



2 0 1 8

ACCOMPLISHMENTS & ACTIVITIES





KEVIN J. ALBANESE, (B) *General Contractor Member*
FRANK ALTAMURA JR., *Public Member*
AGUSTIN “AUGIE” BELTRAN, *Public Member*
LINDA CLIFFORD, (A) *Engineering Contractor 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*
MARLO RICHARDSON, *Public Member*
FRANK SCHETTER, (C) *Specialty Contractor Member*
JOHNNY SIMPSON, *Public Member*
NANCY SPRINGER, *Building Official Member*
VACANT, *Public Member, Senior Citizen Organization*
VACANT, (C) *Specialty Contractor Member*

GAVIN NEWSOM

Governor

ALEXIS PODESTA

Secretary

Business, Consumer Services, and Housing Agency

DEAN GRAFILO

Director

Department of Consumer Affairs

DAVID R. FOGT

Registrar

Contractors State License Board

CSLB in 2018



It is with pleasure that we present the Contractor State License Board's 2018 *Accomplishments & Activities Report*.

In 2018, California suffered the effects of record-breaking disasters throughout the state that led to tragic losses of life and extensive property damage, which prompted a robust response from CSLB. As in the past, CSLB joined other state agencies at assistance centers to provide survivors information about rebuilding.

Additionally, CSLB conducted an extensive outreach campaign to media, local legislators, and area building departments, and launched a series of workshops in disaster zones for both survivors and for contractors interested in working on rebuilding efforts. Also, Enforcement staff conducted numerous compliance sweeps in the affected areas to warn off unlicensed contractors.

CSLB currently licenses over 285,000 construction entities. 2018 saw an 11 percent increase in license applications and the administration of over 51,000 license examinations. Even as the number of applications increased, the hard work of staff and various process improvements led to the successful reduction of processing times.

Throughout 2018, CSLB strengthened its ongoing partnerships with state, local, and industry allies to ensure greater compliance with contractors' state license law. And, amid an increase in the number of complaints received, staff continued to meet board-approved goals to resolve complaints in a timely manner. In fiscal year 2017-18, CSLB helped recover more than \$50 million in ordered consumer restitution.

CSLB sponsored three bills in the 2017-18 Legislative session, all of which Governor Brown signed into law. Senate Bill 1042 authorizes the CSLB to "settle" less egregious administrative citations prior to a formal hearing; Assembly Bill 2705 increases the statute of limitations to prosecute an unlicensed contractor for not having workers' compensation from one year to two years; and Assembly Bill 3126 prevents licensees from maintaining a deposit with their financial institution in lieu of a contractor license bond.

To meet the mandate of AB 2486 (Baker, Statutes of 2016), in January 2018, CSLB launched an online tool to help consumers find licensed contractors in their area by entering either a zip code or city. To assist disaster survivors, CSLB accelerated its efforts and inaugurated this feature a year ahead of schedule. In 2018, the website page was accessed over 720,000 times.

A MESSAGE FROM THE BOARD CHAIR

CSLB conducted its 700th Senior Scam Stopper in July 2018. These successful outreach programs, which are coordinated with local legislative offices, specifically focuses on educating seniors about how to protect themselves against potential scams.

In 2018, CSLB continued to prioritize training to assist employees in developing their skills, knowledge, and expertise. Training sessions included the highly-regarded Enforcement Academy, situational awareness and security training for all interested staff, and CSLB-led training for state agency enforcement partners.

This past year, we said good-bye to two long-serving board members—Ed Lang and Pastor Herrera Jr.—who were committed consumer advocates during their tenure. We also had the pleasure of welcoming our newest board member, Frank Altamura Jr., in early January 2019.

As we move into what will surely be a busy 2019, board members and staff will continue to work diligently to fairly regulate the state's construction industry and protect California consumers.

Thanks to all of those who assisted and support our efforts in 2018.



Marlo Richardson, Board Chair



2018 CSLB BY THE NUMBERS

18

DISASTER RESPONSE ASSISTANCE
CENTERS STAFFED



\$50,615,811

RESTITUTION ORDERED TO
THE PUBLIC IN FISCAL YEAR 2017-18



488,439

FIND MY LICENSED CONTRACTOR
SEARCHES CONDUCTED
ON CSLB WEBSITE

\$67,530,000

CSLB'S 2018-19 FISCAL YEAR **BUDGET**



03 CSLB-SPONSORED
BILLS PASSED BY THE STATE
LEGISLATURE AND SIGNED
INTO LAW BY GOVERNOR
JERRY BROWN



08 BOARD AND
COMMITTEE MEETING
WEBCASTS PRODUCED

700th
SENIOR SCAM STOPPERSM HELD
JULY 18, 2018

388
SWEEP DAYS OF ACTIVE
CONSTRUCTION SITES



46 LICENSING
EXAMS MAINTAINED

79
UNDERCOVER STINGS CONDUCTED



07 NEW LICENSING
EXAMS COMPLETED BY
EXAM DEVELOPMENT UNIT



545 APPLICATIONS EXPEDITED & LICENSES ISSUED
THROUGH VETERANS APPLICATION ASSISTANCE PROGRAM

38 CSLB EMPLOYEE
PROMOTIONS



3,754
FACEBOOK FOLLOWERS

28,977
SIGN-UPS FOR CSLB
EMAIL ALERTS



3,100,000
CSLB WEBSITE USERS

4,650
LEGAL ACTIONS BROUGHT
AGAINST VIOLATORS FROM
CSLB INVESTIGATIONS

137,270
CALLS ANSWERED BY
LICENSING INFORMATION
CENTER STAFF

15,632,056
LICENSE CHECKS
CONDUCTED ON
CSLB WEBSITE

31,753
CSLB LICENSE
APPLICATIONS RECEIVED

21,978
COMPLAINTS CLOSED BY
ENFORCEMENT STAFF

51,806
EXAMINATIONS SCHEDULED

285,184 **LICENSED CONTRACTORS**

CSLB MISSION

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



TABLE OF CONTENTS

	Page
Leadership	7
Protecting California's Disaster Survivors	15
Licensing.....	19
Testing	29
Enforcement	31
Legislative.....	45
Public Affairs	49
Administration	59
Information Technology	65



CSLB V I S I O N

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



LEADERSHIP

CSLB Board Members and Registrar

CSLB's 15-member board appoints the executive officer, or registrar of contractors, and directs administrative policy for the agency's operations. Per Business & Professions Code §7002, the board includes 10 public members (including one labor representative, one local building official, and one representative of a statewide senior citizen organization), and five contractors. Appointments are made by the governor and the state legislature. Board officer terms listed below are for the July 1, 2018 through June 30, 2019 fiscal year.

MARLO RICHARDSON, Chair

**Governor Appointee
Public Member**



Marlo Richardson, of Playa del Rey, was first appointed by Governor Edmund G. Brown Jr. in June 2015. Ms. Richardson

spent 20 years in law enforcement and was a lieutenant. She has an extensive background in the entertainment industry, and as a business entrepreneur with experience in the restaurant, real estate, home healthcare, import/export, and financial services industries. Ms. Richardson is a board member for the YMCA and has chaired the Public Safety Board for the Los Angeles County Empowerment Congress and was a member of the Ethics Board for the

State Bar of California. Ms. Richardson was reappointed in June 2016. Her term continues through June 1, 2020.

JOHNNY SIMPSON, Vice Chair

**Senate Appointee
Public Member**



Johnny Simpson, of Spring Valley, was appointed by the Senate Rules Committee in February 2015. Mr. Simpson

is the international representative of the International Brotherhood of Electrical Workers (IBEW), 9th District, and formerly was business manager/financial secretary of IBEW Local 569, which represents over 3,100 electrical workers in San Diego and Imperial counties. A third generation IBEW

wireman, Mr. Simpson graduated from the IBEW California Apprenticeship Program in 1981. He is highly involved in his community and has spent over 20 years volunteering alongside IBEW 569 members to fix electrical systems in the homes of San Diego’s low-income seniors, disabled veterans, and families. He is also a past trustee and president of the San Diego Electrical Training Center; president of the San Diego County Building and Construction Trades Council; and vice president of the San Diego County Building Trades Family Housing Corporation, which provides affordable housing for low- and moderate-income working families. Mr. Simpson’s term continues through June 1, 2019.

LINDA CLIFFORD, Secretary

**Governor Appointee
“A” Contractor Member**



Linda Clifford, of Sacramento, was appointed by Governor Edmund G. Brown Jr. in July 2013, and reappointed

in June 2014, and again in 2018. Ms. Clifford was chief financial officer at C.C. Myers Inc. from 1986 to 2016. She also held multiple accounting positions at Continental Heller-Tecon Pacific between 1972 and 1986. She is a licensed general contractor, holding an “A” license for

almost three decades. She is a member of the California Uniform Construction Cost Accounting Commission, serving as chair from 2015 to 2017. Ms. Clifford is an active member of the Associated General Contractors of California, National Association of Women in Construction, and various other industry associations. Her term continues through June 1, 2022.

KEVIN J. ALBANESE

**Governor Appointee
“B” Contractor Member**



Kevin J. Albanese, of San Jose, was appointed by Governor Edmund G. Brown Jr. in July 2013. Mr. Albanese serves as president

and CEO of Joseph J. Albanese, Inc. Previously he served as chief operating officer and in a multitude of other management positions throughout the organization. In addition, Mr. Albanese graduated magna cum laude from the Santa Clara University School of Law and remains an active member of the State Bar. Mr. Albanese is a longtime member and past president of United Contractors and also serves as a management trustee for the Operating Engineers Local 3 Trust Funds. Mr. Albanese’s term continues through June 1, 2021.



FRANK ALTAMURA, JR.

Governor Appointee Public Member



Frank Altamura, Jr. of Vacaville, was appointed by Governor Edmund G. Brown Jr. in January 2019. Since 2012, Mr.

Altamura has served as a product manager for Trane Energy Services and Control. He previously served as a product manager for Serious Energy, and as a founding engineer with Valence Energy. Mr. Altamura earned both a Master of Business Administration degree and a Bachelor of Science degree from Santa Clara University. His term continues through June 1, 2022.

AGUSTIN “AUGIE” BELTRAN

Senate Appointee Public Member



Augie Beltran, of Oakdale, was appointed by the Senate Rules Committee in January 2014, and reappointed

in May 2017. Mr. Beltran served in the United States Marine Corps Reserve from 1985 to 1993. Since beginning his career as a carpenter apprentice in 1989, Mr. Beltran has worked in

various facets of the construction industry. Mr. Beltran has served on several government boards since 1997, including the Lathrop City Council from 2000-2004, and the Delta Protection Commission from 2002-2004. He currently serves as the president and director of public and governmental relations for the Northern California Carpenters Regional Council. Mr. Beltran's term continues through June 1, 2021.

DAVID DE LA TORRE

Assembly Appointee Public Member



David De La Torre, of San Bruno, was appointed by Assembly Speaker Toni G. Atkins in May 2015, and reappointed by

Assembly Speaker Anthony Rendon in September 2016. Mr. De La Torre is secretary-treasurer of Laborers Union Local 261, representing 5,000 members in San Francisco, San Mateo, and Marin counties. Mr. De La Torre is a third-generation laborer who has worked for a variety of local and regional contractors. He was first elected as a union officer in 2005. Mr. De La Torre also serves as board president for the San Francisco chapter of the A. Philip Randolph Institute. He was appointed as a national board member for that group in 2017,



and as its state president in 2018. Mr. De La Torre is also a representative on San Francisco’s 100% Renewable Energy Task Force. His term continues through June 1, 2020.

DAVID DIAS

**Governor Appointee
Labor Member**



David Dias, of Pleasanton, was appointed by Governor Edmund G. Brown Jr. in April 2011, and has been twice

reappointed, in June 2012 and June 2016. Mr. Dias has been a business representative for Sheet Metal Workers’ Local Union No. 104 since 2005, and previously worked as an apprentice instructor at Foothill Community College from 1998 to 2005, and a field supervisor at Therma Inc. from 1997 to 2005, and a sheet metal worker foreman at RH Tinney from 1990 to 1997, after serving as an apprentice from 1986 to 1990. He is an advisor to the Bay Area Industry Training Fund, a member of the U.S. Green Building Council, and a member of the Joint Committee for Energy and Environmental Policy. He also serves on the Proposition 39 Citizens Oversight Committee and the IAPMO UMC Technical Committee, as well as committees for ASHRAE WHPA, CEA, and CAEECC. Mr. Dias will serve through June 1, 2020.

SUSAN GRANZELLA

**Governor Appointee
Public Member**



Susan Granzella, of Sacramento, was first appointed by Governor Edmund G. Brown Jr. in October 2014,

and reappointed in June 2016. Ms. Granzella held several positions at Visa Inc. from 1996 until her retirement in 2014, including senior director and vice president for technical documentation, and audit and compliance for global development. In the former role, she managed Visa’s technical writing and publishing efforts, distributing content internationally to banks and processors, and managed staff and contractors in the United States, Singapore, and India. She also served on the board of directors for the Sacramento Chapter of the National Council on Alcoholism and Drug Dependence until February 2018. Ms. Granzella’s term continues through June 1, 2020.



JOAN HANCOCK

Governor Appointee “B” Contractor Member



Joan Hancock, of Sacramento, was appointed by Governor Arnold Schwarzenegger in November 2007, and

reappointed by Governor Edmund G. Brown Jr. in July 2011, and again in June 2015. Ms. Hancock has owned Her Land Enterprises, a general contracting firm, since 1983. In 2012, she started “Insights” Construction consulting. Ms. Hancock earned a California state teaching credential in 1979, a Juris Doctorate degree in 1982, and is a certified mediator. Ms. Hancock’s term continues through June 1, 2019.

MICHAEL A. LAYTON

Assembly Appointee Public Member



Michael A. Layton, of Long Beach, was appointed by Assembly Speaker Anthony Rendon in September 2016. Mr. Layton

is the business manager and financial secretary-treasurer for the Southern California Pipe Trades. Prior, he served as executive director of the Apprentice

and Journeyman Trust Fund of Southern California. Mr. Layton’s term continues through June 1, 2020.

FRANK SCHETTER

Governor Appointee “C” Contractor Member



Frank Schetter, of Sacramento, was appointed by Governor Edmund G. Brown Jr. in August 2011, and reappointed

in June 2015. Mr. Schetter is the CEO of Schetter Electric and was its president from 1983 to 2005. He served as president and is currently the governor of the Sacramento chapter of the National Electrical Contractors Association (NECA), as trustee of the statewide International Brotherhood of Electrical Workers (IBEW) NECA, Labor Management Cooperation Committee (LMCC), and as trustee of the IBEW/NECA Joint Apprenticeship Training Program. He has also served as a member of the National Joint Apprenticeship and Training Committee, Sacramento County Code Appeals Board, City of Sacramento Electrical Code Advisory Board, and president of the Sacramento chapter of the Associated Subcontractor’s Alliance. Mr. Schetter’s term continues through June 1, 2019.



NANCY SPRINGER

Governor Appointee
Public Member - Building Official



Nancy Springer, of Browns Valley, was appointed by Governor Edmund G. Brown Jr. in September 2013, and reappointed

in July 2017. Ms. Springer served in the U.S. Air Force from 1980 to 1985. After her military duty, where she worked as an aircraft electrician on fighter jets, she settled in California and entered an electrical apprenticeship program with the National Electrical Contractors Association from 1984 to 1987, studying the National Electric Code and working as an electrician. She obtained an Associate of Science degree in Building Inspection Technology from Butte College, and has more than 29 years of experience working with building codes and disasters, having served as a building inspector, plans examiner, and assistant building official. After 11 years as the building official for Butte County, City of Gridley, and City of Biggs she became the chief building official for Sacramento County in July 2018. Ms. Springer has served as a past president of the Counties Building Officials Association of California (CBOAC), and maintains membership with the California Building Officials (CALBO), Sacramento Valley Association of Building Officials

(SVABO), and International Code Council (ICC). Ms. Springer's term continues through June 1, 2021.



DAVID R. FOGT

Registrar of Contractors



David R. Fogt became registrar of contractors on May 2, 2017. In the position, Mr. Fogt serves as CSLB's executive officer, and oversees a \$67 million budget and more than 400 employees in Sacramento and at other offices around the state.

Mr. Fogt, who earned his painting contractor license in 1986, began his CSLB career in February 1990. Over the next decade he worked in a number of supervisory positions in CSLB's Enforcement division and was named enforcement chief in October 2001. Mr. Fogt served in that position until his appointment as registrar.



Board Meeting in San Diego on April 12-13, 2018





PROTECTING CALIFORNIA'S DISASTER SURVIVORS

California's Deadliest and Most Destructive Wildfire Season

2018 saw the deadliest and most destructive wildfire season in California history. As a result, CSLB made one of its biggest coordinated commitments to post-disaster recovery efforts in its 90-year history.

In 2018, more than 7,500 wildfires burned almost 1.7 million acres of land in the state. The Mendocino Complex Fire in Colusa, Glenn, Lake, and Mendocino counties burned more than 459,000 acres, making it the single largest wildfire in state history. The Camp Fire in Butte County was the deadliest and most destructive, with 85 deaths and 18,804 structures destroyed. For the year, 98 civilians and six firefighters were killed as a result of wildfires across California.

As a consumer protection agency, and in its role regulating California's construction industry, CSLB is responsible for protecting those whose homes and property are directly affected by wildfires, as well as other catastrophic events like floods, mudflows, earthquakes, and pipeline explosions.

CSLB's post-disaster mission is to help ensure that survivors are not victimized by unlicensed or unscrupulous contractors who may try to take advantage of them during the recovery and rebuilding process.

Over One Dozen State of Emergency Declarations

Between October 2017 and the end of 2018, California was hard hit by a series of disasters that changed the face of several communities.

The chart below lists 13 state of emergency declarations issued in 2018 for 11 wildfires and two torrential storms. The declarations affected 22 counties, two of which received multiple emergency declarations.

SOURCE OF EMERGENCY	COUNTY / COUNTIES EFFECTED	DATE OF DECLARATION
1. March Storms	Amador, Fresno, Kern, Mariposa, Merced, Stanislaus, Tulare, Tuolumne	4/19/18
2. Pawnee Fire	Lake	6/25/18
3. Klamathon Fire	Siskiyou	7/5/18
4. West Fire	San Diego	7/6/18
5. Holiday Fire	Santa Barbara	7/7/18
6. Monsonial Rainstorm	San Bernardino	7/24/18
7. Carr Fire	Shasta	7/26/18
8. Cranston Fire	Riverside	7/26/18
9. Ferguson Fire	Mariposa	7/26/18
10. Mendocino Complex Fires	Lake, Mendocino, Napa	7/28/18
11. Holy Fire	Orange, Riverside	8/9/18
12. Camp Fire	Butte	11/8/18
13. Woolsey Fire	Los Angeles, Ventura	11/9/18

CSLB Post-Disaster Response

CSLB invests significant resources in its post-disaster response program.

The first step is to staff various assistance centers opened for survivors run by the Governor’s Office of Emergency Services (OES) and/or the Federal Emergency Management Agency (FEMA).

In 2018, CSLB staffed 18 assistance centers, directly meeting with almost 2,900 disaster survivors. CSLB employees spent 4,600 hours staffing centers, or the equivalent of 115 five-day work weeks. In addition, CSLB staff assembled, shipped, or delivered thousands of pages of educational material for distribution at the various centers, as well as to the offices of local legislators, building departments, and chambers of commerce.



In addition, CSLB participated in a joint federal-state housing task force to address the issues surrounding both short- and long-term housing needs for survivors of various disasters.

Disaster Warning Signs

CSLB also posted hundreds of signs, in both English and Spanish, throughout disaster areas to warn homeowners that unlicensed or unscrupulous contractors may try to scam them. The signs also warn unlicensed contractors that it is a felony to contract without a valid state license in a declared disaster area.



CSLB staff member places warning sign in wildfire-damaged neighborhood in Butte County in November 2018

Media Outreach

In 2018, CSLB issued multiple news releases and hosted three news conferences with messages targeted to survivors, licensed contractors, and unlicensed or unscrupulous individuals hoping to take advantage of the situation. These efforts resulted in dozens of media stories.

Fees Waived for Licensees/Assistance for Applicants

Among the disaster survivors were several CSLB licensees and applicants for licensure. In cases where licensees lost their wall certificate and/or plastic pocket license, CSLB waived replacement fees. CSLB has also waived delinquent fees for failure to renew a license before it expires for fire survivors. In 2018, almost two dozen licensees took advantage of the fee waiver. In addition, CSLB is expediting applications from those seeking to work in the disaster areas.

Rebuilding Workshops

In response to the wildfires, in 2018, CSLB began a series of workshops, in conjunction with local agencies, to help both survivors and contractors with the rebuilding process. Survivor workshops focused on providing information about permits, hiring architects and contractors, and insurance claims. Contractor workshops focused on assisting those interested in adding classifications, employees, and workers' compensation insurance to their licenses, and specific information about rebuilding. Nine workshops were held in burn zones around the state during 2018.



Wildfire Rebuilding Workshop in Santa Rosa on February 15, 2018

On-Going Enforcement Efforts

During 2018, Statewide Investigative Fraud Team (SWIFT) staff conducted 80 days of sweep operations within disaster areas in Lake, Mendocino, Napa, San Diego, Sonoma, Shasta, and Ventura counties. Investigators also secured owner permission to use fire-damaged properties for six enforcement stings in Napa, San Diego, Shasta, and Sonoma counties. Throughout the disaster areas in 2018, SWIFT investigators issued 18 administrative citations, referred 71 cases to the local district attorney for criminal prosecution (including multiple felony cases), issued 45 Stop Orders, and wrote 90 Advisory Notices for minor violations.



LICENSING

The Licensing division processes all applications for California state-issued contractor licenses and home improvement salesperson registrations. For contractor licenses and home improvement registrations this includes criminal background checks, while for contractor licenses it also involves experience verification as well as making any necessary changes to the over 285,000 current licenses. The division also processes all documents related to compliance with bond, insurance, and workers' compensation requirements, as well as biennial renewals.

In 2018, CSLB received over 31,000 applications, an 11 percent increase from the prior year. The division continually monitors its workload to ensure that applications and other materials are processed in a timely manner. The Licensing division has continued to offer expedited processing of applications submitted by military veterans.

Restitution to Consumers and Government Agencies

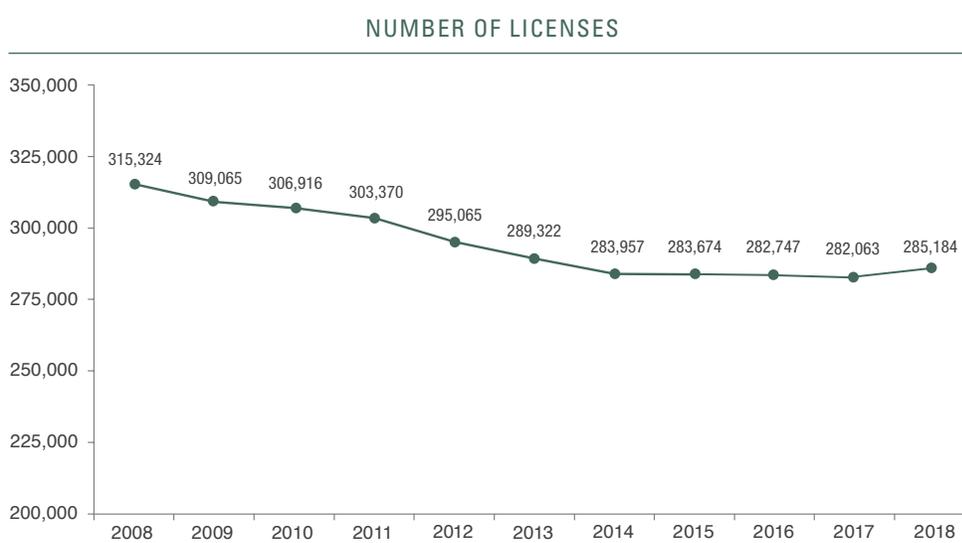
The Licensing division also oversees the Judgment unit, which processes all outstanding liabilities, judgments, and payments of claims reported to CSLB by licensees, consumers, attorneys, credit recovery firms, bonding companies, CSLB's Enforcement division, and other governmental agencies. In 2018, the Judgment unit helped to secure over \$45 million in ordered restitution to injured parties.

2018 JUDGMENT UNIT – ORDERED RESTITUTION	TOTAL PROCESSED	ORDERED RESTITUTION
Outstanding Liabilities*	2,511	\$23,886,246
Final Judgments	1,552	\$12,167,034
Claims Against Bonds	4,203	\$9,558,163
TOTAL	8,266	\$45,611,443

**Includes Employment Development Department, Department of Industrial Relations' Division of Occupational Safety and Health; Franchise Tax Board; Board of Equalization; and Department of Industrial Relations' Office of Division of Legal. This information, excluding BOE and ODL, is also reported in the Enforcement section on the Joint Enforcement Strike Force.*

Number of Licenses

As of December 31, 2018, there were 285,184 licenses, an increase of just over 1 percent from 2017. Of these, 229,656 were active licenses; 55,528 were inactive.



2018 TOP TEN LICENSE CATEGORIES

CLASSIFICATION	TOTAL
"B" General Building	135,055
C-10 Electrical	32,211
"A" General Engineering	19,403
C-36 Plumbing	19,033
C-33 Painting and Decorating	18,406
C-20 Warm-Air Heating, Ventilating and Air- Conditioning	14,473
C-27 Landscaping	13,906
C-15 Flooring and Floor Covering	8,267
C-8 Concrete	7,598
C-54 Tile (Ceramic and Mosaic)	7,371



Reciprocity

To help reduce barriers to licensure, in 2018, CSLB added Louisiana to the states with which it has reciprocity agreements, a list that also includes Arizona, Nevada, and Utah. The agreement between California and Louisiana allows general building contractor licensees in good standing for five years to obtain licensure in the other state without taking the trade portion of the exam. Applicants to CSLB would still need to take and pass the California law and business exam. CSLB staff continue to explore opportunities for reciprocity agreements with other states.

Workload and Processing Timelines

In 2018, CSLB received 31,753 applications, an 11 percent increase from the prior year. Original license applications increased by nearly 14 percent; applications to add a classification to an existing license increased by 6 percent; and applications to replace the qualifier on an existing license increased by 8.75 percent.

While in 2018, the number of applications CSLB received increased, the implementation of various processing improvements, cross-training staff, and a reduction in vacancy rates, led to a 50 percent drop in processing times for original applications as compared to the prior year. These new process and staffing improvements also led to reductions in processing times for other application types.

WEEKS BEFORE BEING PULLED FOR PROCESSING

TYPE OF APPLICATION / DOCUMENT	2017 AVERAGE	2018 AVERAGE
Original Exam	6.3	3.2
Original Waiver	2.9	2.4
Add a Class	2.4	2.3
Replace the Qualifier	2.0	1.8
Home Improvement Salesperson Registration	2.2	1.6
Renewal	2.8	2.7
Contractor Bond / Bond of Qualifying Individual	1.1	1.0
Workers' Compensation Certificates and Exemptions	1.6	1.5



Veterans Application Assistance Program

CSLB offers a Veterans Application Assistance Program for those transitioning from military service to civilian employment. This program offers priority services to veteran applicants by evaluating transferable military experience and training, as well as education, that help meet the minimum experience requirements for a state contractor license.

CSLB assists veterans by providing:

- Program technicians specially trained to evaluate transferable military training and experience from all branches of the military that meet minimum licensure requirements;
- Automatic priority application processing;
- College transcript evaluation to help verify acceptable educational credit (in addition to military experience and training); and
- Direct telephone and email contact with CSLB staff.

VETERANS APPLICATION ASSISTANCE PROGRAM SUMMARY	2017	2018
Application Expedited & Licenses Issued	486	545
Applications Expedited & Voided	146	126
Correspondence Received	252	210
Pending Expedited Applications	180	256



Experience Verification and Investigation

CSLB is required by law to investigate a minimum of 3 percent of applications received to review claims of experience and to ensure that all licensed contractors meet minimum qualifications. The Experience Verification unit also reviews previously denied applicants' experience, claims of experience when they are subjected to enforcement actions, when a review through a protest letter is requested, or an application is identified as needing additional review.

In instances when CSLB is unable to verify the experience, the applicant has a number of options:

- Identify a new qualifier for the license who possesses the required experience;
- Withdraw the application and reapply when the necessary experience has been gained;
- Accept a denial from CSLB;
- Appeal the denial; or
- Apply for a classification that better fits the trade experience.

2018 EXPERIENCE VERIFICATION APPLICATION INVESTIGATION

786	Applications Referred to Experience Verification Unit
317	Applications Verified
158	Applications Denied
16	Applications Appealed
163	Applications Withdrawn
132	Applications Pending

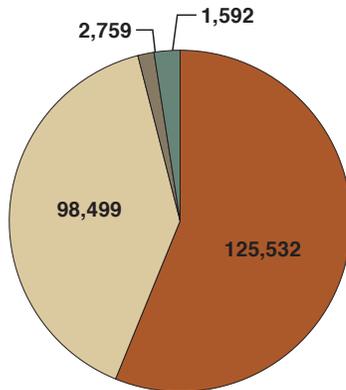


Workers' Compensation Recertification

At the time of renewal, an active contractor with an exemption for workers' compensation insurance on-file with CSLB must either recertify that exemption or provide a current and valid Certificate of Workers' Compensation Insurance or Certificate of Self-Insurance. If the licensee fails to comply at the time of renewal, the law allows for retroactive renewal if the licensee submits the required documentation within 30 days after notification by CSLB of the renewal rejection. In 2018, the average processing time for workers' compensation recertifications was 1.5 weeks.

2018 WORKERS' COMP COVERAGE FOR ACTIVE LICENSES

■ Workers' Comp Exemption Current (55%)
 ■ Workers' Comp Coverage Current (43%)
 ■ Under Workers' Comp Suspension (1%)
 ■ Pending Workers' Comp Suspension (1%)



Total Number of Active Licenses: 229,657



2018 ACTIVE LICENSE CLASSIFICATIONS WORKERS' COMPENSATION (WC)					
Classification	Exemptions on File	WC Policies on File	Total Policies & Exemptions	% of Total with Exemptions	
A General Engineering	5,471	9,148	14,619	37%	
B General Building	63,005	39,333	102,338	62%	
C-2 Insulation and Acoustical	291	878	1,169	25%	
C-4 Boiler Hot Water	216	589	805	27%	
C-5 Framing / Rough Carp	475	354	829	57%	
C-6 Cabinet-Millwork	2,752	1,916	4,668	59%	
C-7 Low Voltage Systems	2,077	2,775	4,852	43%	
C-8 Concrete	2,528	3,556	6,084	42%	
C-9 Drywall	1,189	1,759	2,948	40%	
C10 Electrical	13,974	11,218	25,192	55%	
C11 Elevator	36	168	204	18%	
C12 Earthwork & Paving	1,009	1,367	2,376	42%	
C13 Fencing	681	875	1,556	44%	
C15 Flooring	3,685	3,425	7,110	52%	
C16 Fire Protection	755	1,380	2,135	35%	
C17 Glazing	1,122	1,787	2,909	39%	
C20 HVAC	6,475	5,383	11,858	55%	
C21 Building Moving Demo	521	1,114	1,635	32%	
C22 Asbestos Abatement	4	269	273	1%	
C23 Ornamental Metal	439	605	1,044	42%	
C27 Landscaping	4,797	6,551	11,348	42%	
C28 Lock & Security Equipment	162	220	382	42%	
C29 Masonry	1,083	1,352	2,435	44%	
C31 Construction Zone	44	230	274	16%	
C32 Parking Highway	186	312	498	37%	
C33 Painting	8,758	6,804	15,562	56%	
C34 Pipeline	168	336	504	33%	
C35 Lath & Plaster	652	1,156	1,808	36%	
C36 Plumbing	8,807	6,671	15,478	57%	
C38 Refrigeration	937	979	1,916	49%	
C39 Roofing	0	4,302	4,302	0%	
C42 Sanitation	376	582	958	39%	
C43 Sheet Metal	417	1,053	1,470	28%	
C45 Signs	383	493	876	44%	
C46 Solar	480	721	1,201	40%	
C47 Gen Manufactured House	231	200	431	54%	



2018 ACTIVE LICENSE CLASSIFICATIONS WORKERS' COMPENSATION (WC)				
Classification	Exemptions on File	WC Policies on File	Total Policies & Exemptions	% of Total with Exemptions
C50 Reinforcing Steel	66	180	246	27%
C51 Structural Steel	435	1,017	1,452	30%
C53 Swimming Pool	1,132	1,330	2,462	46%
C54 Tile	3,633	2,721	6,354	57%
C55 Water Conditioning	127	177	304	41%
C57 Well Drilling	336	513	849	40%
C60 Welding	540	450	990	55%
C61 Limited Specialty	7,685	9,804	17,489	44%
ASB Asbestos Cert	308	703	1,011	30%
HAZ Hazardous Cert	547	1,338	1,885	29%

Fingerprinting

Since January 2005, license applicants have been required to submit fingerprints if they are listed as personnel on an original application or are applying to add a classification to an existing license, replace the qualifier, report new officers, or register as a home improvement salesperson. Fingerprints are compared to California Department of Justice (DOJ) and Federal Bureau of Investigation (FBI) records to learn if a criminal history exists.

CSLB staff review all criminal convictions to determine if the crime substantially relates to the duties, qualifications, or functions of a contractor, and to evaluate if the applicant has demonstrated sufficient rehabilitation. Throughout 2018, the timeline for pulling conviction records for review averaged less than two weeks.

To ensure compliance with AB 2138 (Chiu and Low, Chapter 995, Statutes of 2018), CSLB staff are reviewing its criteria and procedures related to criminal background checks, and 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.



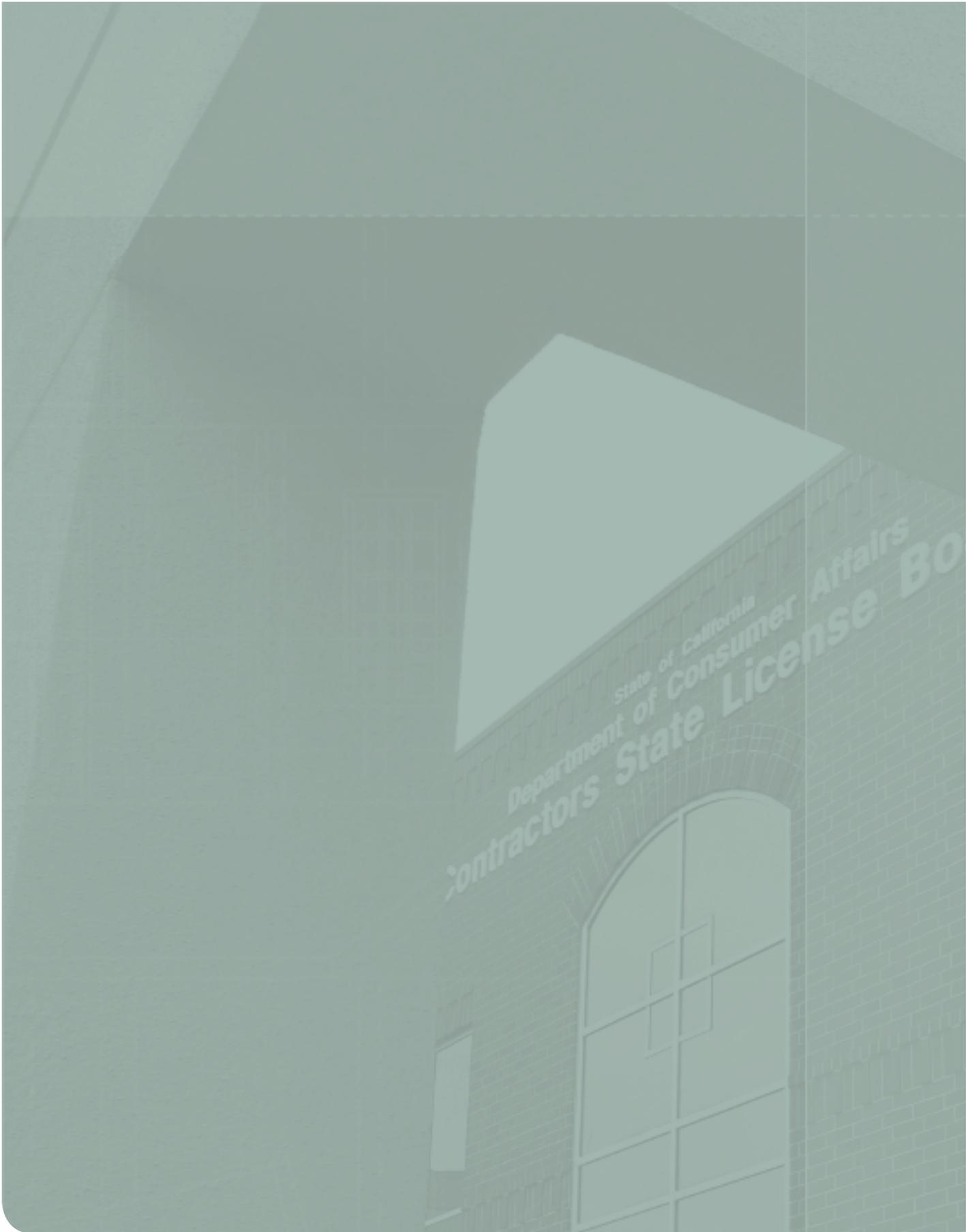
2018 FINGERPRINT STATISTICS

41,393	Applicants with fingerprint responses from the DOJ and FBI
6,729	Applicants identified with a criminal history
67	Applicants denied licensure due to criminal convictions
61	Probationary licenses issued

Licensing Information Center

CSLB's Licensing Information Center (LIC), or call center and front counter, serve as primary resources for public information for contractors, applicants, and consumers. In 2018, LIC staff answered 137,270 calls





TESTING

The Testing unit administers all CSLB examinations at eight test centers throughout the state. In 2018, over 51,000 examinations were scheduled. In addition, the unit develops new exams as required and reviews and updates existing exams to reflect changes in the industry.

Examination Development

In accordance with legal requirements and professional testing standards, an occupational analysis of each license classification is conducted every five-to-seven years to collect information from licensed contractors and to identify current trade practices. These results are then used to update the licensing examinations.

All examination development work relies on input from licensed contractors who serve as subject matter experts and participate in two- and three-day workshops conducted by exam specialists at CSLB headquarters in Sacramento. CSLB also uses online surveys sent through email. To ensure that CSLB reaches a sufficient sample of licensees in the smaller trade classifications, the unit both emails surveys to licensees and sends a letter with a link to the survey to those licensees who have not provided CSLB with an email address.

During 2018, the Examination Development unit completed 11 occupational analyses and updated seven examinations.

2018 EXAMINATION DEVELOPMENT

OCCUPATIONAL ANALYSES COMPLETED	NEW EXAMINATIONS COMPLETED
C-10 Electrical	C-12 Earthwork and Paving
C-13 Fencing	C-21 Building Moving and Demolition
C-21 Building Moving and Demolition	C-42 Sanitation System
C-22 Asbestos Abatement	C-46 Solar
C-34 Pipeline	C-47 General Manufactured Housing
C-38 Refrigeration	C-57 Well Drilling
C-45 Sign	Hazardous Substance Removal Certification
C-47 General Manufactured Housing	
C-50 Reinforcing Steel	
C-55 Water Conditioning	
C-60 Welding	

Examination Administration

CSLB administers computer-based examinations at eight test centers located in 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 at any given time.

In April 2018, Testing staff received training on new testing procedures, customer service, health and safety awareness, and emergency preparedness.

2018 Examination Statistics

EXAMINATION TYPES	TOTAL
Trade	43
Certification	2
Law and Business	1
Number of Examinations Scheduled	51,806
Number of Misconduct Investigations	6
Number of Confirmed Misconduct Incidents	4
Overall Percentage of Examinations Passed	48%

Consumer Satisfaction Survey

The Testing unit conducts an ongoing survey of consumers whose complaint cases have been closed to assess overall satisfaction with the Enforcement division’s complaint-handling practices. Consumers who provide CSLB with an email address receive the survey within the first or second month after their complaint has been closed. Captured data is compiled into an annual report that the Enforcement division uses to benchmark performance improvement. In 2018, the reported satisfaction rate was 62 percent, which aligns with results from the past 12 years.



ENFORCEMENT

The Enforcement division enforces California contractors' state license law. Division staff resolve disputes between licensees and consumers when appropriate, and take disciplinary action against licensees and non-licensees when necessary. In 2018, the division investigated over 20,000 complaints and obtained a record \$24.6 million in restitution to injured parties, including over \$2 million to financially-injured solar customers.

The majority of California's 285,000 licensed contractors voluntarily comply with the state's licensing requirements and regulations. However, with a healthy economy and continuing high levels of construction activity, the number of complaints filed against California contractors rose again in 2018, to 20,497—a 12.2 percent increase during the past two years.

Division staff have worked to keep pace with the growing complaint volume. Despite static staffing levels, in 2018, Enforcement division personnel closed 21,978 complaint investigations—an increase of 1,954 closures over the preceding year, and a 9.9 percent increase over the last two years. However, the larger workload—including the diversion of staff resources to statewide disaster response—is affecting operations. The board's goal is to appropriately disposition all but 100 open complaints within 270 days of receipt. By the end of 2018, there were 118 open complaint investigations exceeding the 270-day benchmark.

Division staff first attempt to promptly resolve non-egregious complaints against licensed contractors through mediation. Complaints that cannot be mediated, or that appear to involve significant violations of law, may be referred for formal investigation. In 2018, CSLB formal investigations resulted in 4,650 legal actions brought against violators. The most egregious contractor misconduct—such as elder abuse, predatory business practices, unsafe working conditions, and/or repeated offenses—may warrant criminal prosecution. Last year, 1,785 cases were referred for criminal prosecution.

Criminal Investigations

Shady Solar Contractor Gets Three Years in Prison



In 2015, the Metropolitan Credit Union (MCU) contacted CSLB about complaints they had received against licensee Andrew McGuire,

dba Mc Wire Electric Inc. MCU reported that several customers had hired McGuire to install solar systems. They financed their projects through MCU, which then paid McGuire directly. Customers stated that Mc Wire accepted the money, but then performed little or no work of value. MCU was asked to refer the complaining customers to CSLB, and 12 victims in the San Diego area filed complaints over the next several months. The contracts totaled almost \$390,000, of which over \$222,000 was paid to McGuire, mostly through the financing companies. In addition, a subcontractor filed a complaint against Mc Wire, claiming he was owed more than \$177,000. CSLB's investigation resulted in the revocation of McGuire's two licenses and the filing of criminal charges. In April 2018, McGuire pled guilty to felony diversion of funds,

theft by false pretenses, and workers' compensation premium fraud. In accordance with his plea agreement, he will serve three years in state prison and pay \$287,066 in restitution to his victims.

Three-Year Prison Sentence for Repeat Offender

In April 2018, unlicensed contractor Barry Wayne Hanner was sentenced to three years' imprisonment and three years' probation for grand theft by false pretense (a felony) and contracting without a license. Hanner had an extensive complaint history with CSLB dating back to 1986, and had five prior convictions for similar crimes in the 1990s. He served prison time in 2007. Hanner's latest conviction resulted from a CSLB investigation which determined that Hanner had been paid \$7,000 for concrete work but abandoned the project shortly after he started. ABC News in Bakersfield covered the investigation and Hanner's conviction.



Two Years in Prison for Elder Abuser



On April 24, 2018, the Monterey County Superior Court sentenced unlicensed contractor Salomon Medina to a two-year

prison sentence for first degree burglary, unlicensed contracting, and workers' compensation insurance violations. CSLB and the Monterey County District Attorney's office had investigated Medina for elder abuse and contracting violations, and criminal charges were filed on August 31, 2017. In recognition of Medina's long criminal record and history of targeting elderly victims, the court agreed that a prison sentence was warranted. Medina began serving his two-year sentence in May 2018, and the court ordered that he spend at least 85 percent of his prison time in custody.

Unlicensed Contractor Flees with \$79,000 to Arizona

A Gilroy homeowner hired unlicensed contractor Kenneth Blaine Neighbors to install a residential solar system for \$79,000. Neighbors helped the homeowner obtain a bank loan to finance the project; and when the loan was approved, Neighbors submitted an



invoice to the bank and was paid the full loan amount. Neighbors never completed any work on the project, and quickly moved out of state with his wife.



CSLB's investigation resulted in the Santa Clara County District Attorney issuing an arrest warrant for multiple charges, including grand

theft. Extensive research by CSLB's investigator located the Neighbors in Arizona; the Arizona Registrar of Contractors and the FBI Violent Crimes/ Fugitive Task Force cooperated to arrest the Neighbors and return them to California. On January 26, 2018, Kenneth Neighbors and his wife pled guilty to contracting without a license and felony grand theft. They were sentenced to six months in jail, formal probation for five years, and payment of \$79,000 in restitution.



Case Management Unit

The Case Management Unit consists of three main sections: Citation Enforcement, Enforcement Services, and Disciplinary Services.

Citation Enforcement Section

When a CSLB complaint investigation establishes that a serious violation has occurred, the registrar of contractors may issue an administrative citation against a license. The citation can include an order to make restitution to an injured party, and/or pay a civil penalty of up to \$5,000 for a violation by a licensee. Unlicensed contractors may be ordered to pay a civil penalty of up to \$15,000.

In 2018, CSLB's Citation Enforcement Section issued 1,102 citations to licensees and 923 citations to non-licensed contractors. As a result, CSLB collected \$2,148,521 in civil penalties – a 12.5 percent increase over 2017. The citations resulted in \$794,197 in restitution paid to injured parties.

If a licensee complies with a citation order, CSLB takes no further action. If a licensee contests the citation, he or she may present their case at a formal hearing before an administrative law judge. If the licensee does not prevail at the hearing and fails to comply with a final order, CSLB may suspend and then revoke the license. In 2018, CSLB revoked the licenses of 320 citation recipients for non-compliance.

Enforcement Services Section

Arbitration Program

The Enforcement Services Section (ESS) oversees two arbitration programs for CSLB. Disputes between licensed contractors and complainants involving amounts up to \$15,000 are eligible for the Mandatory Arbitration Program, while disputes involving amounts between \$15,000 and \$50,000 can be referred to the Voluntary Arbitration Program. Arbitration provides a cost-effective, more expeditious alternative to formal administrative hearings. Although ESS manages both programs, CSLB contracts with a private firm, the Arbitration Mediation Conciliation Center (AMCC), to provide the arbitration services.

In 2018, the number of cases heard in arbitration rose substantially, the amount of restitution increased, and licensee compliance with arbitration awards improved. Due to the large increase in caseload, the average cycle time from case referral to decision increased slightly, from 48 days last year to 50 days in 2018. However, this is still substantially less time than the administrative hearing process, which requires six months to a year for completion.



ARBITRATION PROGRAM	2017	2018	Percentage Increase/Decrease from 2016
Complaints Referred to Arbitration	759	948	+ 24.9%
Decisions Received	567	716	+ 26.3%
Restitution Ordered to Public	\$3,150,804	\$3,730,226	+ 18.4%
Licenses Revoked for Non-Compliance	105	75	- 28.6%

The Arbitration Mediation Conciliation Center monitors user satisfaction with the arbitration program through surveys sent to participants. These surveys have consistently shown that arbitration participants have been pleased with their experience. During 2018, participants gave AMCC's arbitration service an average score of 4.8 or above out of a possible 5 in all rating categories.

Subsequent Arrest and Conviction Unit

As required by statute, the California Department of Justice notifies CSLB whenever those licensed by or registered with CSLB are arrested or convicted of a criminal offense. These cases are forwarded to the Subsequent Arrest and Conviction Unit (SACU). SACU staff investigate each reported case to determine the appropriateness of CSLB administrative action for criminal activity related to the qualifications, duties, and responsibilities of a contractor. These investigations may result in issuance of a citation, or a request that an accusation be filed with the Attorney General's office to suspend or revoke the license.

SACU STATISTICS	2018
Criminal Convictions Investigated	1,037
Cases Referred for Accusation	106
Cases Referred for Citation	155
Advisory Notices Issued	570



Disciplinary Services Section

For serious violations of law, CSLB can take administrative action by filing an accusation to suspend or revoke the offender’s license. CSLB’s Disciplinary Services Section handles these cases, and their investigations may result in one or more of the following actions:

- Revocation of the license
- Probation (stay of suspension or revocation)
- Restitution order for a financially-injured homeowner
- Recovery of investigation and enforcement costs
- Dismissal of case

In 2018, the Disciplinary Services Section reported a 29 percent increase from the prior year in the dollar amount of cost recovery paid to CSLB, as well as an increase in financial restitution paid to the public.

DSS ADMINISTRATIVE ACTIONS	2016	2017	2018
Accusations Filed	311	536	371
Licenses Revoked via Accusation	331	399	395
Cost Recovery Paid to CSLB	\$347,988	\$403,300	\$521,136
Restitution Paid to Public	\$399,524	\$597,277	\$605,518

Letter of Admonishment

On July 1, 2018, CSLB introduced the letter of admonishment, a new corrective action for contracting violations, made possible by the passage of SB 486 (Monning, Statutes of 2017). The letter of admonishment is an intermediate form of corrective action between an advisory notice and the citation, and is the first major addition to CSLB’s corrective options since the licensee citation in 1979. Between July 1, 2018 and December 31, 2018, CSLB issued 36 letters of admonishment.

The letter of admonishment is intended to enhance public protection by addressing single, non-egregious violations by licensed contractors. The letter provides for one year of public disclosure after issuance, an option for corrective action, and written documentation that can be used to support formal disciplinary action in the future, if warranted. If the specified corrective action is not completed CSLB can issue a citation.



Targeted Enforcement Programs

Solar Industry Enforcement

The California Distributed Generation Statistics reports that approximately 10,500 residential solar panel systems were installed per month in 2018. The vast majority of solar contractors perform good work and most consumers are pleased with their new solar systems. However, as installations have become more popular over the last few years, CSLB has seen an increase in the number of solar-related consumer complaints, primarily involving predatory sales tactics.

Created in 2015, CSLB's Solar Task Force is now comprised of 11 part-time CSLB staff throughout California. The task force has focused on identifying and addressing those business models that have led to an increase in consumer complaints, including solar leases, Power Purchase Agreements (PPA), and systems purchased with Property Assessed Clean Energy (PACE) financing.

CSLB's partnership with the California Public Utilities Commission (CPUC) and the Department of Business Oversight (DBO) continued to evolve throughout 2018, as each agency aimed to address predatory sales tactics used in various disadvantaged communities across California.

- In July 2018, CSLB participated in a Consumer Protections for Rooftop Solar Customers public forum in Huron, California, led by the CPUC and Huron's Mayor, Rey Leon. The event was conducted mostly in Spanish and over 75 community members attended seeking assistance with predatory solar contracts. Representatives from several agencies, including PG&E, the Fresno County District Attorney's office, the California Attorney General's office, Central California Legal Services, California Solar & Storage Association, and various PACE programs were available to provide information and answer questions about how people can protect themselves against further victimization.
- In November 2018, in partnership with the CPUC, CSLB hosted a Joint Agency Solar Consumer Protection Strategy meeting attended by CSLB Registrar David Fogt, CPUC Commissioner Martha Guzman Aceves, DBO Commissioner Jan Owen, and staff from each of these agencies, as well as the Attorney General's office and the Marin and Fresno County District Attorney's offices. The first half of the meeting was a closed session, during which representatives from attending agencies discussed critical issues within the solar industry, their respective responsibilities, and how to better integrate their regulatory roles.



The second half was open to solar industry stakeholders, and was well attended by consumer protection organizations, legal services agencies, and industry representatives. Attending agencies agreed to establish a new Joint Agency Solar Consumer Protection Task Force.

In 2018, the Enforcement division closed 943 solar-related complaints (including some complaints received in prior years). Of these, 304 cases were settled and more than \$2 million in restitution awarded to injured persons. In 2018, solar investigations led to 168 legal actions—a 49 percent increase from 2017—including referral of 38 cases for criminal prosecution.

Proactive Enforcement

Statewide Investigative Fraud Team

CSLB utilizes its Statewide Investigative Fraud Team (SWIFT) as the primary tool for proactive enforcement of contractors’ state license law. SWIFT investigators—in partnership with the construction industry, law enforcement agencies, and allied state agencies—target the underground economy through random inspection “sweeps” in the field and through undercover “sting” operations at staged construction sites. Additionally, SWIFT investigators respond to leads from consumers, licensed contractors, and other agencies. SWIFT investigators also regularly conduct these types of operations in declared disaster areas, as noted in the section on “Protecting California’s Disaster Survivors.” In 2018, SWIFT conducted 79 sting operations, participated in 388 sweep days, and responded to 1,391 leads.

In addition to taking administrative action, SWIFT often refers cases to local prosecutors for criminal prosecution. In 2018, SWIFT investigations resulted in 1,728 legal actions, of which 1,007 were referred to prosecutors.

2018 SWIFT ADMINISTRATIVE LEGAL ACTIONS AND CRIMINAL REFERRALS	
CATEGORY	RESULT
Legal Actions	1,728
Initial Citation Assessment	\$809,000
Stop Orders Issued for Workers’ Compensation Violations	673
Licensee Criminal Referrals	156
Non-Licensee Criminal Referrals	851



Undercover Sting Operations

Undercover stings continue to be an effective method to identify and prosecute persons acting in the capacity of a contractor without a license and those who commit other significant violations of contractors' state license law. CSLB investigators partner with local law enforcement to pose as property owners seeking bids for home or commercial property improvements. Suspects are issued notices to appear (NTAs) in superior court for alleged violations of sections of the Business and Professions Code (BPC) that include:

- Contracting without a license (BPC section 7028)
- Failure to state not licensed in advertisement (BPC section 7027.1)
- Requiring an excessive down payment (BPC section 7159.5)
- Failure to maintain workers' compensation insurance (BPC section 7125.4 and Labor Code section 3700.5)

In 2018, SWIFT operations resulted in the issuance of 595 NTAs for misdemeanor violations of the Business and Professions Code.

Tree Service Sting

In December 2018, SWIFT investigators partnered with the California Department of Insurance (CDI) to conduct an enforcement sting targeting tree service licensees in Contra Costa County. The sting focused on tree service contractors with exemptions from workers' compensation insurance on file with CSLB. Eight licensees came to the sting location, and six provided tree-trimming bids ranging from \$8,500 to \$23,000, and later returned with employees ready to begin work. Investigators referred all six licensees for criminal prosecution and issued five stop orders. CDI will further investigate one of the licensees for apparent premium fraud.



Contra Costa County Tree Service sting in December 2018

Multi-State Partnership—California-Nevada Sting

CSLB and the Nevada State Contractors Board (NSCB) have long cooperated, a relationship that extends to field operations. In May 2018, SWIFT and NSCB investigators conducted two stings in the Lake Tahoe area near the state line. Ten people were charged with contracting without a license in the California sting and



another six unlicensed contractors were cited the following day in Nevada. The highest bid received was \$20,000 for the installation of concrete pavers.

Stings and Sweeps for Nationwide Enforcement Effort

Between June 11, 2018 and June 22, 2018, SWIFT investigators participated in a nationwide enforcement effort to stop unlicensed contractors. The National Association of State Contractors Licensing Agencies (NASCLA) coordinated the campaign, which was undertaken to heighten consumer awareness about the value of hiring licensed contractors.

Over this two-week period, SWIFT conducted four undercover stings and 26 sweeps of active construction sites in nine counties throughout California. Fifty-five suspected unlicensed contractors were referred to district attorney offices for criminal prosecution. The operation also led to the issuance of 58 administrative citations and 51 stop orders to licensed and unlicensed contractors.

Sweeps/Leads

SWIFT regularly receives information about active, unlicensed, or illegal construction activity reported by licensees, the public, and allied state agencies that can lead to a construction site inspection. Additionally, SWIFT investigators routinely sweep areas for active construction projects and conduct compliance inspections.

2018 SWIFT SWEEP AND LEAD RESULTS	
CATEGORY	RESULT
Compliance Sweep Days	388
Legal Actions Resulting from a Sweep Compliance Inspection	689
Leads Received	1,391
Legal Actions Resulting from a Lead	269

Joint Enforcement Strike Force

The Joint Enforcement Strike Force (JESF), established in 1995, shares information and resources among multiple government agencies to combat the underground economy. Partner agencies include CSLB, Employment Development Department (EDD), Division of Occupational Safety and Health (DOSH), Division of Labor Standards Enforcement (DLSE), and the Franchise Tax Board (FTB). JESF’s primary focus is to pursue criminal charges for license, tax withholding, and workers’ compensation insurance violations. In 2018, JESF enforcement activities resulted in



the suspension of 341 contractor licenses for outstanding tax and penalty liabilities totaling almost \$309 million. CSLB's license suspension program resulted in the payment of almost \$24 million to allied state agencies.

2018 JESF-RELATED OUTSTANDING LIABILITIES		
AGENCY	LIABILITY SUSPENSION	PENALTY RECOVERED
EDD	26,963,966	12,912,299
DOSH	3,351,704	2,085,120
DLSE	1,367,813	1,315,519
FTB	277,302,745*	7,491,602
TOTAL	308,986,229	23,804,540

**The FTB liability suspension amount is unusually high because of \$266 million in assessments against two related entities in May 2018.*

Labor Enforcement Task Force

Established in 2012, the Labor Enforcement Task Force (LETF) combats the underground economy in California and strives to create an environment where legitimate businesses can thrive. Partner agencies include CSLB, EDD, DLSE, and DOSH. The task force aims to:

- Ensure that workers receive proper payment of wages and are provided a safe work environment;
- Ensure that California receives all employment taxes, fees, and penalties due from employers;
- Eliminate unfair business competition by leveling the playing field; and
- Make efficient use of state resources in carrying out LETF's mission.

LETF members conduct sweeps at active job sites to verify employee wages and compliance with licensing, insurance, tax, and job safety requirements. Inspections conducted by LETF at construction sites in 2018, found 87 percent of contractors out of compliance with one or more contractors' state license law requirements.



2018 LETF JOINT INSPECTIONS	
CATEGORY	RESULT
Number of Contractors Investigated at Job Sites	302
Number of Contractors Out of Compliance	263
Percent of Contractors Out of Compliance	87%
Total Initial Assessments	\$1,901,764
Inspections that Resulted in CSLB Investigations	199
CSLB-Issued Stop Orders	40
DLSE – Number of Deduction Statement Violations (Labor Code §226)	38
Number of Businesses Referred to EDD Tax Audit Program	108
Cal/OSHA Serious Violations	194

Employee Training

Enforcement Academy

In 2012, the Enforcement division launched an in-house training program that continues to grow, assisting CSLB staff in the development of their skills, knowledge, and expertise. CSLB training programs have elevated the overall skill and confidence of CSLB Enforcement staff, enabling them to perform their jobs more effectively, efficiently, and professionally.

During 2018, the division offered two sessions of its entry-level Enforcement Academy which provides a week of intensive instruction for newly-appointed enforcement representatives and support staff. The class is jointly taught by the division training instructor and a deputy attorney general.



Graduates of CSLB Enforcement Academies in Sacramento pose with Board Members Joan Hancock and Ed Lang, Registrar David Fogt, CSLB Trainer Doug Galbraith, and Deputy Attorney General Mike Franklin in May and November 2018



Using Contractors as Experts

CSLB Investigative Centers received training in utilizing contractors as experts. The training focused on the importance of qualifying the contractor as an expert; gathering necessary evidence; documenting deviations from standards, plans, and specifications; accurately determining financial injury; and comprehensive report writing.

PC 832 Training

New members to the Statewide Investigative Fraud Team (SWIFT) received the CSLB equivalency course for PC 832, Laws of Arrest, Search, and Seizure. The PC 832 course is mandated for SWIFT personnel in order to exercise delegated authority from the Department of Consumer Affairs to issue a notice to appear.

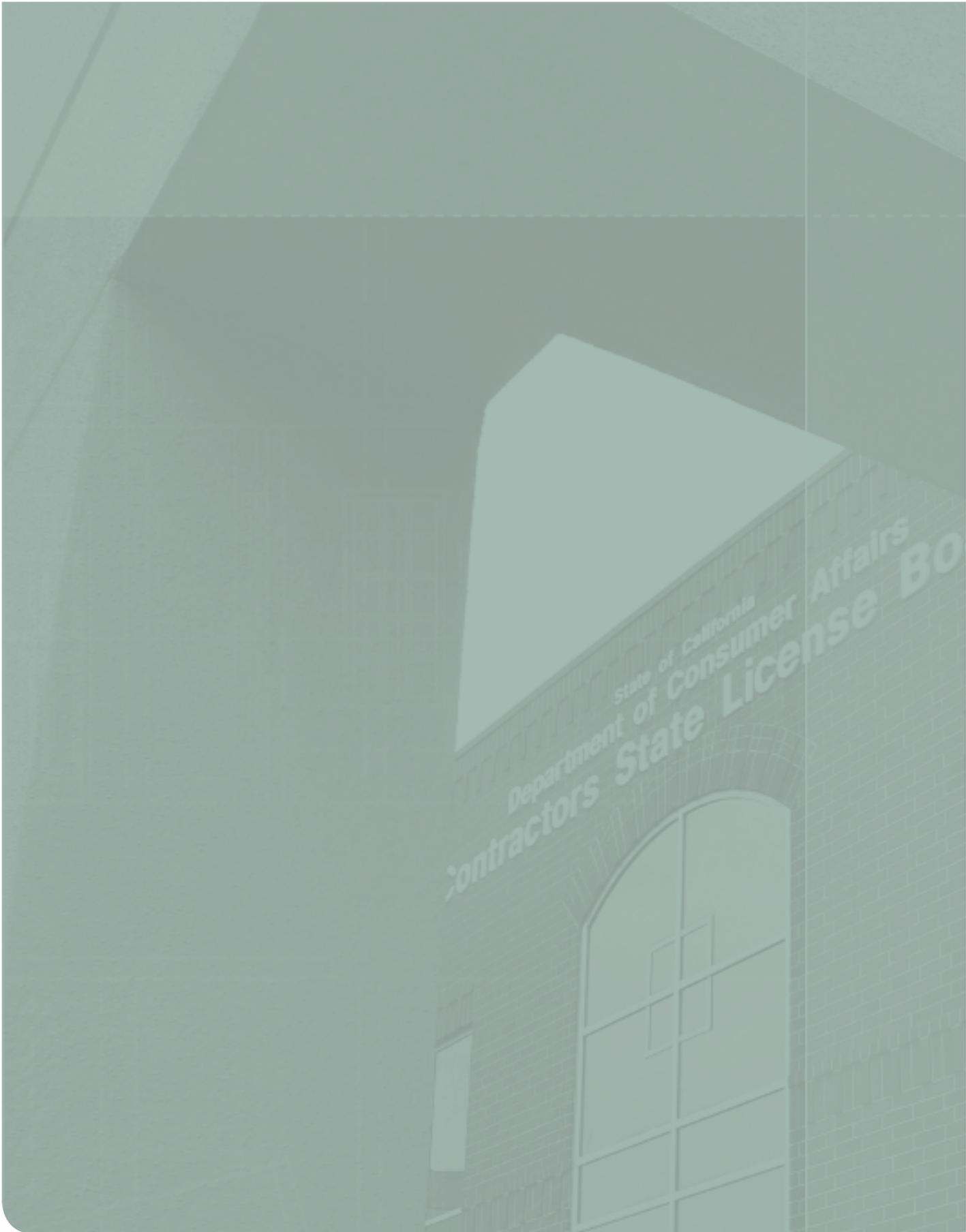
JESF and LETF Safety Training

As requested by the head of the Joint Enforcement Strike Force (JESF), CSLB's Enforcement division provided safety training to JESF members, as well as Labor Enforcement Task Force members. Many CSLB SWIFT staff also attended.

CSLB Employee Situational Awareness and Security Training

CSLB also continued efforts to maximize employee safety by offering its annual Situational Awareness and Security training. Developed in 2016, the class is offered annually to all CSLB employees and provides methods to recognize potential threats and take appropriate action, including how to react in the unlikely event of an active-shooter incident. This training was conducted in multiple locations statewide by the division training instructor.





LEGISLATIVE



CSLB's Legislative division sponsors legislation and screens all bills introduced by the Legislature to determine if they affect the board, consumer protection, or the construction industry.

In 2018, CSLB was one of 10 Department of Consumer Affairs (DCA) boards and bureaus scheduled for sunset review. Each year, the Assembly Business and Professions Committee and the Senate Business, Professions and Economic Development Committee jointly hold sunset review oversight hearings to review the boards and bureaus under DCA. The process provides an opportunity for the Legislature, DCA, interested parties, and other stakeholders to discuss the performance of the boards and bureaus and to make recommendations for improvements.

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. In preparation for its 2019 hearing, in November 2018, CSLB submitted to the Legislature a comprehensive report detailing its work since the last sunset review.

Development and Coordination of CSLB Sponsored Legislation

The following legislative bills, sponsored by CSLB and signed into law (chaptered) in 2018 by Governor Edmund G. Brown Jr., will affect CSLB operations.

Senate Bill 1042 (Monning), Chapter 110, Statutes of 2018

This bill authorizes the CSLB registrar to "settle" less egregious administrative citations prior to an administrative hearing, thereby providing for more timely resolution of a citation and reduced legal expenses for both parties.

Assembly Bill 2705 (Holden), Chapter 323, Statutes of 2018

This bill increases the statute of limitations from one year to two years during which an unlicensed contractor can be prosecuted for failing to have workers' compensation insurance for employees.

Assembly Bill 3126 (Brough), Chapter 925, Statutes of 2018

This bill disallows licensees from maintaining a deposit with their financial institution in lieu of a contractor license bond, bond of qualifying individual, or disciplinary bond. Either a surety bond or cashier’s check will be required. This will prevent contractors from removing funds from private accounts, leaving no money available for a financially injured consumer, and eliminates the need for a consumer to sue CSLB to seek restitution from such a deposit.

Other Legislation Affecting CSLB Operations

The following chaptered legislation directly affects or involves the board. Although not sponsored by CSLB, in many cases CSLB worked closely with the authors and sponsors to offer information and expertise. The bills are effective January 1, 2019, unless otherwise noted.

Senate Bill 721 (Hill), Chapter 445, Statutes of 2018

This bill establishes requirements for inspecting and repairing “exterior elevated elements,” which include decks and balconies, for buildings with three or more multi-family dwelling units. Additionally, it establishes reporting and repair requirements, including timeframes, if it is found that repairs are needed. This bill also 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.

Senate Bill 981 (Dodd), Chapter 932, Statutes of 2018

This bill removes the restriction on 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. This bill allows the installation to take place during that time period. 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.

Senate Bill 1087 (Roth), Chapter 798, Statutes of 2018

This bill is a follow-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). Among other things, SB 1087 makes it unlawful to begin work under a home improvement contract if the property owner was not approved for the PACE financing for which he or she applied.



Senate Bill 1465 (Hill), Chapter 514, Statutes of 2018

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 rental residential structures that meet specified criteria.

Assembly Bill 2138 (Chiu & Low), Chapter 995, Statutes of 2018

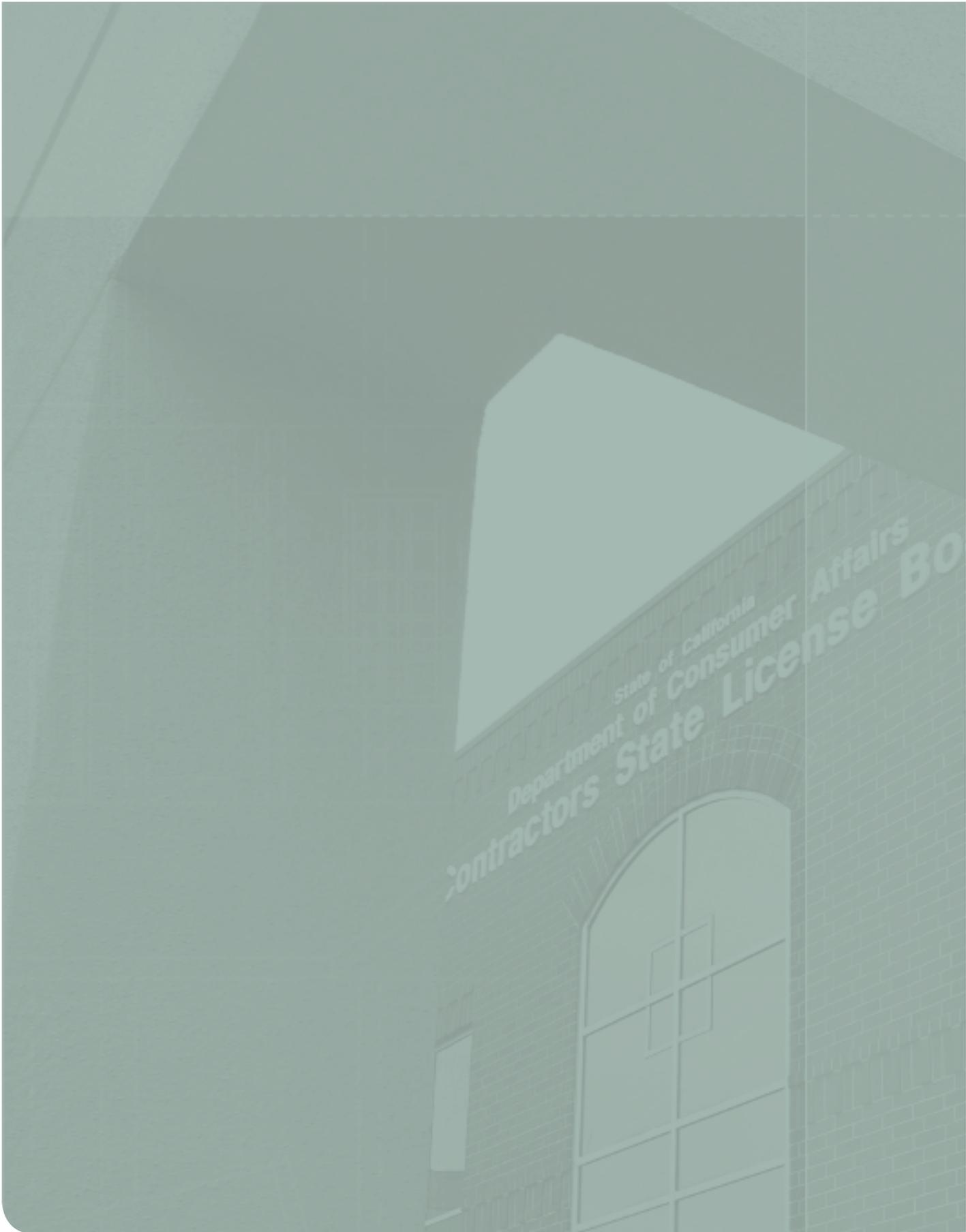
Effective July 1, 2020, this bill prohibits an applicant from being denied a license solely because he or she has been convicted of specified crimes. This bill also prohibits license denial if the applicant was pardoned, shows rehabilitation, or if the conviction was dismissed, and prohibits denial based on an arrest that resulted in anything other than a conviction. It further prohibits boards from requiring an applicant to provide his or her criminal history.

The bill authorizes a board to deny a license based on 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. Also, for certain agencies, including CSLB, a license may be denied if the conviction is a financial felony directly and adversely related to the qualifications, functions, or duties of the license. The bill also requires boards to produce annual reports about applicants with a criminal background to the Legislature and for public posting.

AB 2371 (Carrillo), Chapter 867, Statutes of 2018

This bill provides that before CSLB revises the 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.





PUBLIC AFFAIRS

CSLB's Public Affairs Office (PAO) manages news media, industry, licensee, consumer, and employee communications. To accomplish this, PAO provides a wide range of services, including proactive public relations; media relations; community outreach, including Senior Scam StopperSM and Consumer Scam StopperSM seminars, special events, and speeches to service groups and organizations; publication and newsletter development and distribution; video services; website support; contractor education and outreach; and support for employee events.

During 2018, CSLB's Public Affairs Office:

- Distributed 41 news releases
- Distributed 16 industry bulletins
- Organized, conducted, or participated in three media events
- Fielded 103 media inquiries and requests for interviews
- Produced 9 live board and committee meeting webcasts
- Organized and conducted 155 outreach events, including Senior Scam StopperSM seminars, Consumer Scam StopperSM seminars, speeches, presentations, and disaster workshops
- Produced 22 publications, including meeting packets, reports, CSLB's 2018 Sunset Review Report, and the 2019 *California Contractors License Law & Reference Book*

Publications

During 2018, PAO completed production of 19 publications:

Consumer/Licensee/Applicant/Industry Publications

- Description of Classifications Booklet (Spanish)
- What You Should Know Before Hiring a Contractor Brochure (English & Spanish)
- After a Disaster Don't Get Scammed Brochure (English & Spanish)
- What is a Stop Order? Brochure (Spanish)

- Terms of Agreement – Consumer’s Guide to Home Improvement Contracts Booklet (English)
- 10 Tips to Make Sure Your Contractor Measures Up Card (English & Spanish)
- Asbestos: Contractor’s Guide & Open Book Exam (English)
- A Consumer’s Guide to Filing a Construction Complaint Brochure (English)

Reports/Law Book/Meeting Packets

- 2017 Accomplishments and Activities Report
- 2018 *California Contractors License Law & Reference Book*
- 2019-21 CSLB Strategic Plan
- 2018 Sunset Review Report
- February 23, 2018 Committee Meeting Packet
- March 2, 2018 Committee Meeting Packet
- April 12-13, 2018 Board Meeting Packet
- June 7-8, 2018 Board Meeting Packet
- August 3, 2018 Committee Meeting Packet
- September 20, 2018 Board Meeting Packet
- December 13, 2018 Board Meeting Packet

CSLB Live Web Events

During 2018, CSLB produced nine live webcasts:

- February 23, 2018 Licensing Committee meeting in Sacramento
- February 23, 2018 Enforcement Committee meeting in Sacramento
- March 2, 2018 Public Affairs Committee meeting in Sacramento
- March 2, 2018 Legislative Committee meeting in Sacramento
- April 12-13, 2018 Board meeting in San Diego
- June 7-8, 2018 Board meeting in Sacramento & Las Vegas, Nevada
- August 3, 2018 Committe Meetings
- September 20, 2018 Board meeting in Sacramento
- December 13, 2018 Board meeting in South San Francisco



Social Media

PAO continued to expand its use of social media as an outreach tool during 2018. Utilizing social media channels allows CSLB to better interact with licensees, the news media, and other stakeholders.

CSLB currently utilizes Facebook, Twitter, YouTube, Flickr, LinkedIn, Instagram, and NextDoor.

Social Media Highlights

- **Facebook**—3,754 followers; an increase of 404 from 2017
- **Twitter**—2,486 followers; an increase of 66 from 2017
- **YouTube**—16 videos produced in 2018; 136 total videos produced; 29,146 video views in 2018 (455,481 total views); 180,530 minutes watched in 2018 (1,477,034 total minutes watched)
- **Flickr**—58 photos posted/shared in 2018 (334 total photos shared)
- **LinkedIn**—164 followers, an increase of 47 from 2017
- **Instagram**—227 followers, an increase of 117 from 2017

CSLB streamed 11 Facebook Live videos in 2018, which received a combined 6,940 views. All videos posted on CSLB's Facebook page (including live videos and uploaded videos) received 22,640 views, a 69 percent increase from 2017.



Videos are also placed on CSLB’s YouTube Channel

MOST VIEWED YOUTUBE VIDEOS	
Video Title	Total Views
1. CSLB Licensing Committee meeting February 23, 2018	394
2. CSLB Committee meetings August 3, 2018	337
3. CSLB Quarterly Board meeting April 13, 2018	279
4. CSLB Quarterly Board meeting (Day 1) June 7, 2018	277
5. CSLB Quarterly Board meeting December 13, 2018	266
6. CSLB Public Affairs and Legislative Committees meetings March 2, 2018	247
7. CSLB Quarterly Board meeting September 20, 2018	208
8. CSLB Enforcement Committee meeting February 23, 2018	207
9. CSLB Quarterly Board meeting (Day 2) June 8, 2018	144
10. CSLB and Sonoma County District Attorney Press Conference February 2, 2018	127

Email Alerts

In 2017, CSLB added a new email subscription option (CSLB Surveys) for the public and expanded its database of email addresses to more than 28,000 for six categories of email alerts. As of December 31, 2018, 28,977 email alert subscriptions were activated—an increase of 824 since 2017.



2018 EMAIL ALERT SUBSCRIBERS	
Category	Subscriptions
California Licensed Contractor Newsletters	8,124
Industry Bulletins	7,760
News Releases / Consumer Alerts	6,867
CSLB Meeting Announcements	4,697
CSLB Surveys	939
CSLB Job Openings	590
TOTAL	28,977

PAO also utilizes a database consisting of email addresses voluntarily submitted on license applications and renewal forms. This licensee list currently consists of 146,188 active email addresses, which brings the combined email database to 175,165 addresses.

CSLB-Involved Media Events

- **February 2, 2018 – Santa Rosa, Sonoma County**

PAO collaborated with the Sonoma County District Attorney's office to conduct a press conference to announce the results of an undercover sting operation that targeted those trying to take advantage of survivors of the Tubbs wildfire, one of more than a dozen large fires that broke out and were simultaneously burning in eight Northern California counties. The Tubbs fire destroyed more than 5,600 structures, half of which were homes in the city of Santa Rosa. Twenty-two people lost their lives in the fire.

- **August 15, 2018 – Redding, Shasta County**

PAO partnered with the California Department of Insurance to publicize an education outreach operation for survivors of the Carr wildfire in the city of Redding. This fire caused eight deaths and destroyed more than 1,000 homes.

- **November 19, 2018 – Chico, Butte County**

CSLB staff teamed with the California Department of Insurance, Butte County District Attorney's office, and Butte County Sheriff's office to publicize an educational outreach operation for survivors of the Camp wildfire in and around the town of Paradise. The fire resulted in the deaths of at least 85 people and the destruction of at least 14,500 structures, including approximately 13,700 homes.



Outreach Events

The Public Affairs Office continued its active outreach program in 2018. In addition to the specific events described below, CSLB staff participated in 68 other outreach events, including trade shows, home shows, and speaking engagements.

Senior Scam StopperSM Seminars

Launched in 1999, CSLB's Senior Scam StopperSM (SSS) program informs, empowers, and educates senior consumers at the local level about unlicensed or unscrupulous contractors.

Seminars are coordinated with legislative offices and feature presentations by a panel of experts from local, state, and federal agencies, and community-based organizations; distribution of consumer publications; and spirited question-and-answer sessions.

In 2018, PAO staff coordinated and facilitated 64 Senior Scam StopperSM seminars. Fifteen were conducted in both English and Spanish; one in Korean; and one in English, Korean, and Spanish. Average attendance was 60; and the 700th SSS presentation was held on July 18, 2018, in Corona with Assemblymember Sabrina Cervantes.



700th Senior Scam StopperSM Seminar in Corona on July 18, 2018

Forty-one seminars were held in southern California; 16 in northern California; and seven in the central region of the state.

2018 Senior Scam StopperSM Seminars:

DATE	LOCATION	LEGISLATOR(S)
January 30, 2018	Oakley	Asm. Jim Frazier
February 8, 2018	San Juan Capistrano	Millennium Housing
February 22, 2018	Barstow	Barstow Senior Center
February 23, 2018	La Jolla	Rep. Scott Peters
March 1, 2018	Los Angeles	Asm. Mike Gipson
March 2, 2018	Anaheim	Asm. Tom Daly
March 9, 2018	Santa Ana	Asm. Tom Daly
March 16, 2018	San Diego	Asm. Todd Gloria
March 21, 2018	Vallejo	Asm. Tim Grayson
March 23, 2018	Los Angeles	Asm. Richard Bloom



DATE	LOCATION	LEGISLATOR(S)
March 27, 2018	Milpitas	Sen. Bob Wieckowski Asm. Kansen Chu
March 28, 2018	Claremont	Asm. Chris Holden
March 29, 2018	Gardena	Asm. Al Muratsuchi
April 2, 2018	Palm Springs	Millennium Housing
April 3, 2018	Victorville	Sterling Inn
April 5, 2018	Riverside	Riverside Meadows Mobile Home Park
April 6, 2018	Sunnyvale	Asm. Marc Berman
April 11, 2018	Cypress	Asm. Sharon Quirk-Silva
April 12, 2018	Castro Valley	Sen. Bob Wieckowski Asm. Bill Quirk
April 18, 2018	Antioch	Asm. Jim Frazier
April 19, 2018	Irvine	Atria Woodbridge
April 20, 2018	Upland	Senior Medicare Patrol
April 25, 2018	Vacaville	Asm. Jim Frazier
April 27, 2018	Stanton	Asm. Sharon Quirk-Silva
May 1, 2018 AM	Indian Wells	Asm. Chad Mayes Asm. Eduardo Garcia
May 1, 2018 PM	Thermal	Asm. Eduardo Garcia
May 4, 2018	Irvine	Asm. Steven Choi Asm. Matthew Harper
May 11, 2018	Clovis	Asm. Jim Patterson
May 16, 2018	Brentwood	Asm. Jim Frazier
May 22, 2018	Palmdale	Sen. Scott Wilk Asm. Tom Lackey
June 14, 2018	Lancaster	Sen. Scott Wilk
June 27, 2018	Poway	Rep. Scott Peters
June 29, 2018	Fremont	Sen. Bob Wieckowski Asm. Bill Quirk Asm. Kansen Chu
July 6, 2018	Hawaiian Gardens	Asm. Anthony Rendon
July 11, 2018	Pittsburg	Asm. Tim Grayson
July 13, 2018	La Puente	Asm. Ian Calderon
July 18, 2018 – 700 th	Corona	Asm. Sabrina Cervantes
July 19, 2018 AM	Los Angeles (Korea Town)	Asm. Miguel Santiago
July 19, 2018 PM	Los Angeles (Boyle Heights)	Asm. Miguel Santiago
July 26, 2018	Santa Clarita	Asm. Dante Acosta
July 27, 2018	Temecula	Sen. Jeff Stone
July 30, 2018	Hayward	Rep. Eric Swalwell
August 2, 2018	Torrance	Asm. Al Muratsuchi



DATE	LOCATION	LEGISLATOR(S)
August 3, 2018	Apple Valley	Asm. Jay Obernolte
August 8, 2018	Los Angeles	Rep. Jimmy Gomez
August 10, 2018	Carmichael	Asm. Ken Cooley
August 14, 2018	Sacramento	Asm. Jim Cooper
August 17, 2018	San Carlos	Asm. Kevin Mullin
September 11, 2018	Bakersfield	Asm. Rudy Salas
September 12, 2018	Delano	Asm. Rudy Salas
September 13, 2018	Shafter	Asm. Rudy Salas
September 17, 2018	Fullerton	Asm. Sharon Quirk-Silva
September 18, 2018	San Diego	Rep. Scott Peters
September 20, 2018	Los Angeles	Asm. Richard Bloom Asm. Sydney Kamlager-Dove
September 21, 2018	Bloomington	Asm. Eloise Reyes Gomez
September 25, 2018	Lemoore	Asm. Rudy Salas
October 1, 2018	Vallejo	Asm. Tim Grayson
October 2, 2018	Long Beach	Asm. Anthony Rendon
October 4, 2018	Corcoran	Asm. Rudy Salas
October 5, 2018 AM	Burlingame	Asm. Kevin Mullin
October 5, 2018 PM	San Jose	Rep. Anna Eshoo Asm. Evan Low
October 8, 2018	Mead Valley	Sen. Richard Roth
October 9, 2018	Riverside	Sen. Richard Roth
October 13, 2018	Chino	Asm. Freddie Rodriguez

Consumer Scam StopperSM Seminars

The Consumer Scam StopperSM (CSS) program was launched in September 2012, and targets audiences of all ages. Eight CSS seminars were held in 2018.

2018 Consumer Scam StopperSM Seminars

DATE	LOCATION	GROUP
January 10, 2018	Richmond	Sons in Retirement
February 22, 2018	Loma Linda	Linda Valley Villa
June 30, 2018	Campbell	Paseo de Palomas Mobile Home Park
July 12, 2018	Thousand Oaks	Senior Men's Lunch & Learn
July 17, 2018	San Dimas	San Dimas Senior Center
October 31, 2018	San Jose	Retired Public Employees Assn.
November 1, 2018 AM	Victorville	CA Retired Teachers Assn.
November 1, 2018 PM	North Hills	Valley Outreach Men's Club



Disaster Workshops

In response to the disasters that ravaged the state in 2018, CSLB created workshops to help both survivors and contractors with the rebuilding process. Survivor workshops focused on providing information about permits, hiring architects and contractors, and insurance claims. Contractor workshops focused on the process to add classifications to a license, workers' compensation insurance requirements, and specific information regarding rebuilding.



Board Member Nancy Springer at Rebuilding Wildfire Contractor Workshop in Yuba County on January 30, 2018

2018 Disaster Workshops

DATE	LOCATION	GROUP
January 9, 2018	Loma Rica	Rebuild Survivor Workshop (Yuba County)
January 30, 2018	Loma Rica	Rebuild Contractor Workshop (Yuba County.)
April 10, 2018	San Diego	Rebuild Contractor Workshop (San Diego County)
May 30, 2018	Oroville	Rebuild Contractor Workshop (Butte County)
June 12, 2018	Ventura	Rebuild Survivor Workshop (City of Ventura)
June 13, 2018	Ventura	Rebuild Contractor Workshop (City of Ventura)
June 26, 2018	Ojai	Rebuild Survivor Workshop (Ventura County)
June 27, 2018	Ventura	Rebuild Contractor Workshop (Ventura County)
June 28, 2018	Ojai	Rebuild Survivor Workshop (Ventura County)

CSLB staff also spoke at the following disaster-related meetings:

DATE	SPONSOR	EVENT	LOCATION
January 13, 2018	Asm. Mike McGuire	Sonoma County Recovery & Rebuild	Santa Rosa
January 17, 2018	Mendocino County Building Dept.	Fire Recovery Seminar	Redwood Valley
January 30, 2018	Sen. Bill Dodd	Sonoma Valley Recovery & Rebuilding	Sonoma
February 15, 2018	Sonoma County/ City of Santa Rosa	Rebuild meeting	Santa Rosa
February 22, 2018	United Policyholders	Fire Survivor meeting	Fallbrook
February 28, 2018	Sonoma County	Rebuilding meeting	Sonoma
March 21, 2018	Sonoma County	Community Rebuild meeting	Santa Rosa



Licensing Workshops

CSLB initiated a series of licensing workshops in 2017, conducted in both English and Spanish, that include a review of the benefits of licensure, an overview of licensing requirements, and the steps involved in getting a license. Questions from participants are also answered.

In 2018, CSLB implemented regular, monthly workshop sessions in both northern and southern California. Additionally, staff held a special Spanish-language licensing information session at the Consulate General of Mexico in Los Angeles (jointly sponsored with the Department of Consumer Affairs) and an English-language event at El Camino Community College in Torrance.

Almost 1,600 people attended the 23 various sessions held in 2018, with over 600 attendees at the Spanish-language presentations.



Monthly Licensing Workshop in Sacramento



ADMINISTRATION

The administration of CSLB encompasses a range of activities integral to the smooth and efficient running of the board. These include personnel, business services, and information technology.

PERSONNEL SERVICES

Personnel Transactions

The Personnel unit processed 218 employee hires and separations in 2018. Of these, 26 were internal transfers, 49 were from other state agencies, 28 were new to state service, 38 were internal promotions, two were training and development (T&D) assignments, three were student assistants, one was a retired annuitant, and 14 were exam proctors. Additionally, 38 employees separated from CSLB in 2018, and 19 retired from state service.

2018 PERSONNEL TRANSACTIONS	JAN-M5AR	APR-JUN	JUL-SEP	OCT-DEC	TOTAL
Transfer within CSLB	5	11	8	2	26
From other State Agencies	14	16	9	10	49
New to State Service	10	3	8	7	28
Promotions	12	6	11	9	38
T&D Assignments	1	0	1	0	2
Students	0	0	3	0	3
Retired Annuitants	0	1	0	0	1
Exam Proctors	11	1	2	0	14
Separations	11	8	14	5	38
Retirements	1	4	7	7	19
Total Transactions	65	50	63	40	218

Recruitment and Staffing

In 2018, the Personnel unit received 151 requests for personnel action, primarily to refill established positions, request new positions, and redirect and/or reallocate positions. Of those, 137 were to fill permanent positions and, of these, 66 were to fill behind employees who were either promoted or transferred within CSLB.

Vacancies

CSLB management and the Personnel unit have worked closely with CSLB hiring managers and DCA's Office of Human Resources to identify and minimize delays in filling vacant positions. These efforts helped reduce the average number of monthly vacancies approximately 33 percent in 2018, as compared to the prior year. In 2018, the number of vacancies averaged 26 per month, while in 2017 that number was thirty-nine.

Classification Consolidation

In 2018, the California Department of Human Resources consolidated and revised 36 separate information technology classifications into nine new service-wide classifications. The Personnel unit worked closely with DCA and CSLB's IT unit after the consolidation to place existing positions in the appropriate new classification and range.

Biennial Language Survey

In August and September of 2018, the Personnel unit administered the state's biennial language survey. The survey is conducted every two years in accordance with the Dymally-Alatorre Bilingual Services Act, which requires every state agency to conduct a survey identifying the public it serves, the language(s) spoken, and the bilingual resources available to ensure equal access to information. All CSLB employees in public contact positions took part in the survey. The results are used to determine CSLB's need for bilingual services and to provide a basis to certify and appoint additional bilingual employees.



Ergonomic Trainings and Evaluations

The Personnel unit coordinated 15 ergonomic trainings and evaluations in 2018 for staff in the Sacramento, San Diego, Valencia, Norwalk, Oxnard, West Covina, Berkeley, and San Francisco offices. The ergonomics program is designed to identify and prevent and/or correct injuries caused by repetitive job activity.

Exams Administered by CalHR/DCA/CSLB

2018 EXAMS ADMINISTERED BY CALHR	2018 EXAMS ADMINISTERED BY DCA/CSLB
Associate Governmental Program Analyst	Consumer Services Representative (open exam)
Information Officer (Series)	Enforcement Representative I (open exam)
Information Technology (Series)	Enforcement Representative II (promotional exam)
Management Services Technician	Enforcement Supervisor I and II (promotional exam)
Office Assistant (General & Typing)	Personnel Selection Consultant I & II (open exam)
Office Services Supervisor (Series)	Staff Services Analyst Transfer (promotional exam)
Office Technician (General & Typing)	Consumer Services Representative (open exam)
Program Technician (Series)	
Staff Services Analyst	
Staff Services Manager (Series)	
Supervising Program Technician (Series)	
Warehouse Worker	



BUSINESS SERVICES OFFICE

Recognition

The Department of Consumer Affairs recognized CSLB’s Business Services unit for its excellent record buying goods and services from small businesses (SB) and disabled veteran business enterprises (DVBE). CSLB’s small business purchase rate for fiscal year 2017-18 was 34 percent, which exceeded the Governor’s goal of 25 percent for state agencies. Additionally, CSLB spent over 16 percent of its procurement budget with DVBE vendors, which far exceeded the Governor’s goal of 3 percent.

CSLB staff has made purchasing through SB/DVBE vendors a priority. The Business Services unit strives to find these vendors for every purchase, works to educate field office personnel about doing business with SB/DVBE vendors, and attempts to make the procurement process more user-friendly for participating businesses. CSLB also reaches out to vendors for feedback on how to improve the procurement process.

Facilities Projects

Leases were extended for the Oxnard, Monterey, and Redding offices through March 31, 2019, June 30, 2021, and January 19, 2026, respectively. Tenant improvements for the Fresno office were completed in October 2018, and included touch-up paint and the installation of corner guards throughout the building, the installation of lower plates on all doors, and the installation of an exhaust fan in the breakroom. Tenant improvements for the San Diego Enforcement and Testing offices were completed in November 2018, and included new interior paint and new carpet.



Contracts and Procurements

The following contracts and purchases were negotiated and executed in 2018:

- Contract renewal—conduct psychological screening for Peace Officer applicants through the California Department of Human Resources
- Contract renewal—provide security services for various meeting and testing offices through the California Highway Patrol
- Contract renewal—preventative maintenance and emergency service for the Ansul Fire Suppression System in CSLB’s network server room
- Contract amendment—Enforcement classification, recruitment, and retention study through CPS HR Consulting
- Translation and transcription services for CSLB staff
- Subscription renewed for legislative bill tracking and regulatory reporting through RELX Inc. dba LexisNexis
- Subscription renewal—online survey services through SurveyMonkey
- Seniorscamstopper.org/.net/.com domain names renewed through GoDaddy.com LLC
- Voice recorders for CSLB SWIFT program
- New uninterrupted power supply for CSLB headquarters
- New binding machine for CSLB Executive Office
- Eleven new copiers with service contracts to replace out-of-service copiers throughout CSLB’s offices

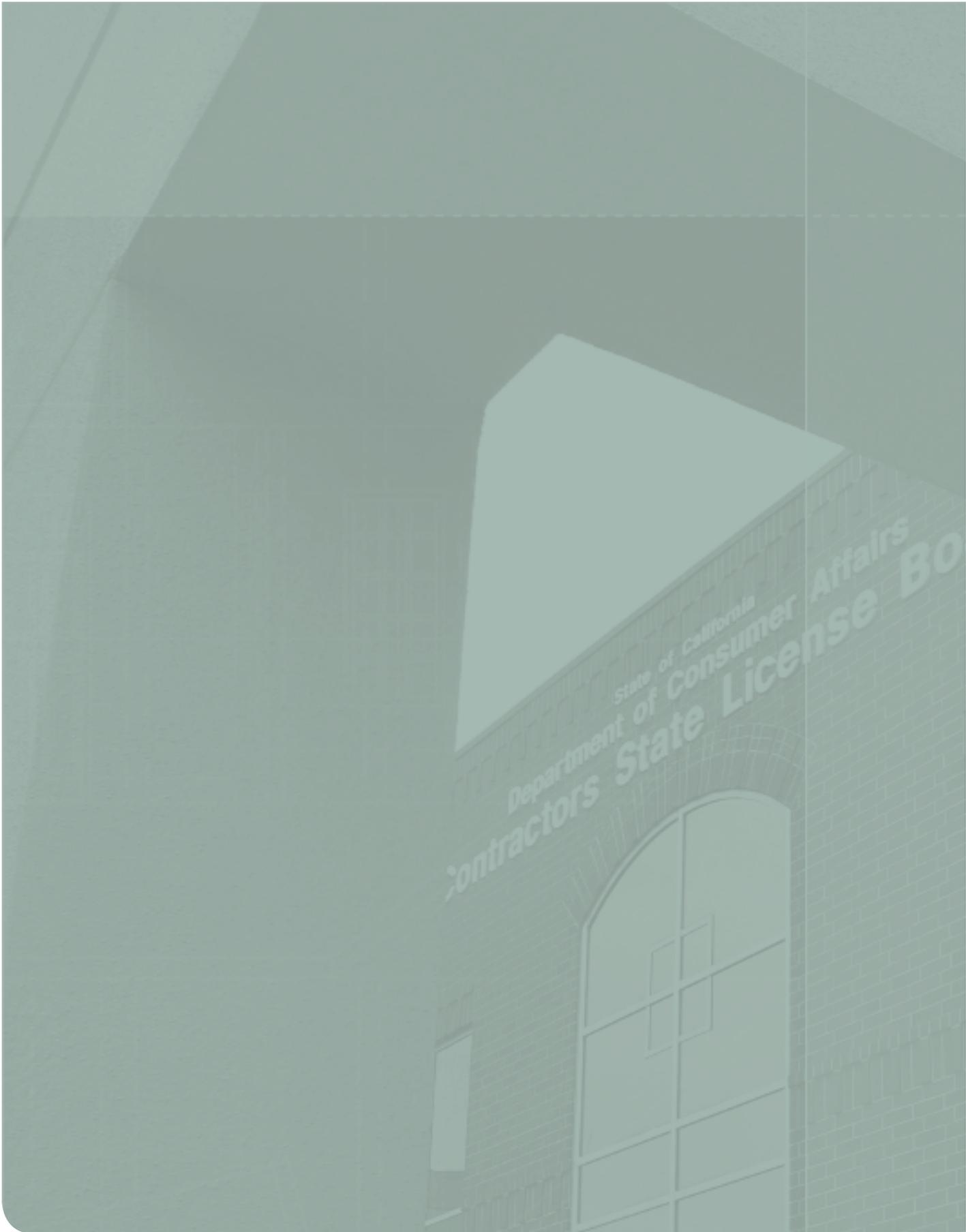
Vehicles

CSLB purchased five vehicles in fiscal year 2017-18, to replace aging vehicles in CSLB’s fleet that have met and exceeded criteria set by the Department of General Services for replacement.

Training

CSLB coordinated four CPR training classes in fiscal year 2017-18, for 32 employees from the Sacramento, Norwalk, San Bernardino, and Fresno offices.





INFORMATION TECHNOLOGY

Implementation of Assembly Bill 2486 – License Search by Location

Assembly Bill 2486 (Baker, Chapter 270, Statutes of 2016) required that CSLB, by January 2019, provide consumers the ability to search for licensed contractors by location. To assist survivors of the many disasters in 2017, the Information Technology division accelerated its efforts and launched this feature in January 2018. The tool allows consumers to search for licensed contractors by classification within the geographic area of their choice based on either city or zip code, and then links them to current CSLB licensing information. All search results are displayed in a random order, which changes with each search. Consumers can also download a .pdf or Excel file of results for future reference.

Auto-Generated Letters for Licensing Processes

Throughout 2018, the Information Technology and Licensing divisions worked collaboratively to launch 12 auto-generated e-forms and letters that require minimal data entry by staff. These include multiple “return for correction” letters related to license modification requests, return payment notices, and the initial license fee e-form. These e-forms and letters reduce errors and allow staff to spend more time on other critical license processing tasks.

Online Submission of Workers’ Compensation Exemption

During 2018, the Information Technology division implemented an online method to submit an exemption to the requirement to carry workers’ compensation insurance. This feature allows real-time updates of the license record upon submission.

IT Infrastructure and Security Enhancements

In 2018, the Information Technology division implemented several infrastructure and security-related enhancements. In May, the Norwalk phone system was replaced with the same voice over IP system used in all other CSLB offices throughout the state. In Sacramento, the wireless network infrastructure was replaced to address security concerns and to provide better coverage for CSLB users. This effort also included improvements for guest users. Additionally, CSLB IT implemented a network access control system to prevent unauthorized access to non-CSLB devices or guest devices that pose a security threat to the network.

CSLB Website

In 2018, the number of CSLB website visitors remained constant at just over 3.1 million, producing over 57.6 million pageviews. Below are the 20 most visited website pages.

CSLB WEBSITE 2018	
Page Title	Page Views
Check A License – License Detail	15,632,056
Check A License	10,257,994
Contractor Name Search Result	4,940,402
Contractors State License Board Homepage	4,867,798
Personnel List	3,033,946
Contractor Personnel Search Results	1,702,407
Personnel License List	1,270,695
Workers' Compensation History	709,541
Forms and Applications	685,542
Contractor's License Personnel Detail	556,596
Contractor's License Detail (Other Licenses)	550,900
Check Application Status	524,328
Find My Licensed Contractor – Search by Location	488,439
Contractor Home Page	375,591
Contractor's Bond History	371,714
Check Application Status	332,885



CSLB WEBSITE 2018	
Page Title	Page Views
Check Application Status (Secured)	317,320
Consumer Home Page	290,987
Complaint disclosure	284,684
Licensing Classifications	272,004

IT System Enhancements

The chart below summarizes the system enhancements implemented by the Information Technology division in 2018.

IT 2018 SYSTEM ENHANCEMENTS		
Enhancement	Description	Implemented
Find My Licensed Contractor	Implemented an online service that allows consumers to search for a licensed contractor in a specific classification via city or zip code.	January 2018
Licensing: Initial License Fee eForm	Created an e-form through CSLB eProcessing that autogenerates and requires minimal manual input, which will reduce errors.	April 2018
Norwalk Phone System Upgrade	Replaced the aging, out of support phone system in Norwalk with the same voice over IP system utilized in all other CSLB offices.	May 2018
Online Submission of Exemption from Workers' Compensation	Created an online submission that bypasses the email and workflow and, in real time, updates the license record.	June 2018
License Modification: HIS Return for Correction Letters	Created a letter through CSLB eProcessing that autogenerates and requires minimal manual input, which reduces errors.	July 2018
Wireless Network Replacement	The CSLB HQ wireless infrastructure was aging and no longer supported by the manufacturer. Wireless infrastructure was replaced and expanded to other remote offices.	July 2018
Network Access Control Implementation	Implemented security controls that allow IT to prevent unauthorized connections to the CSLB network.	July 2018
Bond & Fee Letter	Created a bond & fee letter through CSLB eProcessing that autogenerates and requires minimal manual input, which reduces errors.	July 2018
License Modification: HIS Employment / Cessation Return for Correction Letter	Created a HIS employment/cessation return for correction letter through CSLB eProcessing that autogenerates and requires minimal manual input, which reduces errors.	August 2018



IT 2018 SYSTEM ENHANCEMENTS		
Enhancement	Description	Implemented
License Modification: HIS Surrender/Cancel Return for Correction Letter	Created a HIS surrender/cancel return for correction letter through CSLB eProcessing that autogenerates and requires minimal manual input, which reduces errors.	August 2018
License Modification: Death Notifications Return for Correction Letter	Created a death-notifications return for corrections letter through CSLB eProcessing that autogenerates and requires minimal manual input, which reduces errors.	August 2018
License Modification: Name / Address Change, Return for Correction Letter	Created a name/address change return for correction letter through CSLB eProcessing that autogenerates and requires minimal manual input, which reduces errors.	August 2018
License Modification: Disassociation Return for Correction letter	Created a disassociation correction letter through CSLB eProcessing that autogenerates and requires minimal manual input, which reduces errors.	September 2018
Cashiering: Return Payment Notice	Created a returned payment letter through CSLB eProcessing that autogenerates and requires minimal manual input, which reduces errors.	October 2018
Issuance: Return for Correction Letter	Created an issuance/return for correction letter through CSLB eProcessing that autogenerates and requires minimal manual input, which reduces errors.	November 2018
CBU Investigative Report	Created an e-form through CSLB eProcessing that autogenerates an investigative report and requires minimal manual input, which reduces errors.	November 2018
License Modification: Inactivation Return for Correction Letter	Created an inactivation return for correction letter through CSLB eProcessing that autogenerates and requires minimal manual input, which reduces errors.	November 2018
Network Switching Infrastructure Refresh	Replaced aging, out-of-support network equipment that posed security risks.	December 2018



CONNECT WITH CSLB:





CONTRACTORS STATE LICENSE BOARD

9821 Business Park Drive, Sacramento, CA 95827

800.321.CSLB (2752)

www.cslb.ca.gov

CheckTheLicenseFirst.com

SeniorScamStopper.com