TITLE 16. CONTRACTORS STATE LICENSE BOARD NOTICE OF PROPOSED CHANGES IN THE REGULATIONS

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 11:00 a.m. on March 25, 2014. Written comments, including those sent by mail, facsimile, or email 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 March 24, 2014 or must be received by CSLB at the March 25, 2014 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 modification is 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 the 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 and 7059 of the Business and Professions Code (BPC), and to implement, interpret, or make specific Sections 7057, 7058, 7058.5, 7058.7, 7059, and 7065.3 of said Code and Sections 6501.5 and 6501.8 of the Labor Code, the Contractors State License Board is considering changes to Division 8 of Title 16 of the California Code of Regulations (CCR) as follows:

INFORMATIVE DIGEST

A. Informative Digest

Adopt Section 832.22 – Class C-22 – Asbestos Contractor

Section 7008 authorizes the Board 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 BPC. Section 7058 establishes the specialty contractor license classification and defines "specialty contractor" as "a contractor whose operations involve the performance of construction work requiring special skill and whose principal contracting business involves the use of specialized building trades or crafts." Section 7058.5 establishes the certification program for contractors who perform asbestos-related work, as defined in Section 6501.8 of the Labor Code. Section 7058.7 establishes the certification program for contractors who perform hazardous substance removal or remediation work. Section 7059 authorizes the Board to adopt rules and regulations that are reasonably necessary to effect the classification of contractors. Labor Code Section 6501.5 establishes registration requirements for persons doing asbestos-related work, which is defined in Section 6501.8.

There is no existing regulation regarding an asbestos abatement contractor classification.

This proposal would adopt the regulation in order to establish a specialty classification for an asbestos abatement contractor, including the related scope of work. The proposed specific provisions of Section 832.22 are as described below.

- Subsection (a) establishes the scope of work for the C-22 asbestos abatement specialty classification that shall be done in accordance with DOSH requirements.
- Subsection (b) requires DOSH registration (or an active application for registration in process) for asbestos classification holders.
- Subsection (c) requires proof of DOSH registration within 90 days after the asbestos abatement contractor license is issued, if applicable.
- Subsection (d) establishes experience requirements for applicants for the asbestos abatement contractor classification.
- Subsection (e) requires proof of current DOSH registration as a condition precedent to the renewal of an asbestos abatement contractor license.
- Subsection (f) limits the scope of work of the C-22 asbestos abatement classification to exclude other construction-related duties or hazardous substance removal or remediation unless the asbestos abatement contractor is otherwise duly licensed to do so.

Adopt Section 833 – Asbestos Classification and Certification Limitations and Examination Requirement

Section 7057 defines a B - general building contractor. Section 7065.3 sets forth conditions under which an additional classification may be added to an existing contractor license without examination. See above for the provisions of BPC Sections 7008, 7058, 7058.5, and 7059, and Labor Code Sections 6501.5 and 6501.8.

There is no existing regulation regarding limitations on or examination requirements for an asbestos abatement contractor classification or the asbestos certification.

This proposal would adopt the regulation in order to set forth limitations and requirement for the new asbestos abatement contractor classification and the existing asbestos certification. The proposed specific provisions of Section 833 are as follows:

- Subsection (a) clarifies the stand-alone nature of the C-22 asbestos abatement contractor classification.
- Subsection (b) clarifies that in order for a B general building contractor to contract for any project that includes asbestos abatement work, he/she must hold the C-22 – asbestos abatement classification or the Section 7058.5 asbestos certification and DOSH registration or subcontract with an appropriately licensed contractor.
- Subsection (c) clarifies the overlay nature of the Section 7058.5 asbestos certification, in that it operates in conjunction with other classification(s) held by the licensed contractor.

• Subsection (d) allows for the waiver of the written trade examination for the C-22 - asbestos abatement contractor classification under certain circumstances.

B. Policy Statement Overview/Anticipated Benefits of Proposal

This proposed regulatory action will allow the existing asbestos certification to continue in its current state as an overlay to classification(s) held by the certification holder and will establish a stand-alone asbestos abatement classification with appropriate experience and examination requirements. It will allow contractors who focus their asbestos abatement work in a limited number of classifications to remain with the existing asbestos certification and will allow contractors who specialize in asbestos abatement work throughout a building to obtain the new asbestos abatement specialty classification. This proposal will expand the avenues through which a licensed contractor can be authorized to perform asbestos abatement work.

This regulatory proposal specifically benefits the health and welfare of California residents, worker safety, and the state's environment because it helps ensure that only those contractors who are qualified to do so are licensed and authorized to perform asbestos abatement work in accordance with DOSH requirements, which is a significant health, safety, and environmental issue.

C. Consistency and Compatibility with Existing State Regulations

During the process of developing these regulations, CSLB conducted a search of any similar regulations on this topic and has concluded that these regulations are neither inconsistent nor incompatible with existing state regulations. This proposal does not conflict with any existing state regulations, it simply clarifies existing law and expands the avenues through which a licensed contractor can be authorized to perform asbestos abatement work.

Local Mandate

The proposed regulatory action does not impose a mandate on local agencies or school districts.

Fiscal Impact on Public Agencies/STD 399

The proposed regulatory action will not result in costs or savings to any state agency, costs or savings to any local agency or school district that is required to be reimbursed under Part 7 of Division 4 (commencing with Section 17500 of the Government Code), other nondiscretionary costs or savings on local agencies, or costs or savings in federal funding to the state.

Cost Impact on Representative Private Person or Business

CSLB is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action.

Housing Costs

The proposed regulatory action will not have a significant effect on housing costs.

Effect on Small Business

The proposed regulatory action will not affect small businesses, because it simply establishes a specialty classification for an asbestos abatement contractor, including the related scope of work, and sets forth limitations and requirement for the new asbestos abatement contractor classification and the existing asbestos certification.

Results of the Economic Impact Assessment

CSLB has determined that this regulatory proposal will not have any 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, because it simply establishes a specialty classification for an asbestos abatement contractor, including the related scope of work, and sets forth limitations and requirement for the new asbestos abatement contractor classification.

This regulatory proposal specifically benefits the health and welfare of California residents, worker safety, and the state's environment because it helps ensure that only those contractors who are qualified to do so are licensed and authorized to perform asbestos abatement work in accordance with DOSH requirements, which is a significant health, safety, and environmental issue.

Contact Person

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

Contractors State License Board 9821 Business Park Drive Sacramento, CA 95827 Attn: Betsy Figueira (916) 255-3369 (916) 255-6335 (FAX) Betsy.Figueira@cslb.ca.gov

The backup contact person is:

Karen Robinson (916) 255-4298 (916) 255-6335 (FAX) Karen.Robinson@cslb.ca.gov

Inquiries concerning the substance of the proposed regulations may be directed to Betsy Figueira at (916) 255-3369.

Comment Period

Written comments must be received by the Board at the Contractors State License Board, 9821 Business Park Drive, Sacramento, CA 95827 not later than 5:00 p.m. on March 24, 2014 or at the hearing to be held in the Board office at 11:00 a.m. on March 25, 2014.

Availability of Modifications

With the exception of technical or grammatical changes, the full text of any modified proposal will be available from the person designated in this notice as the contact person for 15 days prior to its adoption and will be mailed to those persons who submit written or oral testimony related to this proposed regulatory action or who have requested notification of any changes to the proposal.

Reference to Text and Initial Statement of Reasons

CSLB has prepared a statement of the reasons for the proposed action, which is available to the public upon request. The express terms of the proposed action and all information upon which the proposal is based are available upon request.

Business Impact

CSLB is not aware of any significant statewide adverse economic impact directly affecting business, including the ability of California businesses to compete with businesses in other states, that the proposed regulatory action will have, because it simply establishes a specialty classification for an asbestos abatement contractor, including the related scope of work, and sets forth limitations and requirement for the new asbestos abatement contractor classification and the existing asbestos certification.

Public Hearing

A public hearing will be held at the Contractors State License Board, 9821 Business Park Drive, Sacramento, California 95827, at 11:00 a.m. on March 25, 2014.

Federal Mandate

The proposed regulatory action is not mandated by federal law or is not identical to any previously adopted or amended federal regulation.

Consideration of Alternatives

CSLB must determine that no reasonable alternative which it considered or that has otherwise been identified and brought to its attention would be either more effective in carrying out the purpose for which the action is proposed or would be as effective as and less burdensome on affected private persons than the proposed regulatory action, or would be more cost effective to affected private persons and equally effective in implementing the statutory policy or other provision of law. The actual determination must be part of both the Initial and Final Statement of Reasons.

Availability of the Final Statement of Reasons

Interested parties 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 above.

Website Access

Materials regarding the proposed regulatory action can be found at www.cslb.ca.gov.