

**TITLE 16. CONTRACTORS STATE LICENSE BOARD
DEPARTMENT OF CONSUMER AFFAIRS**

NOTICE IS HEREBY GIVEN that the Contractors State License Board (CSLB) is proposing to take the action described in the Informative Digest. Any person interested may present statements or arguments orally or in writing relevant to the action proposed at a hearing to be held at the Contractors State License Board, 9821 Business Park Drive, Sacramento, California 95827 at 1 pm on Thursday, February 11, 2010. Written comments, including those sent by mail, facsimile, or e-mail to the addresses listed under Contact Person in this Notice, must be received by CSLB at its office not later than 5:00 p.m. on February 11, 2010, or at the hearing. CSLB, upon its own motion or at the instance of any interested party, may thereafter adopt the proposals substantially as described below or may modify such proposals if such modifications are sufficiently related to the original text. With the exception of technical or grammatical changes, the full text of any modified proposal will be available for 15 days prior to its adoption from the person designated in this Notice as contact person and will be mailed to those persons who submit written or oral testimony related to this proposal or who have requested notification of any changes to the proposal.

Authority and Reference Citations: Pursuant to the authority vested by Sections 7008 of the Business and Professions (B&P) Code, and to implement, interpret or make specific Sections 7137 of said Code, CSLB is considering changes to Division 8 of Title 16 of the California Code of Regulations as follows:

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

Amend Section 811 – Fees.

B&P Code Section 7008 authorizes CSLB to adopt rules and regulations, in accordance with the Administrative Procedures Act, that are reasonably necessary to carry out the provisions of the chapter of the B&P Code. Further, B&P Code Section 7137 specifies that CSLB may charge licensing fees and requires CSLB to set the level of those fees by regulation not to exceed specified amounts.

This proposal would amend the existing regulation by increasing the following licensing and examination fees charged by CSLB, starting on July 1, 2011:

Fee	Current Amount	Proposed Amount	Proposed Increase
Application for Original Contractor's License	\$250.00	\$300.00	\$50.00
Application to Add a Supplemental Classification or to Replace the Responsible Managing Officer or Employee on an Existing License	\$50.00	\$75.00	\$25.00
Rescheduling an Examination	\$50.00	\$60.00	\$10.00
Initial License Fee	\$150.00	\$180.00	\$30.00
Renewal - Contractor's License (Biennial)	\$300.00	\$360.00	\$60.00

Renewal - 4-Year Inactive License	\$150.00	\$180.00	\$30.00
Reactivate Contractor's License	\$300.00	\$360.00	\$60.00
Home Improvement Salesperson (HIS) Registration Fee	\$50.00	\$75.00	\$25.00
Asbestos Certification Fee	\$50.00	\$75.00	\$25.00
Hazardous Substance Removal Certificate	\$50.00	\$75.00	\$25.00
Delinquent Renewal - Contractor's License /1	\$150.00	\$180.00	\$30.00
Delinquent Renewal - 4-Year Inactive License /1	\$75.00	\$90.00	\$15.00
Delinquent Renewal - HIS Registration /1	\$25.00	\$37.50	\$12.50

/1 Delinquent renewal fees are not included in the proposed regulation because B&P Code Section 7137 (f) sets the delinquency fee as a percentage of the applicable renewal fee:

"The delinquency fee is an amount equal to 50 percent of the renewal fee, if the license is renewed after its expiration."

FISCAL IMPACT ESTIMATES

Fiscal Impact on Public Agencies Including Costs or Savings to State Agencies or Costs/Savings in Federal Funding to the State: CSLB would incur special-fund costs from implementing the increased fees as a result of updating notices and publications that list its licensing fee schedule. These updates would require programming changes for computer-generated forms and revising a small number of print publications. These costs are anticipated to be minor and absorbable by CSLB (totaling no more than \$50,000). CSLB revenue from contractor licensing fees would increase by an average of \$10.2 million per fiscal year starting in FY 2011/12.

Nondiscretionary Costs/Savings to Local Agencies: None

Local Mandate: The proposed regulatory action does not impose a mandate on local agencies or schools.

Cost to Any Local Agency or School District for Which Government Code Section 17561 Requires Reimbursement: None

Business Impact:

CSLB has made an initial determination that the proposed regulatory action would have no significant statewide adverse economic impact directly affecting business, including the ability of California businesses to compete with businesses in other states. In making this determination, CSLB relied on the fact that, under the revised regulatory language, licensees would be required to pay only \$60 in additional renewal fees every two years.

Impact on Jobs/New Businesses:

CSLB has determined that this regulatory proposal will not have a significant impact on the creation of jobs or new businesses or the elimination of jobs or existing businesses or the expansion of businesses in the State of California.

Cost Impact on Representative Private Person or Business:

The cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action and that are known to CSLB are only those costs that must be borne by applicants for licensure as contractors or by licensed contractors renewing their licenses or applying for additional classifications as described in the Informative Digest.

Effect on Housing Costs: No significant effect.

EFFECT ON SMALL BUSINESS

CSLB has determined that the proposed regulations would affect small businesses that are subject to the payment of licensure fees under the chapter.

CONSIDERATION OF ALTERNATIVES

CSLB must determine that no reasonable alternative it considered to the regulation or that has otherwise been identified and brought to its attention would either be 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 proposal described in this Notice.

Any interested person may present statements or arguments orally or in writing relevant to the above determinations at the above-mentioned hearing.

INITIAL STATEMENT OF REASONS AND INFORMATION

CSLB has prepared an initial statement of the reasons for the proposed action and has available all the information upon which the proposal is based.

TEXT OF PROPOSAL

Copies of the exact language of the proposed regulations and of the initial statement of reasons, and all of the information upon which the proposal is based, may be obtained at the hearing or prior to the hearing upon request from CSLB at 9821 Business Park Drive, Sacramento, California 95827, or by accessing the website at www.cslb.ca.gov.

AVAILABILITY AND LOCATION OF THE FINAL STATEMENT OF REASONS AND RULEMAKING FILE

All the information upon which the proposed regulations are based is contained in the rulemaking file which is available for public inspection by contacting the person named below.

You may obtain a copy of the final statement of reasons once it has been prepared, by making a written request to the contact person named below.

CONTACT PERSON

Inquiries or comments concerning the proposed rulemaking action may be addressed to:

Name: Jonathan Buttle
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Sacramento, CA 95827
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The backup contact person is:

Name: Betsy Figueira
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Website Access: Materials regarding this proposal can be found at www.cslb.ca.gov.