

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

Held at
Santa Barbara, California
September 25 and 26, 1936

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A special meeting of the Contractors' State License Board was held on Friday, September 25, 1936, at the Carrillo Hotel, Santa Barbara, California.

The meeting was called to order by Chairman Roy M. Butcher at 11 A.M., September 25, 1936.

The roll was called and the following were present:

Roy M. Butcher, Chairman
Ralph E. Homann, Vice Chairman
Hugh W. McNulty, Member
S.G. Johnson, Member
Stephen L. Ford, Member
Earl S. Anderson, Executive Secretary

Also present were:

Glen V. Slater, Assistant Registrar
I. L. Swearingen, Deputy Registrar
T. L. Glenn, Inspector
Wm. Cyr, Associate Editor of the Electrical
West, San Francisco

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The minutes of the last meeting, held August 14, 1936 in Long Beach, were submitted by the secretary. It was moved and seconded that the minutes be approved as written. Unanimously carried.

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Mr. Homann, Chairman of the Finance & Budget Committee, submitted for consideration of the Board the following budget for the next biennium:

Budget of Proposed Expenditures
 CONTRACTORS' LICENSE BUREAU
 89th and 90th Fiscal Years
 By
Major Expenditure Classification

<u>ADMINISTRATION</u>	<u>89th F.Y.</u>	<u>90th F.Y.</u>
Salaries and Wages	24,460.00	24,460.00
Materials and Supplies	6,000.00	6,000.00
Service and Expense	18,845.00	18,845.00
Equipment	150.00	1,550.00
Total Administration	49,455.00	50,855.00
<u>INVESTIGATION AND LEGAL</u>		
Salaries and Wages	68,010.00	68,010.00
Materials and Supplies	3,450.00	3,450.00
Service and Expense	23,812.00	23,812.00
Equipment	2,200.00	2,100.00
Total Investigation and Legal	97,472.00	97,372.00
<u>CODE COORDINATION</u>	(This activity discontinued October 1, 1936)	
Total Contractors' License Bureau	146,927.00	148,227.00

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A general discussion of the budget was held.

Mr. Homann stated: "I don't know to what extent you care to go into this matter now. The requirement is that the budget for the next biennium beginning July 1, 1937, shall be prepared at least a month before the Legislature convenes, but we were informed by the Director of the Department that they desire to submit it earlier than that. We are also informed that it was the desire of the Governor and the Director that there should be no increases in the budget. They are trying to hold down governmental expenses. Of course, while we do have a surplus in our funds, that would probably be open to use. It was the express desire of the Director that we do not ask for

any money unless we know just what we are going to do with it, and then, later on as we get further into our management of this department, if we find other necessary expenditures here and there, we can make a request to the Director, who will present this request to the Governor for his approval, so that we can secure surplus moneys to be used for these purposes, and with that thought in mind the budget, as prepared by Mr. Taylor, is almost identical with the past year just closed and the one we are now on, and the shape in which it has been presented to us is just in round numbers."

"I arranged with Mr. Anderson that he would have with him today the breakdown of the budget so if it comes to the question of analysis of these various items he will have it."

Mr. Anderson: "There may be some amendments to the Contractors' Act at the next session of the Legislature which may make it necessary to secure additional personnel to properly carry out enforcement, and for this reason I think it advisable to leave the budget as is until after we see what the Legislature adopts. In the event additional funds are necessary, the Board can make a request to the Director to secure funds from our surplus and the Director can present this request to the Governor for his approval."

Mr. Homann: "Sometimes there has been criticism that the contractors paid the money and that it was being used for other purposes. This report bears an analysis of some of those expenditures. The thought was that we should get this in shape so when the time comes the general public may know the department is self-supporting and the money is properly

handled."

Mr. Johnson: "Can we clarify this question. I was in Sacramento at the time the amendment to the law was being changed and there must have been at least eight or ten attempts made before it passed the Senate. The last time the amendment was changed this question came up and Mr. Bonelli had just arrived in Sacramento at the time, and I understood then that he arbitrarily fixed 10% from the Contractors' Bureau to the Department, and he did so under protest from the industry. At a meeting of representatives from Oakland, San Francisco and, I think, Los Angeles, Mr. Bonelli admitted that 10% was too high, but there was at that time no other way to secure sufficient funds for the department. He did not then tell us that 10% had been arrived at by any other authority but the Department itself. I know the question of our share of expense to the Department is going to be debated, and if we have to tell them now that 6% of our budget is going to be taken away from our fund and given to the Department I believe an explanation is in order."

Mr. Slater: "You made the statement that Mr. Bonelli set 10% -- I think he said not to exceed 10%."

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Mr. Johnson: "I suppose the Finance Committee has taken this matter into consideration. We have now in the field twenty-two inspectors, with an average salary of \$183.00 per month. If conditions continue to improve, which we hope they will, I am afraid it is going to be necessary to increase salaries. Personally, I think the salary low at the present time, and I

should think an inspector's salary should be as high as that of a superintendent in the field. I know that today you cannot get any capable man less than \$225.00 to \$250.00 a month, and I believe it is to the interest of the building industry in trying to enforce the law with capable inspectors in the field. This matter may come up later on and in that event you will have to be prepared to increase the salaries."

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It was moved by Mr. Nies and seconded by Mr. McNulty that the report of the Finance and Budget Committee, including the budget for the next biennium, be accepted. Unanimously carried.

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Mr. McNulty, Chairman of the Legislative Committee, stated that he had no report to make at the present time, but that progress is being made. He stated that some of the amendments under consideration by the Legislative Committee are briefly as follows:

"It is more or less the concensus of opinion of the Committee that the \$200.00 exemption should be taken out, and also the exemption of farmers being able to do almost anything they want to now without having licensed contractors do their work, in which case the farmers have not been able to do anything about the unscrupulous work being done on their places, and it will have to be brought to the attention of the Legislature to make these changes."

"These matters are being whipped into shape, but are not ready at this time to be brought to the front. There have been

some other ideas brought out by Southern California in the matter of examinations for different contractors. This, in my personal opinion, is something that is a very difficult thing to do. It will mean a reclassification of every contractor in the State of California, which is almost impossible. Each contractor, in his class, would have to take an examination. For instance, if a plumber took out a license he would have to pass a plumber's examination. If he wanted to do sheet metal work he would have to take an examination in that line, and if he wanted to do some electrical work he would have to take an electrician's examination. That would be a tremendous task on one man if he wanted to take these."

A general discussion was held regarding amendments to the Contractors' Act.

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Mr. Ford, Chairman of the Personnel Committee, submitted the following report for the consideration of the Board:

"After further discussion regarding the status of Mano Zan, we recommend as follows:

1. That the position of code coordinator be abolished.
2. That the duties of Mano Zan be confined to activities as an inspector within the scope of the Contractors' License Law, as set up and recognized by the State Personnel Board.
3. That the Registrar is hereby instructed to request the Director of the Department of Professional and Vocational Standards, Mr. William G. Bonelli, to change the civil service classification of Mano Zan from that of code coordinator to inspector, same to be effective October 1, 1936, or at the earliest possible date.

(Signed)

" (6)

Respectfully submitted,
Personnel Committee
Stephen L. Ford, Chairman
Hugh W. McNulty, Member
Wm. Niese, Member

It was moved by Mr. McNulty and seconded by Mr. Nies that the report of the Personnel Committee be accepted. Unanimously carried.

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Mr. Johnson, Chairman of the Rules and Procedure Committee, reported that at this time there were no matters to be presented to the Board from his committee.

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Announcement was made by Mr. Anderson that the directory of licensed contractors will be ready by October 15th. He stated that the directory will be multolithed, as there is considerable saving in the cost as against linotyping.

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Mr. Anderson stated that the California Construction Congress of the State Chamber of Commerce met in Fresno on Friday, September 18th, and adopted resolutions favoring strengthening of the Contractors' License Law through pre-qualifications, by examination or other means, of applicants for a general building contractor's State license; also favoring the elimination of the \$200.00 exemption, and the exemption on agriculture.

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Mr. Cyr expressed his appreciation for the privilege of being allowed to sit in at the Board meeting, which was acknowledged by Chairman Butcher.

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Mr. McNulty complimented both the Registrar and Assistant Registrar for their splendid cooperation in the Fresno district; and Mr. Johnson expressed his appreciation for the cooperation of Mr. Anderson, Mr. Slater and Mr. Bowdle in assisting him and his

committee in the preparation of rules and regulations.

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The subject of the next regular Board meeting was discussed and it was finally agreed that it would be held after October 15th in Northern California at the call of the Chairman.

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A general discussion was held relative to the talks to be made by members of the Board and the Registrar before the State Builders' Exchange session in the afternoon.

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It was moved by Mr. Homann and seconded by Mr. Ford that the meeting recess until the following morning at 9:00 A.M. Unanimously carried.

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Recessed at 1:30 P.M.

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The special meeting of the Contractors' State License Board reconvened at 9:00 A.M., Saturday, September 26, 1936, to take up unfinished business. Those present were:

Roy M. Butcher, Chairman
S.G. Johnson, Member
Hugh McNulty, Member
Wm. Nies, Member

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A general discussion was held on the subject of Section 9, subdivision 1, of the Contractors' License Law of California.

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It was moved by Mr. McNulty and seconded by Mr. Nies that the Committee on Rules and Procedure study Section 9, Paragraph 5, with reference to improved enforcement of the provisions stated therein, and that the Committee report its findings at the next

regular Board meeting. Unanimously carried.

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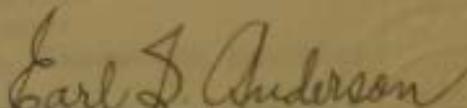
Mr. Johnson suggested that the next meeting of the Board be held in Oakland, stating that he is a member of the Builders' Exchange in Oakland, and he thought they would be pleased to have the Board meet there. Mr. Butcher was in full accord with the suggestion.

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It was moved by Mr. McNulty and seconded by Mr. Johnson that the meeting adjourn. Unanimously carried.

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Meeting of the Contractors' State License Board
adjourned at 9:30 A.M.



EARL S. ANDERSON
EXECUTIVE SECRETARY

Reported by:
Pearl Michaelson
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