



CONTRACTORS STATE LICENSE BOARD

BOARD MEETING MINUTES

A. CALL TO ORDER – ESTABLISHMENT OF QUORUM

Board Chair Ed Lang called the meeting of the Contractors State License Board (CSLB) to order at 10:30 a.m. on Thursday, September 3, 2015, in the Monterey Room at the Embassy Suites Hotel, 601 Pacific Highway, San Diego, CA 92101. A quorum was established. Board Secretary Linda Clifford led the Board in the Pledge of Allegiance.

Board Members Present

Ed Lang, Chair

Agustin Beltran, Vice Chair

Linda Clifford, Secretary

Susan Granzella

David De La Torre

Kevin J. Albanese

Bob Lamb

Frank Schetter

Joan Hancock

David Dias

Marlo Richardson

Nancy Springer

Pastor Herrera Jr.

Johnny Simpson

Board Members Excused

Paul Schifino

CSLB Staff Present

Cindi Christenson, Registrar

Rick Lopes, Chief of Public Affairs

Karen Ollinger, Chief of Licensing

Laura Zuniga, Chief of Legislation

Cindy Kanemoto, Chief Deputy Registrar

David Fogt, Chief of Enforcement

Ashley Caldwell, Information Officer

Erin Echard, Executive Office

Kristy Schieldge, Legal Counsel

Public Visitors

Alex Beltran

Jesus Fernandez

Ken Grossbart

Tana Lepule

Pamela Galband

Bridget Gramme

Jody Costello

Eric Crandall

Brian and Jen Mahoney

Tana Lepule

B. CHAIR'S INTRODUCTORY REMARKS

Board Chair Ed Lang welcomed the Board.

C. PUBLIC COMMENT SESSION – ITEMS NOT ON THE AGENDA

Pamela Galband, a consumer who had an unfortunate experience with a contractor, volunteered to support legislation that would mandate greater public disclosure of complaints.



D. EXECUTIVE

1. Registrar’s Report

- Registrar Cindi Christenson attended the NASCLA (National Association of State Contractor Licensing Association) Annual Conference and reported that a number of Western states plan to begin partnerships. This collaboration also may include reciprocity for contractor license examinations.
- The first stakeholder meeting regarding SB 465 will be held September 30, 2015, in Sacramento.
- Legal Counsel Kristy Schieldge will lead a Committee Chair training for Board members on Monday October 5, 2015, at the Department of Consumer Affairs.
- The Board will hold a CSLB Overview Training at the December 10, 2015, Board Meeting in the Bay Area.
- CSLB may be welcoming the Arizona Registrar of Contractors (AZ ROC) to the annual joint meeting with the Nevada State Contractors board (NSCB) in June, 2016.

2. Review and Possible Approval of July 29, 2015 Board Meeting Minutes

MOTION: Approve July 29, 2015 Board Meeting Minutes. Bob Lamb moved; Agustin Beltran seconded. The motion carried unanimously, 14–0.

NAME	Aye	Nay	Abstain	Absent	Recusal
Kevin J. Albanese	X				
Agustin Beltran	X				
Linda Clifford	X				
David De La Torre	X				
David Dias	X				
Susan Granzella	X				
Joan Hancock	X				
Pastor Herrera Jr.	X				
Robert Lamb	X				
Eddie Lang	X				
Marlo Richardson	X				
Frank Schetter	X				
Paul Schifino				X	
Johnny Simpson	X				
Nancy Springer	X				

**3. Administration Update Regarding Personnel and Facilities**

Chief Deputy Registrar Cindy Kanemoto updated the Board on current staff vacancies, which are at the lowest level in recent history. CSLB purchased seven replacement vehicles for offices statewide, which will be delivered sometime in October. The Administrative unit also is in the process of purchasing CSLB's first electric vehicle. Two charging stations are up-and-running at Sacramento headquarters.

4. Information Technology Update

Ms. Kanemoto informed the Board about the installation of a new top-of-the-line firewall protection system. The successful E-payment system is now available in Fresno and will soon be available in the San Diego and San Bernardino offices.

5. Budget Update

CSLB spent approximately 95 percent of its budget during fiscal year 2014-15.

6. Strategic Plan 2015-16 Update

Registrar Cindi Christenson informed the Board that CSLB is on track to meet its current strategic plan objectives and will meet in March 2016 to plan for the next two fiscal years: 2016-17 and 2017-18.

7. Tentative 2015-16 Board Meeting Schedule

- December 10, 2015 – Bay Area (with CSLB overview training)
- March 15 and 16, 2016 – San Diego (with strategic planning)
- June 23 and 24, 2016 – Orange County (with NSCB)

E. PUBLIC AFFAIRS**1. Public Affairs Program Update**

Public Affairs Committee Chair Marlo Richardson informed the Board about the preparation of disaster outreach kits for use by CSLB staff when headed to disaster stricken areas. She also reported that CSLB will host a Saudi Arabian delegation at Sacramento headquarters at the end of September. Representatives from Kenya have also expressed interested in learning about how CSLB regulates the construction industry in California. Public Affairs staff is working to include historical items, such as past board meeting minutes, on the CSLB website.

Public Affairs Chief Rick Lopes updated the Board on media events and the issuance of press releases since the June Board Meeting. A project to post every edition of the *CA Licensed Contractor* newsletter on the website is now complete. Social media statistics continue to grow, and CSLB may also start a LinkedIn account. After successful efforts to curtail web scraping that disrupted the CSLB website, the number of visitors to the site has stabilized. For the first time, CSLB



utilized Periscope, a technology that allows users to broadcast live on the Internet from a cellphone.

F. LICENSING

1. Licensing Program Update

Chief of Licensing Karen Ollinger provided updates on staffing and licensing units: application workload, limited liability companies, workers’ compensation recertification, criminal background-fingerprinting, licensing information center, experience verification, and judgments.

Public Comment:

Alex Beltran asked the Board to be aware that, often, independent contractors are hired to avoid paying workers compensation.

Jody Costello asked the Board for clarification on penalties for harm done to consumers before licensees proceed through the application process.

2. Review, Discussion and Possible Action regarding Acceptable Experience Verification Samples per Title 16 California Code of Regulations Section 824

Applicants for licensure must have a minimum of four (4) years’ work experience within the last 10 years as a journeyman, foreman, supervising employee, or contractor in the classification for which the applicant is applying. All experience must be documented and the Board packet included various samples of acceptable documents for Board Member review.

MOTION: Approve Acceptable Experience Verification Samples. Bob Lamb moved; Agustin Beltran seconded. The motion carried, 13–1.

NAME	Aye	Nay	Abstain	Absent	Recusal
Kevin J. Albanese	X				
Agustin Beltran	X				
Linda Clifford	X				
David De La Torre	X				
David Dias	X				
Susan Granzella	X				
Joan Hancock	X				
Pastor Herrera Jr.	X				
Robert Lamb	X				
Eddie Lang	X				
Marlo Richardson	X				
Frank Schetter		X			
Paul Schifino				X	



Johnny Simpson	X				
Nancy Springer	X				

3. Testing Program Update

Ms. Ollinger provided highlights from both the examination administration and examination development units and reported that the eight test centers administer 46 different exams, all on a five (5) year cycle. The Testing division released two new exams in August 2015: C-6 Cabinet, Millwork and Finish Carpentry and C-51 Structural Steel.

Public Comment:

Pamela Galband asked to receive the Customer Satisfaction Survey after her complaint is closed.

G. LEGISLATION

1. Review, Discussion and Possible Action Regarding SB 119 (Hill)

SB 119 establishes the California Underground Facilities Safe Excavation Advisory Committee, under the aegis of the Contractors State License Board and composed of excavation industry stakeholders, to coordinate education and outreach efforts, develop standards for best practices, and investigate violations pertaining to the one-call laws.

The Board previously took a “watch” position on SB 119, as the bill was a work-in-progress. Additional amendments are anticipated but will not significantly change the bill. Board members raised concerns regarding the fiscal impact on CSLB. Chief of Legislation Laura Zuniga explained that a special fund, financed through fines normally directed toward the general fund, would support the Safe Excavation Advisory Committee.

MOTION: Approve continued “watch” position on SB 119 (Hill). Joan Hancock moved; Kevin J. Albanese seconded. The motion carried unanimously, 14–0.

NAME	Aye	Nay	Abstain	Absent	Recusal
Kevin J. Albanese	X				
Agustin Beltran	X				
Linda Clifford	X				
David De La Torre	X				
David Dias	X				
Susan Granzella	X				
Joan Hancock	X				
Pastor Herrera Jr.	X				



Robert Lamb	X				
Eddie Lang	X				
Marlo Richardson	X				
Frank Schetter	X				
Paul Schifino				X	
Johnny Simpson	X				
Nancy Springer	X				

2. Review, Discussion and Possible Action Regarding SB 467 (Hill)

SB 467 extends the sunset date for CSLB and the authorization for the appointment of a Registrar from January 1, 2016 to January 1, 2020. It will continue CSLB’s existing structure and allow the implementation of two of CSLB’s suggested statutory changes – eliminating the \$2,500 capital requirement and increasing the required contractor’s bond by \$2,500. CSLB does not verify the existing capital requirement, and believes it offers no additional consumer protection, whereas a corresponding increase in the amount the contractor’s bond will provide an enhanced level of consumer protection.

The Board discussed and requested clarification about the inclusion of the Board of Accountancy in the legislation to extend CSLB’s sunset date and the minimal risk that could result. No action required.

3. Review, Discussion and Possible Action Regarding SB 560 (Monning)

This bill will expand the authority of CSLB Enforcement Representatives to issue an unlicensed contractor a written notice to appear in Superior Court for failure to secure workers’ compensation insurance. It will also authorize boards within the Department of Consumer Affairs to share licensee information with the Employment Development Department. The Board approved support of this bill in December 2014, and it is currently on the Senate floor. No action required.

4. Review, Discussion and Possible Action Regarding SB 561 (Monning)

The bill would eliminate the requirement that a Home Improvement Salesperson (HIS) separately register to work for each contractor and, instead, allow a properly registered HIS to utilize his/her individual registration with one or more licensed contractors. The Board previously approved support of this bill and it is currently on the Governor’s desk. No action required.

5. Review and Discussion Regarding Business and Professions Code Section 7031

Registrar Cindi Christenson reported that Richard Markuson hopes to have the first industry meeting in October 2015.



H. ENFORCEMENT

1. Enforcement Program Update

Enforcement Committee Chair Kevin J. Albanese commended CSLB staff on their efforts to react quickly to the fire emergencies and to partner with local prosecutors to develop statewide service and repair investigation and prosecution strategies. Chair Albanese also confirmed his support for the CSLB Enforcement Academy training led by Doug Galbraith.

Chief of Enforcement David Fogt presented highlights from the Intake and Mediation Centers, Investigative Centers, Case Management, Statewide Investigative Fraud Team, Public Works Unit, as well as general complaint-handling statistics.

2. Review, Discussion and Possible Action Regarding a Pilot Program to Encourage Licensure by Reducing Outstanding Unlicensed Activity Civil Penalties

This pilot program would support CSLB’s efforts to address the underground economy in construction by reaching out to community groups and those who were recently cited for unlicensed contracting and encourage them to attend a workshop to learn about the licensing process and other relevant laws and requirements related to running a legitimate construction business in California.

Legal Counsel Kristy Schiedge clarified that the Registrar must issue a citation when supported by evidence (unless referred to a local prosecutor), and may reduce the resulting civil penalty, but not vacate it entirely.

Public Comment:

Tana Lepule, Executive Director of Empowering Pacific Islander Communities, expressed his enthusiasm for the program and confirmed strong support from community-based organizations.

MOTION: Approve Pilot Program to Encourage Licensure by Reducing Outstanding Unlicensed Activity Civil Penalties. Joan Hancock moved; Pastor Herrera Jr. seconded. The motion carried unanimously, 14–0.

NAME	Aye	Nay	Abstain	Absent	Recusal
Kevin J. Albanese	X				
Agustin Beltran	X				
Linda Clifford	X				
David De La Torre	X				
David Dias	X				
Susan Granzella	X				



Joan Hancock	X				
Pastor Herrera Jr.	X				
Robert Lamb	X				
Eddie Lang	X				
Marlo Richardson	X				
Frank Schetter	X				
Paul Schifino				X	
Johnny Simpson	X				
Nancy Springer	X				

3. Review and Discussion Regarding Strategies to Address Deceptive Solar Practices

CSLB is addressing the issue of solar industry complaints by educating consumers and contractors, collaborating with industry and government partners, and enforcing existing contracting laws. Solar education and enforcement strategies will be discussed further at the next Enforcement Committee meeting.

Board Member Jonny Simpson offered his expertise to the solar task force.

Public Comment:

Jody Costello, a consumer advocate, asked the Board to be aggressive in its solar outreach efforts.

I. FUTURE AGENDA ITEMS

None requested.

J. ADJOURNMENT

Board Chair Eddie Lang adjourned the Board meeting at 1:04 p.m.

Eddie Lang, Chair

Date

Cindi Christenson, Registrar

Date