

MINUTES OF THE REGULAR MEETING CONDUCTED BY  
CONTRACTORS' STATE LICENSE BOARD  
OF CALIFORNIA

Held at  
San Francisco, California  
July 24, 1936

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The regular meeting of the Contractors' State License Board was called to order by Ralph E. Homann, Vice Chairman of the Board, at 10:30 A. M., Friday, July 24, 1936, in the State Building Annex, San Francisco, California.

The roll was called and the following were present:

Ralph E. Homann, Vice Chairman  
E. C. Johnson, Board Member  
Stephen L. Ford, Board Member  
William Nies, Board Member  
Roy M. Butcher, Board Member  
Earl S. Anderson, Executive Secretary & Registrar

Warren A. Bechtel, Jr., Absent  
Hugh McNulty, Absent

The following were also in attendance:

Glen V. Slater, Assistant Registrar of Contractors  
Sam Eubanks, Editor, Daily Pacific Builder  
Dave Bunker, Secretary, San Jose Builders' Exchange

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Mr. Homann announced that a letter was received from Warren A. Bechtel, Jr., Chairman, submitting his resignation. Earl S. Anderson, Executive Secretary, read the letter of resignation to the Board.

It was moved by Mr. Ford and seconded by Mr. Johnson that the Executive Secretary be instructed to send a letter to Mr. Bechtel, acknowledging his letter of resignation, and thank him

for his cooperation, and to advise him that the Board regretted his resignation. This motion was unanimously carried.

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The minutes of the last meeting of the Board, which was held in Los Angeles, California, on April 14 and 15, 1936, were read to the Board by Mr. Anderson.

Mr. S. G. Johnson referred to Page 8 of the minutes. He stated that when in Los Angeles they went over the Rules and Regulations and a committee was appointed to redraft the new copy of the resolutions, and that the committee had a meeting from 10:00 A. M. to 1:00 P. M., but it was not so stated in the minutes. It was his idea that mention should be made that the committee met to prepare a report for the Board in the afternoon. Mr. Homann instructed the Executive Secretary to have the minutes in those places on Pages 7 and 8 read as follows: Page 7, "The Chairman appointed a committee to redraft the Rules and Regulations to be presented at the afternoon session, April 15, 1936. This committee was requested to meet at 10:00 A. M., April 15th." Page 8, "The Chairman of the Committee on Rules and Regulations made his report and a discussion was held relative to the By-Laws and Rules and Regulations."

Mr. Johnson stated on Page 3 of the minutes a motion was made that a policy of the Board be adopted regarding surplus funds. He asked what the policy was, and it was explained to him that that came in at the end of the minutes.

Mr. Johnson asked if the Addressograph Machine, referred to on Page 5 of the minutes, had been purchased for the Bureau, and was advised by Mr. Anderson that it had been.

Mr. Johnson asked about the seal referred to on Page 7, and was advised that the seal had been adopted on that day, April 14, 1936.

It was moved by Mr. Nies and seconded by Mr. Butcher that the minutes stand approved as read, with the corrections as above outlined. This motion was unanimously carried.

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An informal discussion was held by the Board to outline the meeting for the day.

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A letter dated April 17, 1936, addressed to Warren A. Bechtel, Jr., Chairman of the Board, and signed by Sam Eubanks, Editor, Daily Pacific Builder, was read to the Board by Mr. Anderson. In this letter, Mr. Eubanks stated that he would like to attend the meetings of the Board, but at the meeting held at Sacramento he was not permitted to do so. Mr. Eubanks was advised that the meetings were not secret, and that the Board would be glad to have him, and any others interested, present. He was further advised that at the Sacramento meeting referred to, the Board was just getting organized. Mr. Eubanks requested that he be sent a formal notice of future meetings.

It was moved by Mr. Johnson and seconded by Mr. Nies that the Registrar be instructed to notify the trade papers and the press of the dates of Board meetings that come up from time to time, and also to keep them posted on the activities of the Board. This motion was unanimously carried.

A letter dated July 22, 1936, addressed to Earl S. Anderson, Registrar, and signed by William Nies, President of the State Association of Master Plumbers of California, inclosing a resolution adopted by that association, recommending improvements to the Bureau and to the Contractors' Act, was read by Mr. Anderson.

There being no objection, it was ordered by the Vice Chairman that the State Association of Master Plumbers of California be informed that the letter was received and filed and the contents would be considered by the Board.

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Mr. Fred A. Taylor, Assistant Director, Department of Professional and Vocational Standards, appeared at this time, and advised the Board that it was impossible for William G. Bonelli, Director, to be here, but if there was anything he could do or any way in which he could cooperate with the Board he would be glad to do so. Mr. Taylor said if there were any questions that he could answer now he would be glad to answer them. Mr. Homann advised Mr. Taylor that the Board appreciated his and Mr. Bonelli's offer of assistance, but could think of nothing at the present time.

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The meeting recessed at 1:00 P. M. to reconvene at 2:30 P. M.

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AFTERNOON SESSION - 2:30 P.M.

The meeting was called to order at 2:30 P. M. by Vice Chairman Homann. The roll was called and with the exception of

Mr. McNulty all members of the Board were present. The following were also in attendance:

Glen V. Slater, Assistant Registrar  
Floyd O. Booe  
William E. Bague  
Dave Bunker  
Sam Kubanks  
H. S. Bowdle  
Louis F. Erb

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At this time Mr. Homann asked for the report of Registrar Anderson. Mr. Anderson outlined the activities of the Bureau during April, May and June, reporting on the complaints filed, and the registration of contractors, the Inspectors' examination and school held in Los Angeles, and the work done on the Rules and Regulations, and the results of the check up on compensation insurance.

Mr. Anderson also read the report of Mano Zan, Code Coordinator, which was addressed to him, and dated July 24, 1936. Mr. Johnson stated that he thought it a good time to discuss that report. He said that he has never been in sympathy with our coordination as it has been carried on, as he didn't think it is within the law to organize groups for industries. Mr. Ford said that he agreed with Mr. Johnson, and felt that Mr. Zan should have a different classification. This matter was discussed by the entire Board at length.

It was moved by Mr. Nies and seconded by Mr. Butcher that the matter of the duties of the Code Coordinator be referred to the Personnel Committee, and that they recommend to the Board what they believe Mano Zan's duties should be, and what procedure would be necessary to have the title changed, and report at the next meeting of the Board. This motion was unanimously carried.

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Mr. S. S. Johnson, Chairman of the Committee on Rules and Regulations submitted his report. Mr. Johnson asked Mr. Anderson to read the letter addressed to Earl S. Anderson, dated May 14, 1936, from the Attorney General's Office, signed by Wilmar W. Morse, Deputy Attorney General, in which was set out the opinion that the Board does not have the right to delegate to the Registrar the power to examine applicants. The Board may, if it desires, examine applicants, but has not the right to deny a license if the applicant proves that he is of good character and integrity. Mr. Johnson stated that the Committee and the Registrar decided it best to let the matter rest until after the next session of the Legislature, as new legislation may be proposed which would permit the examination of applicants.

In conjunction with Mr. Johnson's report, the Board discussed the Rules for the Contractors' License Bureau, and pointed out the changes made in them.

It was moved by Mr. Ford and seconded by Mr. Butcher that the following Rules for the State Contractors' License Bureau be adopted as written, and read by the Registrar, and that they be entered in the minutes of this meeting in the present complete revised form. This motion was unanimously carried.

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RULES  
FOR THE  
STATE CONTRACTORS' LICENSE BUREAU  
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RULE I

All persons desiring to receive a license to engage in any line of contracting as provided in the Contractors' License Law of California shall forward to the Registrar the fee designated in the Statute, together with an application. Such

application shall be made on forms to be supplied by the Registrar. All questions and provisions in such application must be answered by the applicant and verified before a Notary Public, or other officer authorized to administer oaths. The answers to all questions in the application must be made with a typewriter or in clearly legible handwriting.

After such application has been filed, it shall be the duty of the Registrar forthwith to examine same, and if it appears regular on its face, and no valid reason exists for further investigation, the Registrar shall within ten days issue the license. If from said application, or otherwise, some valid reasons appear to exist for the denial of said application, the Registrar shall appoint a time and place for the applicant to appear personally and answer such questions, both orally and in writing, as the Registrar may require. Such questions shall relate to the qualifications of the applicant, and be designed to determine whether or not the applicant is qualified to hold a license within the purview of the Contractors' License Law of California.

No applicant shall be granted a license to engage in contracting if it shall appear from answers given in the application form or from the answers to the questions, both oral and written, that such applicant is lacking in integrity and good character as shown by the fact: (a) that the applicant has, within the period of three years prior to the date of his application, committed or done any act which if committed or done by a licensed contractor would be grounds under section 9 of this act for suspension or revocation of a contractor's license, or (b) that the applicant has within said period of three years committed or done any act involving dishonesty, fraud or deceit, whereby said applicant has benefited or whereby some injury has been sustained by another, or (c) that the applicant bears a bad reputation for honesty and integrity, or (d) that the applicant has never been refused a license or had a license revoked for reasons that should preclude the granting of the license applied for.

## RULE II

Every applicant for a license to engage in the business as a contractor shall include in his application the signatures of sponsors as references to his character and integrity. Sponsors shall be (a) licensed civil or structural engineers, or licensed architects, or licensed contractors, (b) owners for whom applicant has performed construction work as a contractor, superintendent, or foreman, (c) building supply firms, and (d) banking institutions.

This rule shall not apply in the case of a combination of duly licensed individuals or firms making application for a joint venture license.

Every individual applicant must secure sponsors as follows: two in classes a, b and c, and one in class d, and in every case not less than a total of seven sponsors.

Each member of an applicant copartnership must personally secure four sponsors, including one person in each of the above classifications (a, b, c and d).

If applicant is a corporation, each of the officers, (president, vice president, secretary, chief construction managing officer) must personally secure four sponsors, including one person in each of the above classifications (a, b, c and d). Applicants for license under a fictitious name must register same in accordance with the provisions of Section 2466 of the Civil Code.

### RULE III

The Registrar shall have power, in the exercise of sound discretion, to waive such references which must ordinarily accompany an application in the case of any contractor who has, during his experience in construction work, lived and operated under conditions which make it impractical to furnish the references herein required, but in such cases the Registrar must satisfy himself by other means that the applicant is qualified both as to character and integrity.

### RULE IV

Before issuing a license to a corporation or partnership to engage in any field of the contracting business, the Registrar must satisfy himself, through proper investigation, that the corporate firm, or partnership, or individual, is not a mere subterfuge to enable some person not otherwise qualified to engage in the contracting business.

### RULE V

In the event that the written and oral examination of the applicant should not in the opinion of the Registrar entitle him to a license to engage in the contracting business, the Registrar shall forthwith notify the applicant by registered mail, or by personal service, to show cause within such time, not less than five days nor more than thirty days after date of such service, why the application should not be denied.

### RULE VI

The application, together with all rulings of the Registrar with reference thereto, shall be open for public inspection.

### RULE VII

Every license issued to a partnership shall state on its face the name and address of the partnership.



In the event of the death of any partner, it shall be the duty of the surviving partner or partners forthwith to notify the Registrar. Thereupon, the Registrar shall issue a certificate in such form as he may devise which shall be immediately attached to the license of the partnership in a permanent manner to indicate to all persons inspecting the license that the partnership consists only of its surviving members.

A surviving member or members of a licensed copartnership shall be entitled to continue in business under such license until the expiration date of such license; provided due application therefor is made to the Board and same is approved by the Board.

#### RULE VIII

In the event that either the business address or residence address of any licensed contractor be changed, such contractor shall within thirty days after such change, notify the Registrar in writing.

#### RULE IX

The Registrar shall furnish a certified copy of any license issued, upon receipt of the sum of fifty cents; and such certified copy shall be received in all courts and elsewhere as evidence of the facts stated therein.

#### RULE X

It shall be the duty of inspectors to investigate all cases brought to their attention, and which appear likely to involve violations of the Contractors' License Law; to determine whether all contractors coming under the provisions of the Contractors' License Law are, in fact, operating under a valid license; and to make such investigations and reports as may be required by their superior officers.

Unless such complaint shall have been previously filed by some other person, the Inspector may, upon receiving information thereof, file with the Registrar a verified complaint in proper form covering each violation of the Contractors' License Law, which, in the opinion of the Inspector, after investigation of the facts, consists of a violation of the law.

Each Inspector shall report to the Registrar violations within his respective district of the State Workmen's Compensation Insurance Act.

Each Inspector shall advise persons desiring to engage in any division of the contracting business, as to the procedure necessary to enable them to acquire a license.

## RULE XI

No complaint against any licensed contractor will be proceeded upon by the Registrar or other person engaged in the enforcement of the Contractors' License Law unless such complaint be in writing and verified.

All such complaints must state clearly and concisely the precise charges made against a contractor, and shall state not mere conclusions but actual facts which are claimed to constitute a violation of the Contractors' License Law.

Liberality shall be exercised by the Registrar and others who may be required to hear such complaints in granting permission to amend a complaint and in granting permission of an accused to amend his answer. Provided, however, that if a complaint be amended in matter of substance and with the effect of substantially enlarging or changing the accusation against a licensed contractor, such licensed contractor shall have a reasonable length of time, and in no event less than ten days, continuance in order to prepare his defense to such a charge.

Any such complaint forwarded to the Registrar and not complying with these regulations shall either be dismissed or returned for amendment.

At any hearing, the accused may appear in person and may have an attorney or attorneys, to assist him in the preparation and presentation of his defense.

Whenever a verified charge is made, it shall be the duty of the Inspector, operating nearest to the place of business of the accused, at the discretion of the Registrar, to make a careful investigation of all facts relating to the case, and at the hearing it shall be the duty of the Inspector to impartially present all pertinent information which he has received relating to the controversy, both for and against the accused.

## RULE XII

At all hearings to determine whether a contractor's license shall be suspended or revoked, it shall be the duty of the presiding officer to grant such reasonable continuance as may appear necessary to permit all parties concerned to fairly and fully present all material facts.

## RULE XIII

These "rules and regulations" may be amended or amplified by Resolution at any regular or special meeting of said Board.

The By-Laws of the Contractors' State License Board, and the Administrative Rules and Procedure of the Contractors' State License Board were read by Mr. Anderson and discussed by the Board.

It was moved by Mr. Nies and seconded by Mr. Ford that the following By-Laws and Administrative Rules and Procedure of the Contractors' State License Board as read by Mr. Anderson be adopted as revised, and entered in the minutes of this meeting. This motion was unanimously carried.

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BY-LAWS  
OF THE CONTRACTORS' STATE LICENSE BOARD

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SECTION I

At all meetings of the Contractors' State License Board, Roberts Rules of Order shall determine all questions of procedure except when contrary to the provision hereof, or to some provision of law.

SECTION II

All regular meetings of said Board shall be held at such times and places as the Chairman or a majority of said Board shall from time to time designate. The said Board shall hold at least four regular meetings each fiscal year - one in July, one in October, one in January and one in April - for the purpose of transacting such business as may properly come before it. At the July meeting of each year, the Board shall elect officers consisting of a Chairman and a Vice Chairman. Four members shall constitute a Board quorum. Each member shall be reimbursed for his traveling expenses necessarily incurred in the performance of his duties hereunder.

SECTION III

Special meetings of the Board for any purpose or purposes shall be called at any time by the Chairman, or, if he is absent or unable or refuses to act, by the Vice Chairman or by the majority of its members.

#### SECTION IV

Notice of the time and place of each regular and special meeting of said Board shall be mailed or telegraphed by the Secretary of said Board to the respective addresses of each and every member thereof at least five days prior to such meeting. Provided, however, transactions of any meeting of the Board however noticed, shall be as valid as though had at a meeting duly held after regular notice, if a quorum be present and if either before or after the meeting each of the Board members not present consents in writing or by telegraph to the holding of such meeting. All such consents shall be filed with the Secretary of the Board and made a part of the minutes of the meeting.

#### SECTION V

Any regular or special meeting may be adjourned from time to time not exceeding, however, five days from the date of such regular or special meeting. Notice of the time and place of holding an adjourned meeting need not be given to absent Board members.

#### SECTION VI

There shall be three standing committees of the Board, consisting of a Finance and Budget Committee, Personnel Committee, and Committee on Rules and Procedure. Committee members shall be appointed by the Chairman and shall serve until the next election of officers of the Board. Any other special committees may be created as the need arises, the appointments of the members thereof to be made by the Chairman. The Chairman of each committee shall be designated by the Board Chairman and all committee meetings shall be at the call of the Committee Chairman. All members of all standing and special committees shall be reimbursed for their traveling expenses necessarily incurred in the performance of committee work.

#### SECTION VII

These "by-laws" may be amended or amplified by a majority of the Board by resolution at any regular or special meeting of said Board.

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ADMINISTRATIVE RULES AND PROCEDURE  
OF THE  
CONTRACTORS' STATE LICENSE BOARD

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RULE I

Pursuant to the Contractors' License Law of California, said Board, with the approval of the Director of Professional and Vocational Standards, shall engage the services of and fix the salary of a Registrar of Contractors, who shall be the Executive Secretary of the Board, Assistant Registrar, Chief Reviewing and Hearing Officer, Deputy Registrars, and such other assistants, inspectors and subordinates as may be necessary to effect the purpose of said Contractors' License Law.

RULE II

The duties of the Registrar shall be those prescribed in the Contractors' License Law of California, and all other officers, employees and subordinates mentioned herein shall perform such duties as the said Registrar and said Board, with the approval of the Director of the Department of Professional and Vocational Standards, shall require of them.

RULE III

CHAIRMAN

The Board shall, at their regular meeting held in July, elect one of their members to act as Chairman, and, if at any time, the Chairman shall be unable to act, the Vice Chairman shall take his place and perform his duties, and if the Vice Chairman, from any cause, shall be unable to act, the Board shall appoint some other member of the Board to act in his place, in whom shall be vested, for the time being, all duties and functions of his office. The Chairman, or in his absence or disability, or refusal to act, the Vice Chairman, or, in the event of his absence or disability, or refusal to act, the member as above provided, shall:

1st: Preside over all meetings of the Board.

2nd: He shall call the members together in regular or special meeting whenever he deems it necessary, and shall, subject to advice of the Board, discharge such other duties as may be required of him by the Contractors' License Law.

## RULE IV

### VICE CHAIRMAN

The Board shall, at their regular meeting held in July of each year, elect a Vice Chairman, who shall discharge the duties of the Chairman in the event of his absence, disability or refusal to act.

## RULE V

### EXECUTIVE SECRETARY

The Board shall appoint, with the approval of the Director of the Department of Professional and Vocational Standards, an Executive Secretary, whose duties shall be as follows:

1st: It shall be the duty of the Executive Secretary to keep a record of the proceedings of the Board.

2nd: He shall keep the seal of the Contractors' State License Board, sign such instruments in writing as he may be authorized to sign by the Board, affix said seal to all papers requiring a seal, and attest the same where necessary.

3rd: The Executive Secretary shall serve all notices required by law, or by the by-laws of the Contractors' License Board; and in case of his absence, inability, refusal or neglect so to do, then such notices may be served by any person thereunto directed by the Chairman or Vice Chairman of the Board.

## RULE VI

These "administrative rules and procedure" may be amended or amplified by a majority of the Board by resolution at any regular or special meeting of said Board.

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The letter dated July 22, 1936, signed by William Nies, President of the State Association of Master Plumbers of California, and addressed to Earl S. Anderson, which was referred to during the morning session of the meeting was brought up again

at this time. The Registrar was instructed to reply to this letter and advise the Association that some parts of the resolution are already in effect and others would be considered for amendments to the Contractors' License Law.

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A discussion was held relative to some suggested amendments to the Contractors' License Law, which were received by the Registrar and submitted to the Board for their consideration. It was decided by the Board not to take any action at this meeting in regard to legislative amendments.

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Mr. Johnson made a report on the application form for a contractor's license. At the last meeting of the Board, he submitted an application form with some additions and a supplementary form, calling for examination of applicants. The Board referred the matter to the Director of Professional and Vocational Standards, the Registrar, and to Mr. Johnson to prepare the application form and submit it to the Board at the next meeting. The Registrar, Assistant Registrar, and Mr. Johnson had a meeting and discussed the new form. Mr. Johnson stated that while it is not as good as they would like it to be, he thinks it is an improvement over the old form, and will stiffen up the requirements and make it much more difficult for applicants to secure a license.

Mr. Anderson read the application form, and it was discussed by the Board.

It was moved by Mr. Nies and seconded by Mr. Butcher

that the Board adopt the application form as it was read by Mr. Anderson in the corrected form. This motion was unanimously carried.

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Mr. Anderson read a letter addressed to him, dated July 23, 1936, from Frank J. Connolly, Secretary of the Associated General Contractors', Southern California Chapter, complaining that the form of publicity from the Bureau was unfavorable, and the Secretary was instructed by the Board to answer said letter.

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Dave Bunker, Secretary of the San Jose Builders' Exchange, addressed the Board at this time and complimented them for what it has done and said they are doing a wonderful piece of work. He stated he thought there should be some way developed to send out information to craft groups, trade organizations, builders' exchanges, etc., in order to keep them posted on what the Board is doing, what the aims of the Board are, etc.

Mr. Anderson advised Mr. Bunker that this matter was under consideration, and that the bulletin to be issued in the near future would help to further disseminate this information.

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The Vice Chairman announced that inasmuch as this was the July meeting, it would be necessary, in accordance with law, to have an election of officers. It was decided to have a secret written ballot. Mr. Earl S. Anderson, Executive Secretary, was appointed clerk, and he announced that the ballot showed Mr. Roy Butcher was elected Chairman, and that there was a tie for Vice



Chairman between Ralph Homann and E. O. Johnson. Mr. Johnson withdrew in favor of Mr. Homann.

It was moved by Mr. Ford and seconded by Mr. Nies that Mr. Butcher be declared elected Chairman, and that Mr. Homann be declared elected Vice Chairman as a result of the election, for the present year, ending June 30, 1937. This motion was unanimously carried.

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The Vice Chairman announced that the various committees would meet the next day at 10:00 A. M.

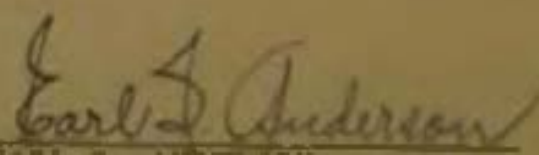
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It was moved by Mr. Butcher and seconded by Mr. Johnson that the Board adjourn to meet in Long Beach, California, at 10:30 A. M., Friday, August 14, 1936, at a place to be selected by the Registrar. This motion was unanimously carried.

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The meeting was adjourned at 7:30 P. M.

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EARL S. ANDERSON  
Executive Secretary,  
Contractors' State License Board

Reported by:

Edith Ebeling  
423 State Office Building  
Sacramento, California