer/buyer must return any materials to the contractor that were applied to the contract.

The purpose of the three-day right to cancel is to protect consumers from the pressure they often feel from in-home solicitors.

If the contract is negotiated at the contractor’s place of business, the three-day right to cancel does not apply.

The Contract Exception

Service and Repair Contracts

One major exception to the three-day right to cancel is a “service and repair” contract that covers emergency repairs or services that are **requested by the consumer** on short notice. The right to a three-day notice is automatically canceled the moment the contract is signed and the contractor begins working on a service and repair contract.

Building Permits

A construction or building permit is a required document in most jurisdictions for a large range of project types, including new construction or adding to pre-existing structures, major renovations, heating and air-conditioning repairs, and installation of water heaters and swimming pools. Permits are issued by the local building department. Generally, the new construction must be inspected during construction and after completion to ensure compliance with national, regional, and local building codes. Failure to obtain a permit can result in significant fines and penalties, and even demolition of unauthorized construction if it does not meet code requirements.

A Word About Insurance

Does your contractor have employees? Workers' compensation insurance is required by law if the contractor has employees or workers. Check the CSLB website, www.cslb.ca.gov or www.CheckTheLicenseFirst.com to make sure the workers' comp policy is current.

Although not required, it's also a good idea to ask whether the contractor carries general liability insurance in case your property accidentally is damaged during the project. You might consider contacting your homeowner insurance carrier to find out if it would be advisable to take out a temporary "rider" to your insurance policy, which is extended coverage for a determined period of time or for a particular use.



HOMEOWNER CHECKLIST

CHECK OUT YOUR CONTRACTOR

- Did you contact the Contractors State License Board (CSLB) to check the status of the contractor's license? Connect with CSLB at 800.321.CSLB (2752), www.cslb.ca.gov or www.CheckTheLicenseFirst.com.
- Did you get at least three local references from the contractors you are considering?
- Did you call the references and personally view the contractor's completed work?
- Does the contractor carry general liability insurance?

BUILDING PERMITS

- Does your contract state whether you or your contractor will pull necessary building permits before the work starts?
- Are the permit fees included in the contract price?

DOUBLE-CHECK THE CONTRACT

- Did you read and understand your contract?
- Does the three-day right to cancel a contract apply to you?
- Does the contract identify when work will begin and end?
- Does the contract include a detailed description of the work to be done, the materials to be used, and/or equipment to be installed?
- Are you required to make a down payment? (The down payment should never be more than 10 percent of the contract price or \$1,000, whichever is less, unless there is a valid blanket performance and payment bond on file with CSLB.)
- Is there a schedule of payments? (Only pay as work is completed, not before).
- Did your contractor give you a "Notice to Owner" warning notice that describes mechanics liens and how to prevent them?
- Do you have changes or additions to your contract? (Remember that all changes must be in writing and signed by both parties to avoid disagreements.)

NOTES



CONTRACTORS STATE LICENSE BOARD
P.O. Box 26000
Sacramento, CA 95826-0026
800.321.CSLB (2752)

www.cslb.ca.gov • CheckTheLicenseFirst.com • SeniorScamStopper.com

13P-045/0912

ATTACHMENTS

Memos Related to Conduct at Undercover Operations





MEMORANDUM

CONTRACTORS STATE LICENSE BOARD

STATE OF CALIFORNIA

Date: August 20, 2013

To: All SWIFT Staff

From: DAVID FOGT, Chief
Enforcement Division

Subject: Clarification regarding the use of US Immigration and Customs Enforcement (ICE)

Recently I had a meeting with Michael Gomez, the Department of Consumer Affairs (DCA) Deputy Director of Enforcement and Investigations Affairs to discuss undercover sting procedures. The meetings resulted in clarification regarding the use of US Immigration and Customs Enforcement (ICE) agents by CSLB staff. It is DCA's policy that staff is not to invite ICE to any enforcement operations. Going forward SWIFT staff should not invite ICE agents to participate in any stings or sweeps. In addition, ICE should never be used in conjunction with any operation involving the Department of Industrial Relations.

Please see your supervisor if you have any questions or concerns.



MEMORANDUM

CONTRACTORS STATE LICENSE BOARD

STATE OF CALIFORNIA

Date: June 19, 2015
To: Enforcement Staff, Contractors State License Board
From: David Fogt, Chief of Enforcement
Subject: U.S. Immigration and Customs Enforcement
Number: 2015-01

This memorandum supersedes the "All Staff" memorandum issued on August 20, 2013 regarding working with the U.S. Immigration and Customs Enforcement (ICE) on enforcement investigations and operations. This memo is intended to clarify the Board's current procedure regarding CSLB interaction with ICE personnel.

CSLB has a very specific mission: "To protect consumers by regulating the construction industry through policies that promote the health, safety, and general welfare of the public in matters relating to construction." In contrast, the primary mission of ICE is "to promote homeland security and public safety through the criminal and civil enforcement of federal laws governing border control, customs, trade and immigration." These two missions are substantially different, and it incumbent upon CSLB staff to focus their efforts on *our* mandate of consumer protection.

To clarify Board procedures:

- CSLB staff shall not invite ICE to participate in any sting, sweep, or other investigation.
- If ICE officers or any other law enforcement personnel are unexpectedly present at an enforcement operation in which CSLB personnel are involved, a CSLB supervisor shall be immediately contacted.
- CSLB staff may continue to share *non-confidential* information with any local, state, or federal agency. *Confidential* information shall be released when allowed or required by state or federal law, or in response to a court order or subpoena.

If you have any questions regarding CSLB interaction with ICE personnel, contact your supervisor for direction.



MEMORANDUM

CONTRACTORS STATE LICENSE BOARD

STATE OF CALIFORNIA

Date: August 7, 2015
To: Enforcement Staff, Contractors State License Board
From: David Fogt, Chief of Enforcement
Subject: U.S. Immigration and Customs Enforcement
Number: 2015-01

This memorandum supersedes the "All Staff" memorandum issued on August 20, 2013 and clarifies the memorandum dated June 19, 2015 regarding working with the U.S. Immigration and Customs Enforcement (ICE) on enforcement investigations and operations.

CSLB has a very specific mission: "To protect consumers by regulating the construction industry through policies that promote the health, safety, and general welfare of the public in matters relating to construction." In contrast, the primary mission of ICE is "to promote homeland security and public safety through the criminal and civil enforcement of federal laws governing border control, customs, trade and immigration." These two missions are substantially different, and it incumbent upon CSLB staff to focus their efforts on *our* mandate of consumer protection.

To clarify Board procedures:

- CSLB staff shall not invite ICE to participate in any sting, sweep, or other investigation.
- If ICE officers or any other law enforcement personnel are unexpectedly present at an enforcement operation in which CSLB personnel are involved, you shall immediately contact the CSLB supervisor in charge of the operation. If that supervisor is not available, you shall contact the next available supervisor in your chain-of-command.
- CSLB staff may continue to share *non-confidential* information with any local, state, or federal agency. *Confidential* information may only be released when allowed or required by state or federal law to be disclosed, or in response to a court order or subpoena.

If you have any questions regarding CSLB interaction with ICE personnel, contact your supervisor for direction.



DEPARTMENTAL POLICY

TITLE	FEDERAL LAW ENFORCEMENT AGENCY PARTICIPATION IN DCA FIELD OPERATIONS		
POLICY OWNER	DIVISION OF INVESTIGATION		
POLICY NUMBER	DOI 17-01	SUPERCEDES	NEW
ISSUE DATE	May 10, 2017	EFFECTIVE	IMMEDIATELY
DISTRIBUTE TO	ALL EMPLOYEES		
ORIGINAL APPROVED BY	Original Signature On File Dean R. Grafilo Director		
NUMBER OF PAGES	3	ATTACHMENTS	NONE

POLICY

It is the policy of the Department of Consumer Affairs (DCA) that field enforcement activities are conducted with state and federal law enforcement agency personnel when doing so facilitates DCA's mission to protect consumers.

APPLICABILITY

This policy applies to all employees, governmental officials, contractors, consultants, and temporary staff of DCA; and any of its divisions, bureaus, boards, and other constituent agencies. Within this policy, the generic acronym "DCA" applies to all of these entities. For purposes of this policy, "board" refers to all boards, bureaus, committees, or commission.

PURPOSE

The purpose of this policy is to ensure DCA's enforcement operations and information sharing with federal law enforcement agencies complies with existing law and fulfills the mission of the DCA.

The mission of DCA is to protect consumers through the effective enforcement activities and oversight of California's licensed professionals. In some instances, this oversight has entailed coordination and deconfliction with federal law enforcement agencies to ensure the safety of the public, DCA employees and federal officers.

DCA may cooperate and share information with federal law enforcement agencies, such as, but not limited to, the Federal Bureau of Investigations (FBI), Immigration and Customs Enforcement (ICE) or the Drug Enforcement Agency (DEA). It is not within DCA's purview or mission to act as an agent or invite federal law enforcement to participate in DCA enforcement activities for the

purpose of providing armed security, immigration status checks or other operations where DCA employees participate in the detainment of individuals for immigration violations.

AUTHORITY

- Business and Professions Code §§ 155, 159.5, 310
- California Constitution, Article 1, § 1
- Civil Code § 1798 *et seq.*
- Evidence Code § 1040
- 8 USC § 1373

DEFINITIONS

Federal law enforcement agency is an organizational unit, or subunit of the federal government with the principle functions of prevention, detection, and investigation of crime and the apprehension of alleged offenders.

Operations Plan refers to any plan outlining pertinent information related to enforcement or regulatory operations activity.

PROVISIONS

The invitation or participation of federal law enforcement agencies in DCA's enforcement operations must comport to DCA's primary consumer protection mission. Where federal law enforcement agencies participate in DCA enforcement activity, all enforcement "operations plans" shall articulate the need for federal participation. The participation of federal immigration law enforcement personnel in DCA's field enforcement operations, including unlicensed activity - related operations, where it does not facilitate the primary consumer protection mission of the DCA, is not permitted.

In the event DCA enforcement staff attend an enforcement activity and discover federal law enforcement personnel are also participants, the DCA employee shall notify his or her immediate supervisor prior to participating in that joint activity. The supervisor shall review the participation of the federal law enforcement personnel in the activity to ensure the federal activity facilitates DCA's mission to protect consumers.

The supervisor shall report to the DCA Division of Investigation any enforcement activity in which federal law enforcement personnel participates.

Where federal law enforcement agencies seek information or records about DCA's licensees or enforcement activities, DCA will respond as authorized under state and federal law.

VIOLATIONS

Failure to follow the provisions of this policy may result in the exposure of DCA employees to civil liabilities and unsafe or unlawful situations. Violations of this policy may also subject employees to disciplinary action.

REVISIONS

Determination of the need for revisions to this policy is the responsibility of the Division of Investigation (916) 515-5100.

Specific questions regarding the status or maintenance of this policy should be directed to the Division of Programs and Policy Review at (916) 574-7970.



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