

**CONTRACTORS STATE LICENSE BOARD  
DEPARTMENT OF CONSUMER AFFAIRS**

**FINAL STATEMENT OF REASONS**

Hearing Date: February 11, 2010

Subject Matter of Proposed Regulations: Fees

Section Affected: Title 16, California Code of Regulations (CCR), Section 811

**Updated Information**

The Initial Statement of Reasons (ISR) is included in this rulemaking file. One non-substantive, grammatical change was made to page 1, Article 1.5 Fees, paragraph 1, line 3, where the word “renewal” was changed to “renew”.

Further, a number of changes were made to the ISR to reflect revised revenue and expenditure amounts included in Attachments 1, 2, and 3 to the ISR. These revised amounts were the product of forecasts incorporating the most recent proposed reductions to the CSLB budget along with revenue remitted to the Contractors’ License Fund through May 2010. CSLB issued a 15-day Notice of Availability of Documents Added to the Rulemaking File to make the documents available for public inspection/comment. In addition, the Amended ISR was not designated as “Amended” when the 15 day Notice of Availability of Documents Added to the Rulemaking File was sent out. CSLB did not receive any comments regarding these documents.

Finally, the Fiscal Impact Estimates section of the Informative Digest/Policy Statement Overview section of the original Notice of Proposed Changes stated that “CSLB revenue from contracting licensing fees would increase by an average of \$10.2 million per fiscal year starting in FY 2011/12.” Based on the revised fiscal projections, that revenue increase estimate should be reduced to between \$9.6 and \$9.8 million per fiscal year.

Otherwise, the information contained therein is complete.

**Local Mandate**

A mandate is not imposed on local agencies or school districts.

**Business Impact**

This regulation will not have a significant adverse economic impact on businesses including the ability of California businesses to compete with businesses in other states.

**Consideration of Alternatives**

No reasonable alternative which was considered or that has otherwise been identified and brought to the attention of the board/bureau/commission/program would be either more effective in carrying out the purpose for which the action is proposed or would be

as effective and less burdensome to affected private persons than the proposed regulation.

**Objections or Responses/Recommendations**

There were no objections regarding this regulatory proposal. Three written comments and two oral comments were received in support of the proposed action.

Two comments were received requesting that CSLB consider modifying the proposed regulatory action by exempting applicants and licensees that are California Department of General Services-certified small businesses/micro businesses or Disabled Veteran Business Enterprise Services businesses from the fee increase.

**Comment #1**

This comment was submitted by Roger Brautigan, Secretary of the California Department of Veterans Affairs.

This comment was rejected because:

There is no statutory authorization for such an exemption, and, further, that granting the exemption would put non-certified applicants and licensees at a disadvantage because they would be required to pay a fee differential to make up the revenue loss to ensure that the revenue levels needed to support CSLB licensing and regulatory operations would be maintained.

**Comment #2**

This comment was submitted by Jim Butler, Chief Procurement Officer, California Department of General Services, Procurement Division.

This comment is materially identical to Comment #1 and was rejected for the same reasons.

**15-Days Notice of Documents Added to File**

CSLB did not receive any comments regarding the documents added to the file.