

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

Held at
Sacramento, California
April 1 and 2, 1938

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The regular meeting of the Contractors' State License Board was called to order by Chairman Roy M. Butcher, at 10:00 o'clock A. M., Friday, April 1, 1938, in Room 109, State Office Building, Sacramento, California.

The roll was called and the following were present:

Roy M. Butcher, Chairman
Stephen L. Ford, Member
William Nies, Member
Clarence B. Eaton, Member
Walter Treppe, Member
Arthur Alber, Registrar & Executive Secretary

Absent:

Hugh W. McNulty, Member
S. G. Johnson, Member

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It was moved by Mr. Eaton and seconded by Mr. Ford that the minutes of the last meeting of the Board, held in Bakersfield, California, on January 28 and 29, 1938, be accepted as read. This motion was unanimously carried.

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Mr. Stephen L. Ford, Chairman of the Personnel Committee, stated that his Committee had no report to submit at this time.

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The Secretary read to the Board a letter dated March 21, 1938, addressed to the Contractors' State License Board, attention of Roy M. Butcher, Chairman, from William G. Bonelli, Director of the Department, with reference to the cost of conducting examinations for contractors' licenses.

The Board discussed the subject of examinations for contractors, and decided at this time that inasmuch as the Director had not approved the examinations, the matter should be held in abeyance.

Mr. Alber advised the Board that he was informed that Mr. Bonelli would be unable to attend this Board meeting. Therefore, the matter of investigating and qualifying applicants for contractors' licenses is still before the Board.

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The members of the Board discussed the possibility of adopting a questionnaire regarding experience and financial condition of contractors, similar to the one used by the Department of Public Works, to be sent to applicants with their renewal applications, and to new applicants when applying for licenses.

The Secretary was instructed by the Board to secure an opinion from the Attorney General as to whether a questionnaire regarding experience and financial condition of contractors would come within the Contractors' License Law, or could be set up under the rules and regulations.

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The Board instructed the Secretary to contact the office of the Industrial Accident Commission to determine how far that

Commission can work with this Board with reference to checking up on compensation insurance violations, with the idea in mind that the two departments working together could be of material assistance to one another in curbing violations of both the Compensation Insurance Act and the Contractors' License Law.

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The Board members and the Secretary discussed the printing of the Handbook for Licensed Contractors. Mr. Butcher asked Mr. Alber if anything had been done about getting the Handbook printed, and Mr. Alber stated that it was all set up and ready to go ahead, but he had not received authorization from the Board to go ahead with the printing of same.

It was moved by Mr. Ford and seconded by Mr. Eaton that the Registrar be instructed to proceed with the printing of 5,000 Handbooks for Licensed Contractors, subject to the approval of the Director of the Department of Professional and Vocational Standards; and that the Handbook be sold for the price of Twenty-Five Cents, more or less, said price to be left at the discretion of the Registrar. This motion was unanimously carried.

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The meeting recessed at 12:15 o'clock P. M., to reconvene at 2:00 o'clock P. M., which time was set by Chairman Butcher.

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AFTERNOON SESSION - 2:00 P.M.

The meeting was called to order by Chairman Roy M. Butcher at 2:00 o'clock P. M., in Room 109 State Office Building, Sacramento,

The following were present:

Roy M. Butcher, Chairman
Stephen L. Ford, Member
William Nies, Member
Clarence B. Eaton, Member
Walter Trepte, Member
Arthur Alber, Registrar & Executive Secretary

Absent:

Hugh W. McNulty, Member
S. G. Johnson, Member

* * * *

The Secretary announced to the Board that since the last meeting of the Board three inspectors have been appointed; namely, William H. Hughes, Los Angeles District, as of January 27, 1938, Carl Steger, Sacramento District, as of March 10, 1938, and Ernest D. Clabaugh, San Francisco District, as of April 1, 1938. He further stated that two additional inspectors will be assigned to the Los Angeles District, and that these appointments will be made as soon as the certifications are received. He also reported the resignation of John V. Creighton, who was an Inspector in the Los Angeles District, effective March 31, 1938.

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The Secretary stated that since the Bakersfield meeting he had taken up with Mr. Bonelli the request of the Board members that they be furnished with badges, and that Mr. Bonelli was opposed to this request.

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Mr. Alber advised the Board that since he has been appointed Registrar of Contractors he has had perfect cooperation and harmony and there seems to be no friction whatever in the Department. He further advised the Board that he has attended several builders'

exchange meetings and association meetings, and has contacted various individuals in the industry, expressing the Board's good will and desire to cooperate. He stated he intends to devote considerable time to this.

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Mr. Fred A. Taylor, Assistant Director of the Department, came in at this time and discussed with the Board the cost of conducting examinations for contractors' licenses.

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The Registrar reported that from March 1st to March 23rd, 87 applications were given out over the counter in San Francisco, 40 in Sacramento, and 335 in Los Angeles.

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The following statistical report was submitted by the Secretary:

STATISTICS COVERING FROM
7/1/37 to 4/1/38

Reinstatements-----	35
Suspensions-----	81
Revocations-----	17
Flagged-----	39
Applications denied-----	12
Applications granted-----	26

	7/1/37 to 4/1/38	7/1/36 to 4/1/37	7/1/36 to 6/30/37
Renewals	24,525	21,334	21,335
Delinquents	859	1,015	1,227
Originals	6,215	5,619	6,884
Total licenses issued	31,599	27,968	29,446

As of April 1, 1938, 3,631 more licenses have been issued than were issued as of April 1, 1937, making an increase of 12.98%. Also, as of April 1, 1938, 2,153 more licenses have been issued than were issued for the entire fiscal year ending June 30, 1937, an increase of 7.31%.

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The Registrar explained to the Board the method which will be used in handling renewals this year. The notices will be mailed from the Sacramento Office on May 25th, and positively no renewals will be accepted with a \$5.00 fee that are postmarked later than midnight of June 30th.

Each member of the Board was given a sheet showing the procedure which will be adopted for the renewal of licenses.

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Mr. Earl S. Anderson, former Registrar, visited the Board meeting at this time.

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The Secretary reported to the Board that hereafter on the 1st and 15th of the month a list will be made of licenses issued, licenses suspended, and licenses revoked. This will do away with the supplement that has been printed in the past, and will be mailed to all those who subscribe for the Directory service, as well as to those on the free list.

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Mr. Alber stated that since he became Registrar of Contractors that Mr. Anderson has cooperated with him in every way possible and he knows Mr. Anderson will continue to do so.

Mr. Anderson assured Mr. Alber that he was glad to be of any assistance possible, and wanted the Board and Mr. Alber to know that he will do everything that he can to cooperate.

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The meeting was adjourned at 4:15 o'clock P. M. to reconvene at 10:00 o'clock A. M., Saturday, April 2, 1938.

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SATURDAY - APRIL 2, 1938

The meeting was called to order by Chairman Roy M. Butcher at 10:00 o'clock A. M., Saturday, April 2, 1938, in Room 109, State Office Building, Sacramento, California.

The following were present:

Roy M. Butcher, Chairman
Stephen L. Ford, Member
William Nies, Member
Clarence B. Eaton, Member
Walter Treppe, Member
Arthur Alber, Registrar & Executive Secretary

Absent:

Hugh W. McNulty, Member
S. G. Johnson, Member

* * * *

The Secretary read to the Board the report of S. G. Johnson, Chairman of the Rules and Regulations Committee, dated April 1, 1938, with reference to examinations.

It was moved by Mr. Ford and seconded by Mr. Eaton that the report of S. G. Johnson, Chairman of the Rules and Regulations Committee, be accepted and placed on file. This motion was unanimously carried.

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Mr. Butcher instructed the Rules and Regulations Committee and Registrar Alber to meet in Fresno on April 23, 1938, for the purpose of preparing a questionnaire to be sent out with renewal applications and original applications for license. Mr. Butcher further instructed the Committee to discuss possible questions to be added to the application form, and any other matters of such a nature, to present to the Board at its next meeting.

Inasmuch as Mr. Johnson and Mr. McNulty, who are members of the Rules and Regulations Committee, were not present at this meeting, Mr. Alber was instructed to contact them and give them a general idea of what the Board desires, in order that they may prepare their ideas for the Committee meeting in Fresno on the 23rd.

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The Secretary read a letter addressed to the Board, dated April 1, 1938, from S. G. Johnson, Chairman of the Rules and Regulations Committee, regarding the advisability of obtaining credit reports on new applicants for licenses.

It was moved by Mr. Ford and seconded by Mr. Nies that the Registrar, in his discretion, secure credit reports on applicants for contractors' licenses. This motion was unanimously carried.

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The Registrar advised the Board that it is necessary for an additional stenographer to be assigned to the Los Angeles Office, and requested the Board's permission to make the assignment.

It was moved by Mr. Nies and seconded by Mr. Eaton that the request of the Registrar for the assignment of an additional stenographer to the Los Angeles Office be referred to the Personnel Committee, and that said Committee cooperate with the Registrar. This motion was unanimously carried.

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The next matter to come before the Board was the election of a Vice Chairman to serve for the balance of the fiscal year, the vacancy being caused by the fact that Ralph Homann, who was Vice Chairman, is no longer a member of the Board.

Mr. Nies nominated Mr. Ford for Vice Chairman of the Contractors' State License Board.

It was moved by Mr. Trepte and seconded by Mr. Eaton that the nominations be closed, and that Mr. Stephen L. Ford be elected Vice Chairman of the Contractors' State License Board. This motion was unanimously carried.

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It was moved by Mr. Nies and seconded by Mr. Ford that the Secretary prepare a resolution commending Mr. Ralph Homann for his services and cooperation as a member of the Contractors' State License Board, and that a copy of said resolution be sent to Mr. Homann. This motion was unanimously carried.

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It was moved by Mr. Eaton and seconded by Mr. Trepte that the meeting adjourn. This motion was unanimously carried.

The meeting of the Contractors' State License Board adjourned at 12:00 o'clock noon.

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Arthur Alber
ARTHUR ALBER
EXECUTIVE SECRETARY

Reported by:

Edith Ebeling
423 State Office Building
Sacramento, California

RODOLPH HERRING MINOR

WILLIAM G. BONELLI
DIRECTOR

ROY M. BUTCHER
CHAIRMAN
SAN JOSE

RALPH E. HOMANN
VICE CHAIRMAN
LOS ANGELES

EARL S. ANDERSON
REGISTRAR AND EXECUTIVE SECRETARY

GLEN V. SLATER
ASSISTANT REGISTRAR

FRANK F. MERRIAM
GOVERNOR



STATE OF CALIFORNIA

DEPARTMENT OF PROFESSIONAL AND VOCATIONAL STANDARDS

Contractors' State License Board

STATE OFFICE BUILDING
SACRAMENTO

FRED A. TAYLOR
ASSISTANT DIRECTOR

STEPHEN L. FORD
LONG BEACH

S. G. JOHNSON
OAKLAND

HUGH W. MCNULTY
FRESNO

WILLIAM NIES
LOS ANGELES

CLARENCE R. EATON
SAN FRANCISCO

BRANCH OFFICE
501 STATE BUILDING ANNEX
450 McALLISTER STREET
SAN FRANCISCO

BRANCH OFFICE
906 CALIFORNIA STATE BUILDING
217 WEST FIRST STREET
LOS ANGELES

April 1, 1938.

To The Contractors' State License Board,
Sacramento, California.

In respect to your instructions at the Board Meeting Jan. 29th, 1938 to investigate the advisability of obtaining credit reports on new applicants, your Committee on Rules and Regulations begs to submit the following observation and advise.

When the License Law first was enacted and when the first amendments were proposed, suggestions were made that a prequalification clause requiring financial responsibility be written into the act. In 1931 the State passed a prequalification law, requiring contractors wishing to bid on State work to submit financial statements to the Department of Public Works and Architecture. The main feature of this law is that a contractor must satisfy the owner (in this case the State of California) as to his financial responsibility even before he is permitted to bid. The purpose of the act is to protect the State against those contractors who are lacking in experience and are financially unstable or irresponsible.

Since this law gives protection to the State as the owner of public structures a similar act should be a needed protection to the owners of private buildings as well, many have reasoned; and serious consideration has been given to the writing of such an amendment into the License Law.

However, when the question has been discussed with Legislative Authorities the Industry has been warned against any provision in the License Law that would call for financial prequalification. The Legislature has consistently guarded the right of the journeyman who wants to be a contractor, holding that lack of funds should be no legal hindrance.

Since the License Law at present does not require applicants to qualify financially and since there is much doubt that the Legislature will approve any amendment to that end the keeping of credit records appears to be of questionable value at this time.

The Committee advises that the question of credit information be deferred to future consideration.

Respectfully Submitted,

S. G. Johnson

WILLIAM G. BONELLI
DIRECTOR

ROY M. BUTCHER
JOSE

RALPH E. HOMANN
VICE CHAIRMAN
LOS ANGELES

ARTHUR ALBER
EXECUTIVE SECRETARY

GLEN V. SLATER
ASSISTANT REGISTRAR

FRANK F. MERRIAM
GOVERNOR



FRED A. TAYLOR
ASSISTANT DIRECTOR

STEPHEN L. FORD
LONG BEACH

S. G. JOHNSON
OAKLAND

HUGH W. McNULTY
FRESNO

WILLIAM NIES
LOS ANGELES

CLARENCE S. EATON
SAN FRANCISCO

STATE OF CALIFORNIA
DEPARTMENT OF PROFESSIONAL AND VOCATIONAL STANDARDS

Contractors' State License Board

BRANCH OFFICE
801 STATE BUILDING ANNEX
450 McALLISTER STREET
SAN FRANCISCO

STATE OFFICE BUILDING

SACRAMENTO

April 2nd
1938

BRANCH OFFICE
806 CALIFORNIA STATE BUILDING
217 WEST FIRST STREET
LOS ANGELES

Contractors' State License Board
Sacramento
California

Gentlemen:

Your Personnel Committee does approve of the request of the Registrar that an additional stenographer be assigned to the Los Angeles Office, and that the Registrar be instructed to take such steps as are necessary to secure said assignment.

Very truly yours,

PERSONNEL COMMITTEE
CONTRACTORS' STATE LICENSE BOARD

By S. L. Ford

By W. Nies

By _____

Vertical stamp: California State License Board, Sacramento, California

1938

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