

Executive, Enforcement, and Legislative Committee Meetings

Friday, April 11 | 8:30 a.m. to 1:00 p.m.

Today's meeting will begin momentarily.

Public Comment

Call (415) 655-0001 US Toll

- Meeting Access Code: 2559 134 2631
- Password: 92892722
- Press *3 to raise/lower hand.

Join on WebEx using link on CSLB homepage

- www.cslb.ca.gov
- Event number: 2559 134 2631
- Password: ybVyc7CBS63
- Click the hand icon to raise your hand if you have a question or comment.



Executive Committee Meeting

8:30 A.M. - 9:30 A.M. (OR UNTIL ADJOURNMENT)

A RECORDED VERSION WILL BE ARCHIVED ON CSLB'S YOUTUBE CHANNEL

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



Public Comment for Items Not on the Agenda and Future Agenda Item Requests (Note: Individuals may appear before the CSLB to discuss items not on the agenda; however, the CSLB can neither discuss nor take official action on these items at the time of the same meeting (Government Code sections 11125, 11125.7(a)).



Review and Discussion Regarding Information Technology Two-Year Projects:

- SimpliGov Sole Owner Online Application
- Enterprise Document Management System (EDMS)
- Enforcement Modernization Plan



Staff Training Update

Staff will show a 10-minute onboarding video and update the Executive Committee on the following implemented and planned training.

- CSLB Training Calendar
- Enforcement Academy
- Department of Consumer Affairs and California Human Resources (CalHR) Training Opportunities



Los Angeles County Wildfire Outreach, Education, and Enforcement Update

Staff will update the Executive Committee on:

- 1. Disaster Recovery Staffing
- 2. Enforcement Proactive Outreach and Enforcement
- 3. Webinars Attended and Planned
- 4. Conferences Attended and Presentations
- 5. Meetings with LA County Officials
- 6. Press Releases
- 7. Rebuilding After a Disaster Video



Adjournment











Enforcement Committee Meeting

9:30 A.M. - 10:30 A.M. (OR UNTIL ADJOURNMENT)

A RECORDED VERSION WILL BE ARCHIVED ON CSLB'S YOUTUBE CHANNEL

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



Public Comment for Items Not on the Agenda and Future Agenda Item Requests (Note: Individuals may appear before the CSLB to discuss items not on the agenda; however, the CSLB can neither discuss nor take official action on these items at the time of the same meeting (Government Code sections 11125, 11125.7(a)).



Review and Discussion of Consumer-Filed Complaint Handling Strategies



Consumer Complaints Received FY 2024/25

Intake and Mediation Centers

- Total complaints received: 9,317
- Total complaints settled: 31%
- Restitution paid: \$11,743,932
- Currently, only 5 complaints over 60 days old



Consumer Complaints Received FY 2024/25

Investigation Centers

- Total complaints assigned: 4,245
- Average caseload per Special Investigator: 37
- Investigations settled: 10%
- Investigations referred to legal action (LOA, Citation, Accusation): 1,493
- Investigations referred for criminal prosecution:
 398



Multiple Offender Unit (MOU)

- Total Complaints handled: 1,359
 - Closed: 722
 - Pending: 587
- Accusations Filed
 - Licensees with accusations filed: 22
 - Total complaints involved in accusations:
 - Average number of complaints included in an accusation: 3.8



Multiple Offender Unit (MOU) (cont.)

- Disciplinary Outcomes
 - Licenses revoked (from accusations): 5
 - Represents 23% of licensees with accusations filed (5 out of 22)
- Accusations Pending: 17
- Criminal Case referrals
 - Licensees referred to criminal prosecution:



Review and Discussion Regarding Alternative Dispute Resolution

Staff welcomes President of the Arbitration and Mediation Conciliation Center, Karen Smith, to provide a presentation.



Mandatory Arbitration: \$0 to \$25,000.00

Voluntary Arbitration: \$25,000 to \$50,000.00

2024 Stats and Accomplishments:

410 Cases

\$4,888,271.51 Awarded

41 day average turnaround from receipt to Award

24th year of service to CSLB

4 new Arbitrators

4.8 / 5 average evaluation

4 hearing options:

in person, teleconference, video conference, hybrid





Benefits of Arbitration Program

- Quick, efficient, binding, private
- Professional arbitrators
- Long-term experienced staff
- Established best practices
- Collaborative relationship between agencies
- Cost-effective for both CSLB and participants





CSLB Arbitration Program Forms

Frequently Asked Questions about the CSLB ARBITRATION PROGRAM

- Q. How was my Arbitrator assigned? Is he/she qualified to he A. AMCC is proud to offer a panel of highly skilled, experienced ar of the CSLB Arbitrators has extensive experience in their respectiv industry experts, attorneys and a retired justice. Each Arbitrator is t sophisticated in arbitration theory and practice.
- Q. I cannot make the date assigned for the hearing. How do I A The Arbitration should be treated similar to a court date and sch A. The Arbitration should be treated similar to a court date and scill continuances are limited and will only be granted for good cause if request a continuance, you must fill out a Request for Continuance Please submit this form via email, fax, or mail as soon as possible a Request for Continuance <u>DOES NOT</u> guarantee that a continuan granted, both parties will be notified. If a continuance is denied, the
- Q. Should I send my evidence to the Arbitrator and opposi A. Yes. Prior to the hearing, the parties must exchange their writtel with each other and the Arbitrator. The parties will have to accomp provided on the Hearing Notice.
- Q. How should I fill out my arbitration worksheet? What is this A. Please provide as much information on this form as possible; h preclude it from being presented as evidence. The worksheet is fo
- Q. If I have an Industry Expert and want him to participate in the A. It is your responsibility to arrange for all witnesses to participate includes the Industry Expert. Please advise the Arbitrator at the tin be participating via telephone. Note: Continuances are not typical participate. The parties can utilize the written report submitted by t
- Q. Do I need an Attorney for the Arbitration hearing?
- A. The choice to hire legal representation is at your sole discretion hearings either with the individual parties representing themselves attorney, please advise AMCC with a letter of representation. Be a Arbitration proceedings are not subject to Award pursuant to Busin
- Q. Can I or my attorney subpoena documents and/or witness No. Documents and/or witnesses can be requested directly fron subpoenaed, as there is no jurisdiction conferred on AMCC to orde
- Q. What happens if I choose not to attend the hearing? Will a A. Failure to attend the scheduled hearing does not automatically loth parties fail to participate, the Arbitrator will continue with the phave received ample notice of the hearing date and time. The Arbi and documentation submitted by the parties as well as any verbal t
- Q. When will I know what the Arbitrator has decided? A Business and Professions Code \$7085.5(a) provides for thirty render an Award. The Award will be sent via certified mail.



ATTENTION

PLEASE READ THE ENCLOSED HEARING NOTICE AN THEIR ENTIRETY AS THEY CONTAIN IMPORTANT INF

YOU MUST PROVIDE COPIES OF ALL PERTINENT DO ARBITRATOR AND OPPOSING PARTY, INCLUDING BU ANY CONTRACT DOCUMENTS, PHOTOS AND PROOF INJURY AND STAMPED MECHANIC'S LIENS, AS WELL CORRECTION/COMPLETION ESTIMATES OR OTHER

AMCC DOES NOT RECEIVE DOCUMENTS FROM THE ANY AND ALL ORIGINAL DOCUMENTS AS THEY WILL

THE ARBITRATION AWARD RENDERED IS FINAL AND NO APPEAL PROCESS AND VERY LIMITED GROUNDS CORRECTION TO AN AWARD.

CHECKLIST

- ☐ I have thoroughly read both the Hearing Notice and Frequently Asked
- ☐ I have calendared my hearing date and time. ☐ Lunderstand that neither AMCC nor the Arbitrator receive the Comp
- or documents I sent to the CSLB. I must submit these items if I want t
- ☐ Lunderstand that attorney fees will not be awarded in this forum. ☐ I have contacted the CSLB Industry Expert and any other Expert I will
- ☐ I have submitted my documentary evidence to the opposing party dir by the deadline provided on the Hearing Notice, including:
 - Contract documents Correcting estimates

 - Photographs
 - Proof of financial injury
 - Proof of payments made or received
 - o Any relevant information to aid in proving my case, avoiding information such as punitive damages, civil remedies or disciplin
- ☐ I have submitted my evidence in a meaningful order that will allow for the efficient presentation of my case; preferably in the order in which claims are submitted on the Submission Form.
- ☐ If seeking removal, I have a stamped copy of my Mechanic's Lien.
- ☐ I have proof for each claimed item and itemized my financial damages.
- ☐ I understand that I must keep originals as they will not be returned to me if submitted. ☐ I understand that the Arbitration Award is final and binding and that there is no appeal process.

Frequently Asked Questions about the CSLB ARBITRATION PROGRAM AFTER THE AWARD

- What if I disagree with the Arbitration Award?
- Q. What if I disagree with the Arbitration Award:

 A. There is no appeal process for CSLB Arbitration Awards. The parties may request a Correction to an Award under limited grounds within ten (10) calendar days of the date of service of the Award (see statute below, with emphasis added by AMCC). A Request for a Correction form can be found at tww.AMCCenter.com. Outside of the ten day correction period, neither AMCC nor the Arbitrator have jurisdiction to change/alter/correct the Award. The parties should seek legal advice for any remedy outside the ten day correction period.

 Business and Professions Code §7085.5
- Business and Professions Code \$7085.5

 (s) The award shall become final 30 calendar days from the date the arbitration award is issued. The arbitrator, upon written application of a party to the arbitration, may correct the award upon the following grounds:

 (1) There was an evident miscalculation of figures or an evident mistake in the description of any person, things, or property referred to in the award.

 (2) There is any other clerical error in the award, not affecting the meets of the

- controversy.

 An application for correction of the award shall be made within 10 calendar days of the date of service of the award by serving a copy of the application on the arbitrator, and all other parties to the arbitration. Any party to the arbitration may make a written objection to the application for correction by serving a copy of the written objection on the arbitrator, the board, and all other parties to the arbitration, within 10 calendar days of the date of service of the application for correction.

 The arbitrator shall either deny the application or correct the award within 30 calendar days of the date of service of the original award by mailing a copy of the denial or correction to all parties to the arbitration. Any appeal from the denial or correction shall be filed with a court of competent jurisdiction and a true copy thereof shall be filed with a sourt of competent jurisdiction and a true copy thereof shall be
- Small be listed with a could competent pursuance and a time copy district and filled with the arbitrator or appointed arbitration association within 30 calendar days of the issuance of the award, before the award becomes final. The award shall be in writing, and shall be signed by the arbitrator or a majority of them. If no appeal is filed within the 30-calendar day period, it shall become a final order of the registrar.

Please note that this statute requires the Request for a Correction be copied to the opposing party.

- AMCC provides for proper notice of all hearings per Business and Professions Code §7085.5 (p)(1) & (2).
 Arbitration hearings proceed in the absence of any party per Business and Professions Code §7085.5(j) and the Award rendered is enforceable as it both parties had attended the hearing.
- I was Awarded money, when will I get paid?
- Q. I was Awarded money, when will 1get paid? A. Compliance of the remedies listed in the Award is required within thirty days of the date of service of the Award. See Business & Professions Code \$7085.6. available at www.AMCCenter.com. AMCC does not have any jurisdiction to enforce, negotiate or otherwise collect Award amounts, however you may contact the CSLB Arbitration Analyst via email at arbitration.unit@csb.ca.gov for options. The Award may be enforced according to the Code of Civil Procedure \$1287.4, available at www.AMCCenter.com.
- It has been 30 days and the Contractor has not complied, what should I do?
- Q: It has been 30 days and the Contractor has not complied, what should 160? A. If the Complainant prevails, the CSLB will investigate the noncompliance of the award by the Contractor. Please contact the CSLB Arbitration Analyst via email to arbitration.untilizes to a gov. The failure of a licensee to comply with an arbitration award rendered shall result in the automatic suspension of a license by operation of law. Pursuant to B&P 7085.6 (a)(2), the registrar (CSLB) must notify the licensee by certified mail of the failure to comply with the arbitrator's award, and that the license shall be automatically suspended 30 calendar days from the dot fithat notic. Please note neither AMCC nor the Arbitrator have jurisdiction over the enforcement of the Arbitration Award against.
- Q: What happens if parties agree to a verbal or written payment plan?

 A. If the parties elect to enter into a payment plan or settlement, the CSLB will accept the agreement and close the matter without further action against the contractor's license. If the payment agreement is not satisfied, no further recourse will be available through the CSLB and the awarded party will be required to pursue any remedies via a civil court action. Please note the CSLB does not recommend payment plans.



Review and Discussion Regarding Unlicensed Contracting Enforcement



Strategic Goal 2.1 – Address False Advertising On-line and on Social Media to Increase Proactive Enforcement and Consumer Awareness.

- Identify how much illegal advertising is taking place online and in social media
- Requires hiring an independent consultant to conduct a statewide study
- Already in progress in alignment with the next objective, 2.2.
- Data needed: amount of illegal advertising, the methods used, geographical locations where it is most prevalent, enforcement strategies
- Collaborate with Consultant to develop plan with the CSLB Administration Division for additional staff and Public Affairs Office to develop strategies.



Strategic Goal 2.2 – Assess the Needs for Additional Resources to Address Unlicensed Activity and Ensure Sufficient Staffing.

- It is anticipated this objective will be addressed by the Interagency Contract with Sacramento State Universities Public Research Center (PRC).
- The proposed PRC contract provided for the development of an electronic survey in English and Spanish. Responses from the survey will provide data to support determination of the resources needed to increase information and education provided to the public on the benefits of hiring a licensed contractor.



Strategic Goal 2.2 – Assess the Needs for Additional Resources to Address Unlicensed Activity and Ensure Sufficient Staffing. (cont.)

- PRC will analyze existing data from CSLB internal and external sources to assess the approximate number of unlicensed contractors operating in California. The analysis will include an assessment of unlicensed contracting in declared disaster areas.
- PRC will provide a recommendation regarding resources needed for education, outreach, and enforcement.
- November 30, 2025, PRC will provide final report.



Adjournment





MEETING ADJOURNED

A RECORDED VERSION WILL BE ARCHIVED ON CSLB'S YOUTUBE CHANNEL







Legislative Committee Meeting

10:30 A.M. - 1:00 P.M. (OR UNTIL ADJOURNMENT)

A RECORDED VERSION WILL BE ARCHIVED ON CSLB'S YOUTUBE CHANNEL

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



Public Comment for Items Not on the Agenda and Future Agenda Item Requests (Note: Individuals may appear before the CSLB to discuss items not on the agenda; however, the CSLB can neither discuss nor take official action on these items at the time of the same meeting (Government Code sections 11125, 11125.7(a)).



Staff will introduce and lead a discussion on the following items involving pending legislation. Detailed analyses can be found here.



AB 485 (Ortega) – Labor Commissioner: unsatisfied judgements: nonpayment of wages. (Requires CSLB to deny an application or renewal to an employer with any unsatisfied final judgment for nonpayment of wages.)



AB 667 (Solache) – Professions and vocations: license examinations: interpreters. (Requires CSLB to provide examination interpreters.)



AB 742 (Elhawary) – Department of Consumer Affairs: licensing: applicants who are descendants of slaves. (Requires prioritization of applications from who are descendants of American slaves.)



AB 1002 (Gabriel) – Contractors: failure to pay wages: discipline. (Attorney general civil action for license suspension, revocation, or denial)



AB 1341 (Hoover) – Contractors: discipline: unlicensed architecture, engineering, or land surveying. (Adds prohibitions on unlicensed practice of architecture, engineering and land surveying to Contractors State License Law)



SB 61 (Cortese) – Private works of improvement: retention payments. (Limits the retention payment amount for a private work of improvement from exceeding five percent, subject to certain exceptions.)



SB 342 (Umberg) – Contractors: unlicensed work. (Limits the amount a person is ineligible to recover for unlicensed construction work for public works, commercial projects, and private residential projects exceeding 25 units to the actual damages or \$10,000 per day, whichever is greater.)



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



SB 517 (Niello) – Home improvement contract requirements: subcontractors. (Requires home improvement contracts to contain name and contact information for a subcontractor performing more than 50% of the total estimated project cost.)



Adjournment





MEETING ADJOURNED

A RECORDED VERSION WILL BE ARCHIVED ON CSLB'S YOUTUBE CHANNEL



