

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

Held at
Sacramento, California
November 18, 1935

In accordance with Subdivision (c) of Section 4 of the
Contractors' License Law:

The first meeting of the Contractors' State License
Board of California was called to order by Mr. William G. Bo-
nelli, Director of the Department of Professional and Vocational
Standards, at 10:30 A. M., November 18, 1935, in the State Of-
fice Building, Sacramento, California.

All members of the Board were present as follows:

Warren A. Bechtel, Jr.	(Engineering Contractor)
Ralph E. Homann	(General Building Contractor)
Hugh McNulty	(General Building Contractor)
S. G. Johnson	(General Building Contractor)
Stephen L. Ford	(Plastering Contractor)
William Nies	(Plumbing Contractor)
Roy M. Butcher	(Electrical Contractor)

The following were also present:

William G. Bonelli, Director, Department of Professional
and Vocational Standards
Fred A. Taylor, Assistant Director, Department of Pro-
fessional and Vocational Standards
Glen V. Slater, Assistant Registrar of Contractors
Floyd O. Booe, Secretary-Manager, Associated General Con-
tractors of America, Northern California Chapter.

The members of the Board discussed informally with Mr.
Bonelli, Mr. Slater and Mr. Taylor the procedure of the Contractors'

License Bureau, the various forms used by the Bureau, duties of the Board members, and general routine matters pertaining to the operation of the Bureau.

It was moved by Mr. Homann and seconded by Mr. McNulty that Warren A. Bechtel be nominated for Chairman of the Board. There being no further nominations, Mr. Bechtel was unanimously elected Chairman of the Board.

It was moved by Mr. Ford and seconded by Mr. Nies that Ralph E. Homann be nominated for Vice-Chairman of the Board. There being no further nominations, Mr. Homann was unanimously elected Vice-Chairman of the Board.

At this time Mr. Bechtel took the chair and presided over the meeting, and expressed his thanks and appreciation to the Board.

It was moved by Mr. Johnson and seconded by Mr. Butcher that a special committee be appointed to prepare application forms to be submitted for the approval of the Board at the next meeting of the Board, and that the Registrar of Contractors be directed meanwhile to withhold the issuance of a license to any applicant, unless the requirements of the new Contractors' License Law of California are fulfilled in all particulars. This motion was unanimously carried.

Thereupon, Chairman Bechtel appointed S. G. Johnson a committee of one to prepare said application forms for the approval of the Board at its next meeting.

It was moved by Mr. Nies and seconded by Mr. McNulty that a recess be taken for luncheon from 12:30 P. M. to 2:00 P. M. This motion was unanimously carried.

AFTERNOON SESSION - 2:00 P.M.

The meeting was called to order at 2:00 P. M. by Chairman Bechtel. All members of the Board were present, and Mr. Bonelli, Mr. Taylor, Mr. Slater and Mr. Booe were also in attendance.

At this time Mr. M. G. Jorgenson, President of the newly appointed Structural Pest Control Board, was introduced to the members of the Board by Mr. Bonelli. Mr. Jorgenson addressed the Board, stating that it was the desire of the Structural Pest Control Board to cooperate with the Contractors' State License Board in any way possible.

It was moved by Mr. Homann and seconded by Mr. McNulty that the following committees be appointed:

Rules and Procedure Committee: S. G. Johnson, Chairman;
Hugh McNulty, William Nies.

Finance and Budget Committee: William Nies, Chairman;
Hugh McNulty, Ralph E. Homann.

Personnel Committee: Ralph E. Homann, Chairman; Stephen L. Ford, Roy M. Butcher.

This motion was unanimously carried, and the above mentioned temporary standing committees were announced by Chairman Bechtel.

It was moved by Mr. Nies and seconded by Mr. Ford that William G. Bonelli be appointed as Registrar of Contractors to

function as Executive Secretary of the Board and carry out all of the administrative duties provided for in the act creating the Contractors' License Law, and as delegated to him by the Board. The compensation for said Registrar of Contractors shall be \$400.00 per month. This motion was unanimously carried.

It was moved by Mr. Homann and seconded by Mr. Butcher that the committees appointed be directed to proceed promptly with the work assigned to them, and if possible have their reports ready for the next meeting of the Board, and further that the committees keep the Registrar and the Chairman informed as to their progress. The usual expenses as provided by law shall be allowed the committees while on official business. This motion was unanimously carried.

At this time it became necessary that Chairman Bechtel leave the meeting; therefore, Mr. Homann, Vice-Chairman took the chair.

The Board again discussed informally various routine matters pertaining to the Contractors' License Bureau.

It was moved by Mr. Nies and seconded by Mr. Ford that the meeting be adjourned, to reconvene subject to call of the Chairman. This motion was unanimously carried.

The meeting was adjourned at 5:00 P. M.

Reported by:

Edith Ebeling
417 State Office Building
Sacramento, California

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

Held at
Sacramento, California
February 25, 1936

The regular meeting of the Contractors' State License Board was called to order by Warren A. Bechtel, Jr., Chairman of the Board, at 10:30 A. M., Tuesday, February 25, 1936, in the State Office Building, Sacramento, California.

The roll was called and the following were present:

Warren A. Bechtel, Jr., Chairman
Ralph E. Homann, Vice Chairman
S. G. Johnson
Stephen L. Ford
William Nies
Roy M. Butcher

Hugh McNulty, Absent

Mr. William G. Bonelli, Registrar of Contractors, and Director of the Department of Professional and Vocational Standards, was also in attendance.

The minutes of the last meeting of the Board, which was held in Sacramento on November 18, 1935, were read and approved by the Board.

An informal discussion was held by the Board to outline the meeting of the day.

Hugh McNulty, Member of the Board, arrived at 11:00 A.M.

Mr. Homann's committee on Personnel met in Sacramento on February 24, 1936, the day prior to the Board meeting. Mr. Homann at this time read the report of his committee as follows:

"To the
Contractors' State License Board
State of California:

"In accordance with your instructions, your undersigned Personnel Committee has considered the applications for the position of Registrar of Contractors and begs to report as follows:

"Deliberations began upon receipt of a list of applicants from Mr. Bonelli. Subsequently, later applicants became known, directly or indirectly.

"Your committee held a meeting, attended by all its members, at 10:00 A. M., Friday, February 7, 1936, in the Contractors' License Bureau, State Building, 217 West First Street, Los Angeles. Recessing from time to time the meeting adjourned on Saturday, February 8th.

"All known applicants (as per list herewith) were invited to attend. All attended with the exception of Mr. Byrnes, Col. Huntington having telephoned his withdrawal. Each was separately interviewed by the committee.

"From the applicants and other sources, letters or copies, and other data concerning the several candidates were received and considered. They are submitted herewith.

"After due deliberation your committee un-
animously recommends the following candidates
for your consideration and selection:

Mr. Earl Anderson
Mr. A. W. L. Dunn
Mr. Paul De Huff

Respectfully submitted,

(Signed) Roy M. Butcher
" Ralph E. Homann, Chairman
" S. L. Ford"

An informal meeting was held until 12:00 o'clock noon, at which time the Board recessed for lunch until 1:30 P. M.

AFTERNOON SESSION - 1:30 P.M.

The meeting was called to order by Chairman Bechtel. The roll was called and all members of the Board were present.

The following were also in attendance:

William G. Bonelli, Registrar of Contractors
Floyd O. Booe, Secretary-Manager, Northern California Chapter, A. G. C.
William E. Hague, Secretary, Central California Chapter, A. G. C.
Dave Bunker, Secretary, San Jose Builders' Exchange

Mr. S. G. Johnson's committee on Rules and Procedure, and Mr. William Nies' committee on Finance and Budget, met in Sacramento the day prior to the Board meeting. They advised the Board at this time that a further study is being made and should be ready at the time of the next meeting of the Board.

It was moved by Mr. Homann and seconded by Mr. Butcher that the letter dated February 24, 1936, addressed to the Contractors' License Board, and signed by William E. Hague, Secretary-Manager of the Central California Chapter, A. G. C., be referred to the Registrar of Contractors for investigation and report, and that the writer be so notified. This motion was unanimously carried.

It was moved by Mr. Homann and seconded by Mr. Butcher that the letter from Andrew P. Costelli, Attorney at Law, inclosing

the notice of appeal and review in the proceedings of Kaufenberg vs. Muriale be referred to the Registrar of Contractors for investigation and report, and that the petitioner be so notified. This motion was unanimously carried.

It was moved by Mr. Homann and seconded by Mr. Butcher that the letter dated January 29, 1936, addressed to Mr. S. G. Johnson, and signed by L. M. Webb, Secretary-Manager of the Builders' Exchange of Oakland be referred to the Registrar of Contractors for investigation and report and so notify the writer. This motion was unanimously carried.

Mr. Dave Bunker, Secretary of the San Jose Builders' Exchange, addressed the Board at this time with reference to establishing headquarters for the Inspector in the territory, at the San Jose Builders' Exchange and provide compensation for rental of same.

It was moved by Mr. Butcher and seconded by Mr. Ford that the question of establishing headquarters and providing compensation for rental of said headquarters for the field inspectors be referred to the Registrar of Contractors to make a survey and report to the Board at their next meeting. The Registrar is instructed to notify the Builders' Exchanges where headquarters have been used by the inspectors of the above action. This motion was unanimously carried.

Mr. William G. Bonelli verbally tendered his resignation as Registrar of Contractors to become effective February 29, 1936.

It was moved by Mr. Nies and seconded by Mr. Ford that the resignation of William G. Bonelli as Registrar of Contractors be accepted. This motion was unanimously carried.

It was moved by Mr. Homann and seconded by Mr. Butcher that subject to the approval of the Director of the Department of Professional and Vocational Standards, Mr. Earl S. Anderson be appointed as Registrar of Contractors to function as Executive Secretary of the Board and carry out all of the administrative duties provided for in the act creating the Contractors' State License Board, and as designated to him by the Board, the effective date of said appointment to be March 1, 1936, and the compensation for said position to be fixed at \$400.00 per month. This motion was unanimously carried.

It was moved by Mr. Butcher and seconded by Mr. Johnson that the meeting be adjourned. This motion was unanimously carried.

The meeting was adjourned at 5:40 P. M., to meet in Los Angeles sometime between April 15, 1936 and May 1, 1936, at the call of Chairman Bechtel.

Reported by:

Edith Ebeling
423 State Office Building
Sacramento, California

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

Held at
906 California State Bldg.
Los Angeles, California
April 14, 1936

The regular meeting of the Contractors' State License Board was called to order by Warren A. Bechtel, Jr., Chairman of the Board, at ten-forty A. M., Tuesday, April 14, 1936, in the State Building, Los Angeles, California. The roll was called and the following were present:

Warren A. Bechtel, Jr.	Chairman
Ralph E. Homann	Vice-Chairman
Hugh McNulty	Board Member
S. G. Johnson	Board Member
Stephen L. Ford	Board Member
William Nies	Board Member
Roy M. Butcher	Board Member
Earl S. Anderson	Executive Secretary

Also present were:

Mr. Glen V. Slater	Assistant Registrar
Mr. Floyd Booe	
Mr. Frank Connolly	

The minutes of the last meeting of the Board which was held in Sacramento on February 25, 1936, were read. It was moved by Mr. Homann and seconded by Mr. Johnson that the minutes as read be approved. Unanimously carried.

The Chairman called for a report from Mr. Johnson, Chairman of the Rules and Procedure Committee. Thereupon, Mr.

Johnson submitted his report stating the Committee had met in Fresno on April 4 to discuss same. The Secretary was requested to read the Rules and Regulations which had been prepared by the Committee for the approval of the Board. A discussion followed the reading of the Rules and Regulations.

The Chairman appointed Mr. Johnson, Mr. Anderson, Mr. Booe and Mr. Connolly as a committee to discuss the matter of Rules and Regulations during the lunch recess and make a report when the meeting reconvened.

The meeting recessed at 12:15 to convene at 1:30 P. M.

AFTERNOON SESSION - 1:40 P. M.

The meeting was called to order by Chairman Bechtel. The roll was called and all members of the Board were present. The following were also in attendance:

Mr. Glen V. Slater	Assistant Registrar
Mr. Floyd Booe	
Mr. William G. Bonelli	Director of the Department of Professional & Vocational Standards.
Mr. Frank Connolly	

Mr. Johnson recommended tabling the discussion of the report of the Committee on Rules and Regulations temporarily.

The Chairman called for a report from Mr. Nies,

Chairman of the Finance and Budget Committee. Thereupon, Mr. Nies submitted the following report of the Finance and Budget Committee:

"The Committee advises that the working budget be carried on as at present set up with any minor modifications and additions as may be required by either the Registrar or the Director of the Department of Professional and Vocational Standards.

"The Committee recommends that no additional rental for offices be incurred.

"The Committee recommends to the Board that the estimated unappropriated funds require consideration from the standpoint of future reserve.

"The Committee further recommends that purchase be made out of funds set up for property and equipment requirements of an Addressograph machine."

It was moved by Mr. McNulty that the report of the Committee on Finance and Budget be adopted. Motion seconded by Mr. Johnson. Motion carried unanimously.

It was moved by Mr. Ford that a policy of the Board be adopted regarding surplus funds. Seconded by Mr. Nies. Motion carried unanimously.

The Secretary submitted a report on a letter received at the last Board meeting from William E. Hague, Secretary-Manager of the Central California Chapter, A. G. C., relative to the Atwater Sanitarium case, with the comment that the complaint had been withdrawn by Mr. Hague.

The Secretary submitted a report on a letter received

at the last Board meeting from Mr. Andrew P. Costelli, Attorney at Law, relative to the Kaufenberg vs. Muriale case. The Secretary reported that a satisfactory settlement was under consideration which would remove Mr. Muriale's suspension.

The Secretary submitted for the Board's consideration, letters received at the last Board meeting from several Builders' Exchanges requesting rental fees for the use of their offices by the inspectors. It was decided to follow through on the recommendation of the Finance Committee that no additional rental for office space be incurred.

Letter from the Electrical Contractors' Association of Northern California commending the personnel of the Contractors' License Bureau and Mr. Mano Zan, Coordinator, was read by Mr. Anderson.

The Secretary read a letter from the Builders' Exchange of Oakland, addressed to Mr. Bonelli, regarding the necessity of their charging rental after April 15, 1936, for the space occupied at the present time by the Contractors' License Bureau in their offices. A discussion followed at the end of which it was decided that arrangements would be made for the removal of the Contractors' License Bureau from that office.

The Secretary read a letter from the California State Council of Carpenters with a resolution commending the

Contractors' License Bureau for the work they are doing in the investigation of violators of the Compensation Insurance Law, also a resolution requesting the Contractors' License Board to set up Rules and Regulations to strictly enforce paragraph (d), Section Four of the Contractors' License Law.

The Secretary read a report of his activities as Registrar and his observations of the personnel and the work of the Bureau.

The Secretary submitted for the consideration of the Board the necessity of purchasing an Addressograph machine for greater efficiency and accuracy in publishing the directory and the issuance of renewals.

It was moved by Mr. McNulty that the Addressograph machine be purchased for the Bureau. Seconded by Mr. Homann. Unanimously carried.

Mr. Nies reported that the Committee on Finance and Budget recommends that this machine be purchased and that it be done before the close of the fiscal year so that the unused moneys would still come out of this year's funds. It was moved by Mr. McNulty that this be done. Seconded by Mr. Homann. Unanimously carried.

Mr. Homann, Chairman of the Committee on Personnel, submitted the following report:

"Pursuant to the call of its Chairman, the Personnel Committee met at Fresno at ten A. M., Saturday, April 4, 1936, all members being present.

"The personnel of the Department was reviewed and discussed by the Committee and the comments of the directors of the California State Builders' Exchange (then in session at Fresno) were invited and received.

"With few exceptions, which will be considered and reported on later, the personnel appeared to be generally satisfactory in character."

Upon a motion duly made, seconded and carried, the report of the Personnel Committee was accepted.

It was moved by Mr. McNulty that the following resolution be adopted. Seconded by Mr. Homann. Unanimously carried:

"WHEREAS, the Contractors' License Board, upon examining the policy and procedure previously in effect in the Contractors' License Bureau, have determined that many expansions and extensions of service to the building public and construction industry are necessary, and

"WHEREAS, our survey discloses that the present office facilities, personnel and equipment are inadequate to properly discharge the contemplated extension of service which this Board proposes, and

"WHEREAS, there has been accumulated a surplus from fees collected from licensed contractors,

"NOW, THEREFORE, BE IT RESOLVED, that the Contractors' License Board request the Director of Professional and Vocational Standards to present a plan for improving, expanding or acquiring office facilities and equipment, an increase of personnel to properly discharge the policies proposed, and to provide for additional motor mileage expense

and purchase of additional necessary motor equipment for this personnel; and

"BE IT FURTHER RESOLVED, that this report be submitted at once, in order that the policies so adopted by the Board may be put into effect not later than July 1, 1936."

It was moved by Mr. Homann that the Board adopt the seal as provided in the Act. Seconded by Mr. Butcher. Unanimously carried.



Mr. McNulty recommended compensation for the Board members who devote much of their time on constructive work for the Board. Mr. McNulty was advised by Mr. Anderson that there is no provision in the Contractors' License Law for such compensation for Board members, and that it could not be secured except by an act of the Legislature.

Ad.

It was duly moved and seconded that the meeting adjourn at five o'clock P. M. to reconvene April 15, 1936, at two-thirty P. M. in the State Building, Los Angeles, California.

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

Held at
San Francisco, California
July 24, 1936

The regular meeting of the Contractors' State License Board was called to order by Ralph E. Homann, Vice Chairman of the Board, at 10:30 A. M., Friday, July 24, 1936, in the State Building Annex, San Francisco, California.

The roll was called and the following were present:

Ralph E. Homann, Vice Chairman
S. G. Johnson, Board Member
Stephen L. Ford, Board Member
William Nies, Board Member
Roy M. Butcher, Board Member
Earl S. Anderson, Executive Secretary & Registrar

Warren A. Bechtel, Jr., Absent
Hugh McNulty, Absent

The following were also in attendance:

Glen V. Slater, Assistant Registrar of Contractors
Sam Eubanks, Editor, Daily Pacific Builder
Dave Bunker, Secretary, San Jose Builders' Exchange

Mr. Homann announced that a letter was received from Warren A. Bechtel, Jr., Chairman, submitting his resignation. Earl S. Anderson, Executive Secretary, read the letter of resignation to the Board.

It was moved by Mr. Ford and seconded by Mr. Johnson that the Executive Secretary be instructed to send a letter to Mr. Bechtel, acknowledging his letter of resignation, and thank him

for his cooperation, and to advise him that the Board regretted his resignation. This motion was unanimously carried.

The minutes of the last meeting of the Board, which was held in Los Angeles, California, on April 14 and 15, 1936, were read to the Board by Mr. Anderson.

Mr. S. G. Johnson referred to Page 8 of the minutes. He stated that when in Los Angeles they went over the Rules and Regulations and a committee was appointed to redraft the new copy of the resolutions, and that the committee had a meeting from 10:00 A. M. to 1:00 P. M., but it was not so stated in the minutes. It was his idea that mention should be made that the committee met to prepare a report for the Board in the afternoon. Mr. Homann instructed the Executive Secretary to have the minutes in those places on Pages 7 and 8 read as follows: Page 7, "The Chairman appointed a committee to redraft the Rules and Regulations to be presented at the afternoon session, April 15, 1936. This committee was requested to meet at 10:00 A. M., April 15th." Page 8, "The Chairman of the Committee on Rules and Regulations made his report and a discussion was held relative to the By-Laws and Rules and Regulations."

Mr. Johnson stated on Page 3 of the minutes a motion was made that a policy of the Board be adopted regarding surplus funds. He asked what the policy was, and it was explained to him that that came in at the end of the minutes.

Mr. Johnson asked if the Addressograph Machine, referred to on Page 5 of the minutes, had been purchased for the Bureau, and was advised by Mr. Anderson that it had been.

Mr. Johnson asked about the seal referred to on Page 7, and was advised that the seal had been adopted on that day, April 14, 1936.

It was moved by Mr. Nies and seconded by Mr. Butcher that the minutes stand approved as read, with the corrections as above outlined. This motion was unanimously carried.

An informal discussion was held by the Board to outline the meeting for the day.

A letter dated April 17, 1936, addressed to Warren A. Bechtel, Jr., Chairman of the Board, and signed by Sam Eubanks, Editor, Daily Pacific Builder, was read to the Board by Mr. Anderson. In this letter, Mr. Eubanks stated that he would like to attend the meetings of the Board, but at the meeting held at Sacramento he was not permitted to do so. Mr. Eubanks was advised that the meetings were not secret, and that the Board would be glad to have him, and any others interested, present. He was further advised that at the Sacramento meeting referred to, the Board was just getting organized. Mr. Eubanks requested that he be sent a formal notice of future meetings.

It was moved by Mr. Johnson and seconded by Mr. Nies that the Registrar be instructed to notify the trade papers and the press of the dates of Board meetings that come up from time to time, and also to keep them posted on the activities of the Board. This motion was unanimously carried.

A letter dated July 22, 1936, addressed to Earl S. Anderson, Registrar, and signed by William Nies, President of the State Association of Master Plumbers of California, inclosing a resolution adopted by that association, recommending improvements to the Buresu and to the Contractors' Act, was read by Mr. Anderson.

There being no objection, it was ordered by the Vice Chairman that the State Association of Master Plumbers of California be informed that the letter was received and filed and the contents would be considered by the Board.

Mr. Fred A. Taylor, Assistant Director, Department of Professional and Vocational Standards, appeared at this time, and advised the Board that it was impossible for William G. Bonelli, Director, to be here, but if there was anything he could do or any way in which he could cooperate with the Board he would be glad to do so. Mr. Taylor said if there were any questions that he could answer now he would be glad to answer them. Mr. Homann advised Mr. Taylor that the Board appreciated his and Mr. Bonelli's offer of assistance, but could think of nothing at the present time.

The meeting recessed at 1:00 P. M. to reconvene at 2:30 P. M.

AFTERNOON SESSION - 2:30 P.M.

The meeting was called to order at 2:30 P. M. by Vice Chairman Homann. The roll was called and with the exception of

Mr. McNulty all members of the Board were present. The following were also in attendance:

Glen V. Slater, Assistant Registrar
Floyd O. Booe
William E. Hague
Dave Bunker
Sam Eubanks
R. S. Bowdle
Louis F. Erb

At this time Mr. Homann asked for the report of Registrar Anderson. Mr. Anderson outlined the activities of the Bureau during April, May and June, reporting on the complaints filed, and the registration of contractors, the Inspectors' examination and school held in Los Angeles, and the work done on the Rules and Regulations, and the results of the check up on compensation insurance.

Mr. Anderson also read the report of Mano Zan, Code Coordinator, which was addressed to him, and dated July 24, 1936. Mr. Johnson stated that he thought it a good time to discuss that report. He said that he has never been in sympathy with our coordination as it has been carried on, as he didn't think it is within the law to organize groups for industries. Mr. Ford said that he agreed with Mr. Johnson, and felt that Mr. Zan should have a different classification. This matter was discussed by the entire Board at length.

It was moved by Mr. Nies and seconded by Mr. Butcher that the matter of the duties of the Code Coordinator be referred to the Personnel Committee, and that they recommend to the Board what they believe Mano Zan's duties should be, and what procedure would be necessary to have the title changed, and report at the next meeting of the Board. This motion was unanimously carried.

Mr. S. G. Johnson, Chairman of the Committee on Rules and Regulations submitted his report. Mr. Johnson asked Mr. Anderson to read the letter addressed to Earl S. Anderson, dated May 14, 1936, from the Attorney General's Office, signed by Wilmar W. Morse, Deputy Attorney General, in which was set out the opinion that the Board does not have the right to delegate to the Registrar the power to examine applicants. The Board may, if it desires, examine applicants, but has not the right to deny a license if the applicant proves that he is of good character and integrity. Mr. Johnson stated that the Committee and the Registrar decided it best to let the matter rest until after the next session of the Legislature, as new legislation may be proposed which would permit the examination of applicants.

In conjunction with Mr. Johnson's report, the Board discussed the Rules for the Contractors' License Bureau, and pointed out the changes made in them.

It was moved by Mr. Ford and seconded by Mr. Butcher that the following Rules for the State Contractors' License Bureau be adopted as written, and read by the Registrar, and that they be entered in the minutes of this meeting in the present complete revised form. This motion was unanimously carried.

RULES
FOR THE
STATE CONTRACTORS' LICENSE BUREAU

RULE I

All persons desiring to receive a license to engage in any line of contracting as provided in the Contractors' License Law of California shall forward to the Registrar the fee designated in the Statute, together with an application. Such

application shall be made on forms to be supplied by the Registrar. All questions and provisions in such application must be answered by the applicant and verified before a Notary Public, or other officer authorized to administer oaths. The answers to all questions in the application must be made with a typewriter or in clearly legible handwriting.

After such application has been filed, it shall be the duty of the Registrar forthwith to examine same, and if it appears regular on its face, and no valid reason exists for further investigation, the Registrar shall within ten days issue the license. If from said application, or otherwise, some valid reasons appear to exist for the denial of said application, the Registrar shall appoint a time and place for the applicant to appear personally and answer such questions, both orally and in writing, as the Registrar may require. Such questions shall relate to the qualifications of the applicant, and be designed to determine whether or not the applicant is qualified to hold a license within the purview of the Contractors' License Law of California.

No applicant shall be granted a license to engage in contracting if it shall appear from answers given in the application form or from the answers to the questions, both oral and written, that such applicant is lacking in integrity and good character as shown by the fact: (a) that the applicant has, within the period of three years prior to the date of his application, committed or done any act which if committed or done by a licensed contractor would be grounds under section 9 of this act for suspension or revocation of a contractor's license, or (b) that the applicant has within said period of three years committed or done any act involving dishonesty, fraud or deceit, whereby said applicant has benefited or whereby some injury has been sustained by another, or (c) that the applicant bears a bad reputation for honesty and integrity, or (d) that the applicant has never been refused a license or had a license revoked for reasons that should preclude the granting of the license applied for.

RULE II

Every applicant for a license to engage in the business as a contractor shall include in his application the signatures of sponsors as references to his character and integrity. Sponsors shall be (a) licensed civil or structural engineers, or licensed architects, or licensed contractors, (b) owners for whom applicant has performed construction work as a contractor, superintendent, or foreman, (c) building supply firms, and (d) banking institutions.

This rule shall not apply in the case of a combination of duly licensed individuals or firms making application for a joint venture license.

Every individual applicant must secure sponsors as follows: two in classes a, b and c, and one in class d, and in every case not less than a total of seven sponsors.

Each member of an applicant copartnership must personally secure four sponsors, including one person in each of the above classifications (a, b, c and d).

If applicant is a corporation, each of the officers, (president, vice president, secretary, chief construction managing officer) must personally secure four sponsors, including one person in each of the above classifications (a, b, c and d). Applicants for license under a fictitious name must register same in accordance with the provisions of Section 2466 of the Civil Code.

RULE III

The Registrar shall have power, in the exercise of sound discretion, to waive such references which must ordinarily accompany an application in the case of any contractor who has, during his experience in construction work, lived and operated under conditions which make it impractical to furnish the references herein required, but in such cases the Registrar must satisfy himself by other means that the applicant is qualified both as to character and integrity.

RULE IV

Before issuing a license to a corporation or partnership to engage in any field of the contracting business, the Registrar must satisfy himself, through proper investigation, that the corporate firm, or partnership, or individual, is not a mere subterfuge to enable some person not otherwise qualified to engage in the contracting business.

RULE V

In the event that the written and oral examination of the applicant should not in the opinion of the Registrar entitle him to a license to engage in the contracting business, the Registrar shall forthwith notify the applicant by registered mail, or by personal service, to show cause within such time, not less than five days nor more than thirty days after date of such service, why the application should not be denied.

RULE VI

The application, together with all rulings of the Registrar with reference thereto, shall be open for public inspection.

RULE VII

Every license issued to a partnership shall state on its face the name and address of the partnership.

In the event of the death of any partner, it shall be the duty of the surviving partner or partners forthwith to notify the Registrar. Thereupon, the Registrar shall issue a certificate in such form as he may devise which shall be immediately attached to the license of the partnership in a permanent manner to indicate to all persons inspecting the license that the partnership consists only of its surviving members.

A surviving member or members of a licensed copartnership shall be entitled to continue in business under such license until the expiration date of such license; provided due application therefor is made to the Board and same is approved by the Board.

RULE VIII

In the event that either the business address or residence address of any licensed contractor be changed, such contractor shall within thirty days after such change, notify the Registrar in writing.

RULE IX

The Registrar shall furnish a certified copy of any license issued, upon receipt of the sum of fifty cents; and such certified copy shall be received in all courts and elsewhere as evidence of the facts stated therein.

RULE X

It shall be the duty of inspectors to investigate all cases brought to their attention, and which appear likely to involve violations of the Contractors' License Law; to determine whether all contractors coming under the provisions of the Contractors' License Law are, in fact, operating under a valid license; and to make such investigations and reports as may be required by their superior officers.

Unless such complaint shall have been previously filed by some other person, the Inspector may, upon receiving information thereof, file with the Registrar a verified complaint in proper form covering each violation of the Contractors' License Law, which, in the opinion of the Inspector, after investigation of the facts, consists of a violation of the law.

Each Inspector shall report to the Registrar violations within his respective district of the State Workmen's Compensation Insurance Act.

Each Inspector shall advise persons desiring to engage in any division of the contracting business, as to the procedure necessary to enable them to acquire a license.

RULE XI

No complaint against any licensed contractor will be proceeded upon by the Registrar or other person engaged in the enforcement of the Contractors' License Law unless such complaint be in writing and verified.

All such complaints must state clearly and concisely the precise charges made against a contractor, and shall state not mere conclusions but actual facts which are claimed to constitute a violation of the Contractors' License Law.

Liberality shall be exercised by the Registrar and others who may be required to hear such complaints in granting permission to amend a complaint and in granting permission of an accused to amend his answer. Provided, however, that if a complaint be amended in matter of substance and with the effect of substantially enlarging or changing the accusation against a licensed contractor, such licensed contractor shall have a reasonable length of time, and in no event less than ten days, continuance in order to prepare his defense to such a charge.

Any such complaint forwarded to the Registrar and not complying with these regulations shall either be dismissed or returned for amendment.

At any hearing, the accused may appear in person and may have an attorney or attorneys, to assist him in the preparation and presentation of his defense.

Whenever a verified charge is made, it shall be the duty of the Inspector, operating nearest to the place of business of the accused, at the discretion of the Registrar, to make a careful investigation of all facts relating to the case, and at the hearing it shall be the duty of the Inspector to impartially present all pertinent information which he has received relating to the controversy, both for and against the accused.

RULE XII

At all hearings to determine whether a contractor's license shall be suspended or revoked, it shall be the duty of the presiding officer to grant such reasonable continuance as may appear necessary to permit all parties concerned to fairly and fully present all material facts.

RULE XIII

These "rules and regulations" may be amended or amplified by Resolution at any regular or special meeting of said Board.

The By-Laws of the Contractors' State License Board, and the Administrative Rules and Procedure of the Contractors' State License Board were read by Mr. Anderson and discussed by the Board.

It was moved by Mr. Nies and seconded by Mr. Ford that the following By-Laws and Administrative Rules and Procedure of the Contractors' State License Board as read by Mr. Anderson be adopted as revised, and entered in the minutes of this meeting. This motion was unanimously carried.

BY-LAWS
OF THE CONTRACTORS' STATE LICENSE BOARD

SECTION I

At all meetings of the Contractors' State License Board, Roberts Rules of Order shall determine all questions of procedure except when contrary to the provision hereof, or to some provision of law.

SECTION II.

All regular meetings of said Board shall be held at such times and places as the Chairman or a majority of said Board shall from time to time designate. The said Board shall hold at least four regular meetings each fiscal year - one in July, one in October, one in January and one in April - for the purpose of transacting such business as may properly come before it. At the July meeting of each year, the Board shall elect officers consisting of a Chairman and a Vice Chairman. Four members shall constitute a Board quorum. Each member shall be reimbursed for his traveling expenses necessarily incurred in the performance of his duties hereunder.

SECTION III

Special meetings of the Board for any purpose or purposes shall be called at any time by the Chairman, or, if he is absent or unable or refuses to act, by the Vice Chairman or by the majority of its members.

SECTION IV

Notice of the time and place of each regular and special meeting of said Board shall be mailed or telegraphed by the Secretary of said Board to the respective addresses of each and every member thereof at least five days prior to such meeting. Provided, however, transactions of any meeting of the Board however noticed, shall be as valid as though had at a meeting duly held after regular notice, if a quorum be present and if either before or after the meeting each of the Board members not present consents in writing or by telegraph to the holding of such meeting. All such consents shall be filed with the Secretary of the Board and made a part of the minutes of the meeting.

SECTION V

Any regular or special meeting may be adjourned from time to time not exceeding, however, five days from the date of such regular or special meeting. Notice of the time and place of holding an adjourned meeting need not be given to absent Board members.

SECTION VI

There shall be three standing committees of the Board, consisting of a Finance and Budget Committee, Personnel Committee, and Committee on Rules and Procedure. Committee members shall be appointed by the Chairman and shall serve until the next election of officers of the Board. Any other special committees may be created as the need arises, the appointments of the members thereof to be made by the Chairman. The Chairman of each committee shall be designated by the Board Chairman and all committee meetings shall be at the call of the Committee Chairman. All members of all standing and special committees shall be reimbursed for their traveling expenses necessarily incurred in the performance of committee work.

SECTION VII

These "by-laws" may be amended or amplified by a majority of the Board by resolution at any regular or special meeting of said Board.

ADMINISTRATIVE RULES AND PROCEDURE
OF THE
CONTRACTORS' STATE LICENSE BOARD

RULE I

Pursuant to the Contractors' License Law of California, said Board, with the approval of the Director of Professional and Vocational Standards, shall engage the services of and fix the salary of a Registrar of Contractors, who shall be the Executive Secretary of the Board, Assistant Registrar, Chief Reviewing and Hearing Officer, Deputy Registrars, and such other assistants, inspectors and subordinates as may be necessary to effect the purpose of said Contractors' License Law.

RULE II

The duties of the Registrar shall be those prescribed in the Contractors' License Law of California, and all other officers, employees and subordinates mentioned herein shall perform such duties as the said Registrar and said Board, with the approval of the Director of the Department of Professional and Vocational Standards, shall require of them.

RULE III

CHAIRMAN

The Board shall, at their regular meeting held in July, elect one of their members to act as Chairman, and, if at any time, the Chairman shall be unable to act, the Vice Chairman shall take his place and perform his duties, and if the Vice Chairman, from any cause, shall be unable to act, the Board shall appoint some other member of the Board to act in his place, in whom shall be vested, for the time being, all duties and functions of his office. The Chairman, or in his absence or disability, or refusal to act, the Vice Chairman, or, in the event of his absence or disability, or refusal to act, the member as above provided, shall:

1st: Preside over all meetings of the Board.

2nd: He shall call the members together in regular or special meeting whenever he deems it necessary, and shall, subject to advice of the Board, discharge such other duties as may be required of him by the Contractors' License Law.

RULE IV

VICE CHAIRMAN

The Board shall, at their regular meeting held in July of each year, elect a Vice Chairman, who shall discharge the duties of the Chairman in the event of his absence, disability or refusal to act.

RULE V

EXECUTIVE SECRETARY

The Board shall appoint, with the approval of the Director of the Department of Professional and Vocational Standards, an Executive Secretary, whose duties shall be as follows:

1st: It shall be the duty of the Executive Secretary to keep a record of the proceedings of the Board.

2nd: He shall keep the seal of the Contractors' State License Board, sign such instruments in writing as he may be authorized to sign by the Board, affix said seal to all papers requiring a seal, and attest the same where necessary.

3rd: The Executive Secretary shall serve all notices required by law, or by the by-laws of the Contractors' License Board; and in case of his absence, inability, refusal or neglect so to do, then such notices may be served by any person thereunto directed by the Chairman or Vice Chairman of the Board.

RULE VI

These "administrative rules and procedure" may be amended or amplified by a majority of the Board by resolution at any regular or special meeting of said Board.

The letter dated July 22, 1936, signed by William Nies, President of the State Association of Master Plumbers of California, and addressed to Earl S. Anderson, which was referred to during the morning session of the meeting was brought up again

at this time. The Registrar was instructed to reply to this letter and advise the Association that some parts of the resolution are already in effect and others would be considered for amendments to the Contractors' License Law.

A discussion was held relative to some suggested amendments to the Contractors' License Law, which were received by the Registrar and submitted to the Board for their consideration. It was decided by the Board not to take any action at this meeting in regard to legislative amendments.

Mr. Johnson made a report on the application form for a contractor's license. At the last meeting of the Board, he submitted an application form with some additions and a supplementary form, calling for examination of applicants. The Board referred the matter to the Director of Professional and Vocational Standards, the Registrar, and to Mr. Johnson to prepare the application form and submit it to the Board at the next meeting. The Registrar, Assistant Registrar, and Mr. Johnson had a meeting and discussed the new form. Mr. Johnson stated that while it is not as good as they would like it to be, he thinks it is an improvement over the old form, and will stiffen up the requirements and make it much more difficult for applicants to secure a license.

Mr. Anderson read the application form, and it was discussed by the Board.

It was moved by Mr. Nies and seconded by Mr. Butcher

that the Board adopt the application form as it was read by Mr. Anderson in the corrected form. This motion was unanimously carried.

Mr. Anderson read a letter addressed to him, dated July 23, 1936, from Frank J. Connolly, Secretary of the Associated General Contractors', Southern California Chapter, complaining that the form of publicity from the Bureau was unfavorable, and the Secretary was instructed by the Board to answer said letter.

Dave Bunker, Secretary of the San Jose Builders' Exchange, addressed the Board at this time and complimented them for what it has done and said they are doing a wonderful piece of work. He stated he thought there should be some way developed to send out information to craft groups, trade organizations, builders' exchanges, etc., in order to keep them posted on what the Board is doing, what the aims of the Board are, etc.

Mr. Anderson advised Mr. Bunker that this matter was under consideration, and that the bulletin to be issued in the near future would help to further disseminate this information.

The Vice Chairman announced that inasmuch as this was the July meeting, it would be necessary, in accordance with law, to have an election of officers. It was decided to have a secret written ballot. Mr. Earl S. Anderson, Executive Secretary, was appointed clerk, and he announced that the ballot showed Mr. Roy Butcher was elected Chairman, and that there was a tie for Vice

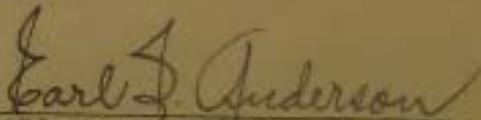
Chairman between Ralph Homann and S. G. Johnson. Mr. Johnson withdrew in favor of Mr. Homann.

It was moved by Mr. Ford and seconded by Mr. Nies that Mr. Butcher be declared elected Chairman, and that Mr. Homann be declared elected Vice Chairman as a result of the election, for the present year, ending June 30, 1937. This motion was unanimously carried.

The Vice Chairman announced that the various committees would meet the next day at 10:00 A. M.

It was moved by Mr. Butcher and seconded by Mr. Johnson that the Board adjourn to meet in Long Beach, California, at 10:30 A. M., Friday, August 14, 1936, at a place to be selected by the Registrar. This motion was unanimously carried.

The meeting was adjourned at 7:00 P. M.


EARL S. ANDERSON
Executive Secretary,
Contractors' State License Board

Reported by:

Edith Ebeling
423 State Office Building
Sacramento, California

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

Held at
Long Beach, California
August 14, 1936

A special meeting of the Contractors' State License Board was called to order by Roy M. Butcher, Chairman of the Board, at 10:30 A. M., August 14, 1936, in the Lafayette Hotel at Long Beach, California.

The roll was called and the following were present:

Roy M. Butcher, Chairman
Ralph E. Homann, Vice Chairman
Hugh McNulty, Board Member
S. G. Johnson, Board Member
Stephen L. Ford, Board Member
William Nies, Board Member
Earl S. Anderson, Executive Secretary & Registrar

The minutes of the last meeting of the Board, which was held at San Francisco, California, on July 24, 1936, were presented to the Board by the Secretary.

Mr. Johnson referred to Page 2 of the minutes of July 24, relative to a correction on Page 7 of the minutes of April 14, in regard to a meeting of the Committee on Rules and Procedure of which he is the Chairman. Chairman Butcher instructed the Executive Secretary to correct the minutes of the meeting of April 14 to read as follows: Page 7, "Chairman Bechtel requested that Mr. Johnson, Chairman of the Rules and Procedure Committee, preside over a meeting of his Committee and such othermembers of the

Board who can be present, to redraft the Rules and Regulations incorporating such changes and additions as discussed by the Board, and present their report at the afternoon session, April 15, 1936. This Committee was requested to meet at 10:00 A. M., April 15."

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It was brought to the attention of the Board by Mr. Homann that page 4 of the previous minutes stated that all members of the Board were present. The point was then raised about the resignation of Mr. Bechtel - whether or not he was still a member of the Board inasmuch as his resignation had not yet been acted upon. The Secretary was instructed to secure an opinion relative to the effective date of Mr. Bechtel's resignation.

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It was moved by Mr. Nies and seconded by Mr. McNulty that the minutes stand approved as read, with the foregoing corrections. Unanimously carried.

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Mr. Nies, Chairman of last year's committee on Finance and Budget, submitted the following report for his committee:

"The Finance Committee, Contractors' State License Board, met in San Francisco on July 25, 1936. All members of the Committee were present.

"The Committee reviewed the budget of the Contractors' License Bureau for the year 1936-37, and wish to report that they found same in order, as submitted by the Director of the Department of Professional and Vocational Standards.

"The subject of the budget for the next biennium, to be prepared and submitted to the Governor thirty days before the next session of the Legislature, was discussed. It was decided that this matter be given

consideration by the Committee, who will work in conjunction with the Director in preparing same.

Respectfully submitted

Wm. Nies, Chairman
H. W. McNulty
R. E. Homann"

It was moved by Mr. Ford and seconded by Mr. Johnson that the report of the Finance Committee be accepted. Unanimously carried.

The Secretary was requested to read the following committees as selected by the Chairman for the ensuing year:

RULES AND PROCEDURE COMMITTEE

S. G. Johnson, Chairman
Hugh W. McNulty
William Nies

FINANCE AND BUDGET COMMITTEE

Ralph E. Homann, Chairman
Stephen L. Ford

PERSONNEL COMMITTEE

Stephen L. Ford, Chairman
Hugh W. McNulty
William Nies

LEGISLATIVE COMMITTEE

Hugh W. McNulty, Chairman
S. G. Johnson
Ralph E. Homann

The Secretary submitted the following request for additional personnel:

"Due to the unusually large increase in renewals, applications and office routine matters; also due to greater activity in the field work of the Sacramento District, I herewith request that the

Board consider the advisability of instructing the Registrar to make application to the Director of the Department of Professional and Vocational Standards to secure the following additional personnel:

"One Intermediate Stenographer-clerk or Intermediate clerk for the Sacramento Office.

"One Inspector (field inspector) for the Sacramento District.

Respectfully submitted

(Signed) EARL S. ANDERSON
REGISTRAR OF CONTRACTORS"

The Chairman referred this request to the Personnel Committee for their consideration.

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Mr. Homann, Chairman of last year's Personnel Committee, submitted the following report for his committee:

"In accordance with your instructions given us at your meeting of July 24th, we met at 10:00 A. M., July 25th, in the State Annex Building, San Francisco. Board member McNulty also sitting in with us at our request.

"After discussion of the duties and title of the Code Coordinator, we recommend as follows:

1. That his duties be confined to activities within the scope of the Contractors' License Law;
2. That his duties be within the scope of activity recognized by the State Personnel Board for the position;
3. That the title of the position be changed to 'Coordinator';
4. That the Director for the Department be advised of the desires of the Board in respect to the above and be requested to

take such steps as he may deem necessary to carry out these recommendations.

Respectfully submitted,
Personnel Committee

(Signed) RALPH E. HOMANN
Chairman

(Signed) S. L. FORD
Member

(Signed) ROY M. BUTCHER
Member

Mr. Johnson commented that there was only one thing wrong, and that was that one man was not able to serve the industry in the whole state, and if a coordinator was needed in the north, then one was also needed in the south. If that office is indispensable for the welfare of the Bureau, I believe we should have one more coordinator, or have one under Zan, or an assistant, so that the entire state can be served.

It was moved and seconded that the report of the outgoing Personnel Committee be accepted and referred to the new Personnel Committee for their consideration. Unanimously carried.

Mr. Hugh McNulty, Chairman of the Legislative Committee, submitted for the consideration of the Board the following policy relative to legislative matters:

"Due to the fact that a comprehensive legislative program should be undertaken at this time in order to secure the united assistance of the entire construction industry, it would appear that the legislative program will have to be carried forward largely by the Legislative Committee and the Registrar. I believe, however, the Legislative Committee can well serve the Board by conferring with the Registrar and forwarding the program without the necessity of repeatedly calling meetings of the Board. I mention this due to the fact that our program for carrying forward

the legislative program calls first for submission to the organized construction groups of the State of all proposed amendments to the Contractors' Act which are reasonable and feasible. Such organizations must be required to immediately return their opinions, probably within at least thirty days, so that the Committee and the Registrar may then begin to iron out the various difficulties which will arise when new proposals are brought by small groups, and where certain proposed changes may not be acceptable to other bodies.

"While as Chairman of the Committee I do not wish to ask for broad powers for this subdivision of the Contractors' Board, I can still foresee in the future that the Board, as a whole, will be forced to meet many times prior to the convening of the Legislature unless a certain portion of its powers are delegated to this Committee. It is my opinion that the Registrar should carry the bulk of the work and that this Committee, instructed along general lines by the Board, should act in an advisory capacity to the Registrar.

"With this in mind I respectfully ask that the Board definitely go on record in connection with its desires."

It was moved and seconded that the policy of the Board as above outlined by Mr. McNulty, Chairman of the Legislative Committee, be adopted. Unanimously carried.

Mr. Johnson, Chairman of the Rules and Procedure Committee, made the following statement: "We have revised and changed the rules as adopted and submitted to the Attorney General for his opinion. His opinions received, our Registrar has changed those rules and regulations to conform with the ideas and opinions of the Attorney General and they led us to the realization that new amendments were necessary in order to get what we strive to with our rules and regulations. For that reason I do not think there is much we can do before changes are made in the law. However, our committee will work with the Legislative Committee in trying to coordinate the work."

A general discussion was held relative to proposed amendments to the Contractors' License Law.

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A letter received from Mr. Connolly, Manager of the Associated General Contractors of Los Angeles, was read, and in which he stated that he was opposed to certain suggested amendments to the Law, particularly technical examinations for all classes of licenses.

The Chairman referred this letter to the Legislative Committee.

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The meeting recessed at 1:00 P. M. to reconvene at 2:30 P. M.

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AFTERNOON SESSION - 2:30 P.M.

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The meeting was called to order at 2:30 P. M. by Chairman Butcher. The roll was called and all the members of the Board were present. The following were also in attendance:

Glen V. Slater, Assistant Registrar
I. L. Swearingen, Deputy Registrar
R. S. Bowdle, Deputy Registrar
L. F. Erb, Deputy Registrar
Frank Booth
Chas. Pettifer, President State Builders' Exchange

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Mr. Ford, Chairman of the Personnel Committee, reported that his Committee recommended that the Board accept the report of the outgoing Personnel Committee relative to the duties and change in name of the Code Coordinator; also recommended that the request

of the Registrar be granted in regard to an additional Field Inspector and an Intermediate Stenographer-Clerk or Intermediate Clerk for the Sacramento Office.

It was moved and seconded that the report of the Personnel Committee be adopted. Unanimously carried.

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Mr. Pettifer, President of the State Builders' Exchange, expressed his confidence in the Board and commended them for the activities they were expending for the betterment of the Construction Industry.

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At the suggestion of the Chairmen, a motion was made by Mr. Johnson, and seconded by Mr. Ford, that the Registrar be instructed to send letters to the State Builders' Exchange and the Long Beach Builders' Exchange extending the thanks of the Board for the many courtesies given to them during their stay in Long Beach. Unanimously carried.

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The next meeting of the Board was then discussed and it was suggested that a special meeting be held at Santa Barbara on September 25th, at which time the Board was invited to attend the convention of the California State Builders' Exchange, which invitation was extended by Mr. Pettifer and acknowledged by Chairman Butcher.

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Mr. Homann made a motion that a special meeting of the Board be held in Santa Barbara on the 25th of September. Mr. McNulty seconded the motion and it was unanimously carried.

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

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The meeting of the Contractors' License Board adjourned
at 1:30 P. M.

Earl S. Anderson
EARL S. ANDERSON
EXECUTIVE SECRETARY
CONTRACTORS' STATE LICENSE BOARD

Reported by

Paul Richardson
108 Calif. State Bldg.
Los Angeles, Calif.

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. Niece, 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.

* * * * *

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

EARL S. ANDERSON
EXECUTIVE SECRETARY

Reported by:
Pearl Michaelson
906 California State Bldg.,
Los Angeles, Calif.

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

Held at
Oakland, California
October 30, 1936

- - - -

The regular meeting of the Contractors' State License Board was called to order by Roy M. Butcher, Chairman of the Board, at 10:50 A.M., October 30, 1936, in the Leamington Hotel, at Oakland, California.

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
William Nies, Member
Earl S. Anderson, Executive Secretary

Absent:

Stephen L. Ford, Member

Also present were:

Glen V. Slater, Asst. Registrar
L. F. Erb, Deputy Registrar
R. S. Bowdle, Deputy Registrar
Sam B. Eubanks, Editor, Daily Pacific Builder
Wm. E. Hague, Secy.-Mgr., Associated General
Contractors. Central Calif. Chapter.

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The minutes of the last meeting of the Board, which was held at Santa Barbara, California, on September 25, 1936, were presented to the Board by the Secretary, but reading of the minutes was dispensed with. The minutes standing approved as written.

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Mr. S. G. Johnson, Chairman of Rules and Procedure Committee, stated that his Committee endeavored to make a study of the paragraph of Section 9 of the Law, having to do with requiring contractors to make and keep records. He stated that it had not been advisable for the Committee to meet, due to the amount of travel which would have been necessary. Chairman Johnson requested that the report of this Committee be deferred until Saturday morning and the Committee would meet either Friday afternoon or night to prepare its report. This request was granted by Chairman Butcher.

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Mr. Ralph E. Homann suggested that the Committee on Rules and Procedure should take under consideration other subdivisions of Section 9 and include them in their report. Request granted by Chairman Butcher.

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The following letters were then read by Earl S. Anderson, Executive Secretary and Registrar:

Letter from the California State Builders Exchange, offering to sponsor amendments to the Contractors' Act at the next Legislature. Letter referred to Mr. McNulty, Chairman of the Legislative Committee.

A general discussion was entered into regarding members of the Board and officials of the Bureau entering into Legislative work.

Mr. Anderson read a letter of invitation from the Painting & Decorating Contractors' Association of Alameda County

to attend their evening meeting on October 30th.

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Mr. Anderson submitted a copy of the new Directory and a number of favorable comments were made on same. Mr. Anderson also discussed the system of preparing the Directory. He reported that there were 24,358 contractors as of October 1, 1936, and that there would be approximately 500 more by the end of the month.

Mr. Anderson reported that the Department of Finance purchased a piece of property at 10th & N Streets, Sacramento, and that there was some thought of erecting a building for the Department of Professional & Vocational Standards.

Mr. Anderson stated that the matter of increasing the expense accounts of Board Members had been taken up with Mr. Bonelli and he informed the Board that Mr. Bonelli was agreeable to the increase, but that the matter would have to be taken up with the Department of Finance. Mr. Anderson conferred with the Director of Finance and he said the matter would have to be approved by the Board of Control.

Mr. Anderson read some figures with regard to the results of the new application form from August 17th to October 17th, 1936. He reported that 47% of the applications for licenses received at the Sacramento office with fee had been returned as they were incomplete. 19% were returned to us in corrected form and accepted, and 28% were never returned to the Sacramento Office. Lack of sponsors and incomplete information on Compensation Insurance were the principal reasons for refusal.

Mr. Anderson submitted about 30 applications for licenses which were accepted in the discretion of the Registrar as an example of what was being required on the new form.

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It was moved and seconded that the Secretary of the Board write a letter to Director Bonelli requesting him to make application to the State Board of Control for an increase in the per diem expense accounts of Board members to not to exceed \$4.00 per day for meals and \$4.00 per day for hotels. Unanimously carried.

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The meeting recessed at 12:05 P.M. to reconvene at 2:00 P.M., which time was set by Chairman Butcher.

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AFTERNOON SESSION
2:00 P.M. Oct. 30
1936

The meeting was called to order by Chairman Butcher, at 2:00 P.M. in the Leamington Hotel, Oakland.

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
William Nies, Member
Earl S. Anderson, Executive Secretary

Absent:

Stephen L. Ford, Member

Also present were:

Glen V. Slater, Asst. Registrar
R. S. Bowdle, Deputy Registrar
Sam B. Eubanks, Editor, Daily Pacific Builder
Wm. E. Hague, Secy.-Mgr., Associated General Contractors, Central Calif. Chapter.

Mr. Johnson suggested that inasmuch as the Legislative Committee and the Rules and Procedure Committee wishes to have a meeting, that this meeting adjourn and reconvene at 9:30 A.M., October 31, 1936, while these two committees meet. A motion was made to that effect by Mr. Johnson and seconded by Mr. McNulty. Unanimously carried.

The meeting of the Contractors' State License Board therefore adjourned at 2:20 P.M. to meet at 9:30 A.M., October 31, 1936.

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MORNING SESSION
October 31, 1936

The meeting was called to order by Chairman Butcher, at 10:00 A.M., in the Leamington Hotel, Oakland, California.

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
William Nies, Member
Earl S. Anderson, Executive Secretary

Absent:

Stephen L. Ford, Member

Also present were:

Glen V. Slater, Asst. Registrar
L. F. Erb, Deputy Registrar
R. S. Bowdle, Deputy Registrar
Fred H. Crane, Secretary, Master Plumbers'
Association of Alameda County
Sam B. Eubanks, Editor, Daily Pacific Builder

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The following letters were read by Executive Secre-

tary Anderson:

Letter from Contracting Plastering Association of Los Angeles regarding limiting of the number of copartners under one license. Also opinion of Attorney General on this matter ruling that we could not legally limit the number of copartners.

Letter from Associated Gun Contractors of the Pacific Coast regarding decreasing of \$200.00 exemption and increasing of original and renewal license fees.

Letter from California Associated Concrete Pipe Manufacturers regarding elimination of Section 2 (b) and Section 3 $\frac{1}{2}$ (d) from Contractors' License Law.

Letter from California State Chamber of Commerce regarding elimination of \$200.00 and Agricultural Exemptions. Also regarding the matter of examination for general building contractors.

Letter from Robert J. Coulter, attorney of Sacramento, stating that he would like to see the exemption reduced to \$50.00.

Letter from Builders' Exchange of Santa Clara County -- Dave Bunker, Secretary, requiring licentiates posting a bond.

At this time Mr. Fred H. Crane, Secretary of the Master Plumbers' Association of Alameda was introduced and made a few remarks, but it was decided that the matters he wished to deal with would be taken up a little later.

Further letters were read by Executive Secretary Anderson, as follows:

Letter from State Association of Master Plumbers

Convention held at Del Monte, California, containing Resolution No. 19 requiring chief building inspectors to show State license numbers of all contractors (general and sub) and also Compensation Insurance information. Also that this information be posted on job permit forms.

Letters from Builders' Exchange of Long Beach, over the signature of E. A. Bradbury, regarding proposed amendments under consideration.

Letter from Fred H. Crane, Secretary of the Master Plumbers' Association regarding increasing inspection force; also the work of the inspectors.

Mr. Anderson reported on contacting the Sales Tax Division of the Board of Equalization in regard to securing information relative to contractors' records. Stated he talked to Chief Administrator Mugford who informed him that they had a clause in their act prohibiting them from giving out information on business operators. However, they can furnish this information if permission is obtained from the Governor. The Governor was contacted and he advised Mr. Anderson to wait until a specific case came up and then make a request to him and he would be pleased to give it his consideration. Mr. Anderson remarked that since that time he had decided that the whole matter could probably be worked out through a set of forms containing requests for information which we would require the contractor to furnish; the information to be secured by each job.

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Mr. Johnson, Chairman of Rules & Procedure Committee,

submitted the following report:

"Your Committee on Rules & Regulations has, according to your instructions of September 26, 1936, made a study of Section 9, Paragraph 5 with reference to improved enforcement of the provisions contained therein, and begs to report as follows:

"Your Committee in considering Paragraph 5 of Section 9 finds that Paragraph 2 of the same section is closely related since the violation of paragraph 2 calls for the enforcement of Paragraph 5.

"Since many requests have come in from contractors urging a more stringent enforcement of Paragraph 5, when diversion of funds is suspected, your Committee has consulted with the Registrar and learned that whenever a charge has been brought against a contractor for diversion of funds, that contractor has been required to submit for the inspection of the Registrar, his records and documents relating to the project in question.

"Your Committee finds, in consulting with the Registrar, that the provisions in the Law requiring a contractor to keep books and records can probably be enforced with greater success now than in the past, since rules and regulations affecting taxes compel all businesses to keep books.

"The Committee therefore recommends that the Registrar be instructed to cooperate with such agencies of the State Government, and to avail himself of the aid of other laws that will strengthen the enforcement of Section 9, Paragraphs 2 and 5."

(Signed) Hugh W. McNulty
S. G. Johnson, Chairman
William Nies

It was moved by Mr. Homann, and seconded by Mr. McNulty, that the report of the Rules and Procedure Committee be accepted. Unanimously carried.

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Mr. McNulty, Chairman of the Legislative Committee, reported that a thorough study of the Amendments to the Act brought to the attention of the Committee had been made, but that the study would be continued until the next meeting, at which time a complete report would be rendered.

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Mr. Butcher suggested that we instruct the Executive Secretary to send a letter to the Secretary of the Builders' Exchange of Oakland, thanking them for the courtesy extended to members of the Board the previous day. He also suggested the same type of letter be sent to the Painters & Decorators Association. A motion was made to this effect by Mr. Nies and seconded by Mr. McNulty. Unanimously carried.

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It was moved by Mr. Nies that the following resolution to the effect that the Board requests the building departments of the municipalities and other political sub-divisions to cooperate with the Board in the enforcement of the Law by requiring that an applicant (general building contractor or subcontractor) give his State license number before being issued a permit and that this number be shown thereon. This motion was seconded by Mr. Homann. Unanimously carried.

RESOLUTION

"WHEREAS the Contractors' License Law was enacted for the protection of the public, and

"WHEREAS the building departments of municipalities of the cities operate fundamentally in the interests of the building public and property owners of said municipalities, and

"WHEREAS said building departments are in constant touch with construction contractors;

"THEREFORE BE IT RESOLVED THAT the Contractors' State License Board requests that all officials of the building departments of the municipalities of this State be requested to require that applicants for building permits prove that they are licensed as contractors of the State of California, and to show upon their application for such permit their State license number, and

"BE IT FURTHER RESOLVED THAT the Contractors' State License Board hereby extends its most sincere appreciation for the cooperation given to it throughout the State by the aforementioned officials of the building departments of the various municipalities."

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It was moved by Mr. McNulty and seconded by Mr. Nies that the following resolution be adopted. Unanimously carried:

RESOLUTION

"WHEREAS it is the opinion of the State Contractors' License Board that any employee of the Board who engages in competition with his own or any other profession or craft, for compensation or otherwise, is engaging in unfair competition by so competing while under employment by the Board, and

"WHEREAS it is the opinion of the Board that the employed personnel of the Board cannot engage in business or professional activities outside of his duties as such employee of the Board without seriously impairing his efficiency and value as an employee to the Board;

"THEREFORE BE IT RESOLVED THAT the Board, meeting in session this thirty-first day of October, 1936, discourage as far as possible the practice of any member of the personnel of the Board in engaging in any form of professional or business endeavor."

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At this time Mr. Fred H. Crane, Secretary of the Master Plumbers Association of Alameda County, was called upon for further remarks. He stated that he understood there were 24,358 licensed contractors as of October 15th; also that there were 3,373 painting and decorating contractors and 2,231 plumbing contractors. He remarked that the plumbing contractors expected the money secured from fees to be used for their own benefit. He stated that the trade is not getting the cooperation from local building inspectors to which they are entitled. A number of the plumbing contractors, he states, do not know the meaning of "overhead" and a number of them still do not understand the \$200.00 Exemption Clause. He believes the inspectors should follow up contractors and see that they understand this on the various jobs. He also remarked that there is a prevailing idea that contractors working for public utilities do not have to be licensed. Mr. Crane believes the inspectors should check the plumbing permits, and that the contractor's license number as well as the sales tax number should be required on these permits. He said that if an inspector could not locate a plumbing contractor the local building inspector would know who was licensed and this would insure better cooperation among local inspectors and building inspectors. Mr. Crane suggested that the Board refer applications for licenses to the Trade Association having jurisdiction in that area. This would be with the idea of ascertaining whether or not a plumber was fit to have a State contractor's license.

At this point Mr. Anderson remarked that we cannot

do this, as it is not within our Law to allow applications to be referred to trade associations.

Mr. L. F. Erb, Deputy Registrar, then explained that the inspectors kept a set of cards on the contractors checked on certain jobs.

Mr. Glen V. Slater suggested that this complaint be put into writing with a view to correcting the trouble.

Mr. Nies then suggested that we check the person's records and Mr. Slater replied that we could not check an unlicensed contractor's records as we had no jurisdiction.

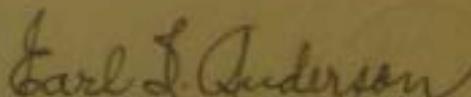
Mr. Johnson then remarked that we did not have sufficient funds for proper inspection and it was suggested that raising of the fees could possibly accomplish this.

Mr. Anderson stated that an investigation would be made in regard to this matter and a report will be rendered at the next meeting.

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It was moved by Mr. McNulty, seconded by Mr. Johnson, that the meeting adjourn to meet again at the call of the Chairman; the possible place of meeting to be Sacramento. Unanimously carried.

The meeting adjourned at 12:00 o'clock noon.



EARL S. ANDERSON
EXECUTIVE SECRETARY
CONTRACTORS' STATE LICENSE BOARD

Reported by:
Gladys M. Crosby
423 State Office Bldg.
Sacramento, California

MINUTES OF THE REGULAR MEETING CONDUCTED BY
CONTRACTORS' STATE LICENSE BOARD
OF CALIFORNIA
Held at
Sacramento, California
January 15, 1937

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The regular meeting of the Contractors' State License Board was called to order by Roy M. Butcher, Chairman of the Board, at 11:00 A. M., January 15, 1937, in the State Office Building, Sacramento, California.

The roll was called and the following were present:

Roy M. Butcher, Chairman
Ralph E. Homann, Vice Chairman
William Nies, Member
Stephen L. Ford, Member
Earl S. Anderson, Executive Secretary

Absent:

Hugh McNulty, Member
S. G. Johnson, Member

Also present were:

Glen V. Slater, Assistant Registrar
Ralph S. Bowdle, Deputy Registrar

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The minutes of the last meeting, held October 30, 1936 in Oakland, were submitted by the Secretary. It was moved and seconded that the minutes be approved as written. Unanimously carried.

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The Secretary read the following report of the Board's transactions and proceedings during the preceding biennium, which report is to be submitted to the Governor as set forth in subsection (1) of Section 4 of the Contractors' License Law:

REPORT TO THE GOVERNOR
OF
CONTRACTORS' STATE LICENSE BOARD

"Pursuant to the provisions of Subdivision (1) of Section 4 of the Contractors' License Law, your Contractors' State License Board takes pleasure in presenting herewith to your Honor the following report of the transactions and proceedings of this body and of its receipts and expenditures for the period ending December 1, 1936.

"Immediately after your appointment of the members of this Board, in accordance with the amendments to the Contractors' License Law adopted by the Legislature of 1935 and approved by yourself, the Board met and organized, selecting the following officers: Chairman, Warren A. Bechtel, Jr., Vice Chairman, Ralph E. Homann.

"The following standing committees were established by the Board and the name of the Board member shown in connection with each was appointed as Chairman: Rules and Procedure Committee, S. G. Johnson; Finance and Budget Committee, William Nies; Personnel Committee, Ralph E. Homann.

"Meetings of the Board during the 87th Fiscal Year were held November 18, 1935, February 25 and April 14, 1936.

"At the meeting held on July 17, 1936, first of the 88th Fiscal Year, Roy M. Butcher was elected Chairman and Ralph E. Homann, Vice Chairman. The following were appointed as Committee Chairmen: S. G. Johnson, Rules and Procedure Committee; Ralph E. Homann, Finance and Budget Committee; Hugh McNulty, Legislative Committee; and Stephen L. Ford, Personnel Committee.

"The meetings of the Board held during the 88th Fiscal Year were upon the following dates: July 17, August 14, September 25 and October 30, 1936.

"Shortly after organization of the Board it was our pleasure to secure the services of Earl S. Anderson, at that time a licensee under the Contractors' License Law, for the position of Registrar and Executive Secretary of the Board. Mr. Anderson continues to hold that position.

"In the following tables we have set forth the number of licentiates for the 87th and the 88th Fiscal Years to December first, and we have segregated such licentiates into those securing original and renewal licenses for each of the two years:

	87th <u>Fiscal Year</u>	88th <u>Fiscal Year</u>
Renewals	19,917	22,060
Original applications	<u>6,303</u>	<u>3,404</u>
TOTAL	26,220	25,464

"The income of the Board, almost entirely from license fees, is shown for the two fiscal years in the following table, wherein we have segregated the amounts of fees received for original, renewal and delinquent renewal licenses:

	87th <u>Fiscal Year</u>	88th <u>Fiscal Year</u>
Original applications	\$ 63,030	\$34,040
Renewal	95,140	106,620
Delinquent renewals	<u>8,890</u>	<u>7,360</u>
TOTAL	\$167,060	148,020

"In addition to the fees from licenses the sum of \$6,812.63 was received from miscellaneous sources, such as certified copies of licenses, transcripts of evidence, sale of directories, interest on the San Francisco building, etc.

"During the 87th and 88th Fiscal Years 331 formal complaints were filed with the Registrar of the Board. These cases were disposed of with the following punitive actions resulting:

Suspensions	69
Revocations	14
Denials	18

"For a detailed report of the expenditures under the Board, you are respectfully referred to the records of the Department of Professional and Vocational Standards, of which this Board is a division. In those records you will find an accurate record of all expenditures by the Board under the provisions of the Contractors' License Law, all of which have been approved by the Director of the Department, Mr. William G. Bonelli, and his administrative staff, and the Controller, as coming within the purposes of the enforcement of the Contractors' License Law.

"In conclusion, your Board desires to state that the operations of this division of the State government have been carried out at all times having in mind your firm position that the State government must be for the service of all and the particular benefit of no individual or small group. That such a policy has been satisfactorily accepted by the public and by the licentiates of this Board is a matter of established fact -- if this were not so we would not be enjoying the confidence of the construction industry and the representative groups among the licentiates of this Board, who have from time to time generously given of praise for the administration of the Contractors' License Law."

After the reading of the report to the Governor, Chairman Butcher asked for comments upon the report and a general discussion was had, with the result that the Board members held it to be a splendid report. It was moved by Mr. Ford, seconded by Mr. Nies that the report be accepted. Unanimously carried.

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Mr. Homann, Chairman of the Finance & Budget Committee, stated that his Committee had no report at this time to render.

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Mr. Ford, Chairman of the Personnel Committee also stated that his Committee had no report at this time to render.

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The following letters and communications were read by Earl S. Anderson, Executive Secretary and Registrar:

Letter to Earl S. Anderson as Registrar of the Board from Edward Martin of the Electrical Contractors' Association of Northern California, containing a resolution praising the activities of the Contractors' State License Board.

Letter from the Fresno Builders' Exchange to Earl S. Anderson, offering the Board a location for the inspector at a rental of \$15.00 per month. This letter was signed by Harry R. Cayford, Secretary.

Letter from the Bay Builders' Exchange of Santa Monica regarding the moving of their office and requesting a rental of \$15.00 per month for the use of their offices by our inspector. This communication was signed by E. E. Harding, President.

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There was a general discussion of these communications from

the two Builders' Exchanges and Mr. Butcher instructed the Registrar to write to the Exchanges stating that the Board did not feel that it should change the policy adopted last year, at which time it was decided to incur no further expenses for inspectors' headquarters. Mr. Butcher further added that this matter was under the jurisdiction of the Department of Finance. Mr. Anderson stated that he would incorporate the resolution adopted in regard to rentals, in the letter answering these requests.

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A letter from Charles Morehead, Secretary-Manager of the Contracting Plasterers' Association of Alameda County, Oakland, regarding a contractor by the name of John Sherman applying for renewal of his license, was read by Mr. Anderson; also a letter from L. F. Erb, regarding this matter, together with a letter from the San Francisco Office to Inspector Rahlves and a letter from Mr. Anderson to Mr. Morehead.

A letter from the Secretary of the Industrial Accident Commission to William G. Bonelli, in which commendation was given to the Bureau for the assistance given to the Commission by them in the drive to compel employers to protect their employees with Compensation Insurance, was read. The report of the Legal Department of the Commission was also read relative to the results of this drive.

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Mr. Anderson read several communications from city building departments regarding letters sent out by the Board incorporating the resolution adopted at the last Board meeting relative to

requiring contractor's to show their State license number when securing building permits. These communications were from El Centro, Redlands, Mill Valley and the forms used by the City of Berkeley.

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The article in the December 24, 1936 issue of the Los Angeles Times regarding news release sent out by this Board; also the article in "Business Week" were read by Mr. Anderson. Mention was also made regarding the address of Chairman Butcher at the Electrical Contractors' Convention, which was published in the magazine "Electrical West".

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A general discussion was held regarding the keeping of records and books by contractors and Mr. Anderson presented the forms which had been drawn up for use in securing desired information from contractors.

It was moved by Mr. Homann, seconded by Mr. Ford that the matter be submitted to the Committee on Rules & Regulations. Unanimously carried.

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At this time Mr. Fred A. Taylor, Assistant Director of the Department of Professional & Vocational Standards addressed a few remarks to the Board, stating that the budget submitted by the Board had been approved by the Department of Finance without any decrease having been made in the appropriation.

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Mr. Anderson made a report to the Board relative to the transferring of Inspector Rahlves from the San Francisco to the Oakland territory, and together with Inspectors Ford and Levey provides this territory with three inspectors. Mr. Anderson

stated that he hoped this change would clarify the existing unsatisfactory conditions in this district.

Mr. Anderson also reported that Mano Zan was working in the Sacramento district, upon the inquiry of Mr. Homann.

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The Secretary reported to the Board that there was a total of 26,052 licensed contractors as of January 1, 1937, as against 23,424 contractors January 1, 1936, making an increase of 2,628.

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A news release shortly to be sent out regarding the enforcement work of the Board and the general increased respect for the Law, was submitted by Mr. Anderson.

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The meeting recessed at 12:30 P. M. to reconvene at 2:00 P. M., which time was set by Chairman Butcher.

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AFTERNOON SESSION
2:00 P. M., January 15, 1937

The meeting was called to order by Chairman Butcher at 2:15 P. M. in the State Office Building, Sacramento.

The following were present:

Roy M. Butcher, Chairman
Ralph E. Homann, Vice Chairman
William Nies, Member
Stephen L. Ford, Member
Earl S. Anderson, Executive Secretary

Absent:

Hugh McNulty, Member
S. G. Johnson, Member

Also present were:

Glen V. Slater, Assistant Registrar

Ralph S. Bowdle, Deputy Registrar

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It was moved by Mr. Nies, seconded by Mr. Ford, that the Rules & Procedure Committee make an investigation of the need for an arrangement that would bring to the Board information as to the nature of the books and records kept by contractors of the State of California. Unanimously carried.

A general discussion was held at this time as to the necessary records and a suggestion was made regarding incorporating this information in the application form.

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Mr. Anderson presented a request for a Petition for Review before the Board from the attorney for the Defendant in the case of C. Warwick Evans -vs- W. O. Warner. The Petition for Review of this case failed to receive a majority vote of the Board.

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At this time Mr. Anderson submitted copies of the Resolution adopted at the last meeting of the Board regarding employees engaging in outside work, which resolution was sent to all employees of the Contractors' State License Board.

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Mr. Anderson reported that the Director of Finance had approved the expense accounts of the Board members at not to exceed \$4.00 per day for meals and not to exceed \$4.00 per day for hotel.

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At this time Mr. William G. Bonelli, Director of the Department of Professional & Vocational Standards, accompanied by Fred A. Taylor, Assistant Director, addressed the Board members relative to the proposed amendments to the Contractors' License Law.

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The meeting of the Contractors' State License Board adjourned at 6:30 P. M. to reconvene at 10:00 A. M., Saturday, January 16th.

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MORNING SESSION
11:00 A. M., January 16, 1937

The meeting was called to order by Chairman Butcher at 11:00 A. M. in the State Office Building, Sacramento.

The following were present:

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

Absent:

S. G. Johnson, Member

Also present were:

Glen V. Slater, Assistant Registrar
Ralph S. Bowdle, Deputy Registrar

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Mr. McNulty, Chairman of the Legislative Committee, submitted the following report of the activities of his Committee:

"Your Legislative Committee met in Sacramento on December 28, 1936, to discuss amendments to the Contractors' License Law. The members of the Legislative Committee present were Chairman McNulty, S. G. Johnson and Board Chairman Roy M. Butcher.

"Also present for conference with the committee were P. M. Sanford, representing the State Builders' Exchanges, Registrar Anderson, Assistant Registrar Slater and Deputy Registrar Bowdle.

"The number of letters from various associations and interested individuals were considered by the committee but no action was taken, it being felt best to await an expression of desire from the industries council which at that time was planned. Certain minor changes in the proposed draft of amendments of the date of meeting were authorized, however.

"The committee determined to call a meeting of representatives of all construction associations for January 9 and 10, to be held in Fresno, California, and the Registrar was instructed to send proper notification.

"The legislative committee met in Fresno on January 9 and 10, with representatives from a large majority of the construction organizations of the state.

"The meeting was presided over by Chairman McNulty with members Butcher (ex officio), Homann and Johnson present. Assisting at the meeting were Registrar Anderson, Assistant Registrar Slater, and Deputy Registrar Bowdle.

"Representatives of the construction industry associations present were:

D. J. Turner, Secretary
Bakersfield Builders' Exchange, Bakersfield
J. Frank Loughton
Salinas Builders' Exchange, Salinas
Harry Cayford, Secretary
Fresno Builders' Exchange
Joseph C. Burr, Secretary
Sacramento Builders' Exchange
P. M. Sanford,
State Builders' Exchange, Richmond
David S. Moir
Building Contractors Ass'n. of Southern California
F. B. Leyne
Building Contractors Ass'n. of Southern California
Geo. Buckley
Construction Industries Committee, L. A. C. of C.
Carl Steger, Secretary-Treasurer
San Joaquin Co. Master Painters
Frank P. Schutz, Master Painters
State of California
C. C. Money, Secretary
Napa County Builders' Exchange
Joseph Masi, State Conference,
Master Plastering
H. W. Chutter
Calif. Ass'n. of Concrete Pipe Manufacturers

Dave Bunker
Santa Clara County Builders' Exchange, San Jose
William E. Hague
Central California Chapter, A. G. C.
C. F. Phillips,
Salinas Builders' Exchange
Charles W. Pettifer
General Contractor, Long Beach

"The specific actions of the group were embodied in the motions hereinafter set forth:

"The meeting opened with a motion that any actions taken at this meeting, the majority of votes cast in favor or against any motion shall be considered as expression of those present. Unanimously carried.

"It was moved and seconded that the \$200.00 Exemption Clause in the present law be reduced to \$50.00. Unanimously carried.

"It was moved and seconded that Paragraph (b) of Section 2, relating to the exemption on agriculture be eliminated. Unanimously carried.

"It was moved and seconded that Sub-division (1) of Section 5 be adopted as written, with the exception of changing the three years experience to four years and inserting the word "administrative" after the word "rudimentary". This motion was adopted by a majority vote. Those opposing the motion were Mr. Sanford, Mr. Pettifer and Mr. Masi.

"It was moved and seconded that there be inserted in Section 3, the words "excepting certified architects or registered civil engineers acting solely in their professional capacity." Unanimously carried.

"It was moved and seconded that there be inserted provision that no renewed licenses will be required to take an examination. Unanimously carried.

"It was moved and seconded that the third word in the second paragraph of Sub-division 4 of Section 5, be changed to the words "an original". Unanimously carried.

"It was moved and seconded that the amendment relative to the diversion of funds be inserted and known as Sub-division 14, of Section 9.

"It was moved and seconded that, with the exception of the foregoing changes the amendments as submitted to the group be approved as written. Unanimously carried.

"As a result of the calling together of the above representatives an organization was set up to be known as the "Construction Industry Council" to act as the representative of all construction organizations in connection with legislative matters desired by the entire industry. The formation of this organization was not accomplished as an action of your legislative committee, although it was the outcome of the meeting called by the committee.

"The meeting of the Legislative Committee was adjourned January 10. Next to meet at the call of the chairman after a presentation of the committee's report on recent work for the Board in its session at Sacramento, January 15.

"Respectfully submitted,

(Signed) Hugh W. McNulty, Chairman
S. G. Johnson
Ralph E. Homann"

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

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It was moved by Mr. McNulty and seconded by Mr. Nies that the Board go on record as favoring the introduction before the Legislature of the Amendments as approved at the meeting in Fresno on January 9, 1937, of the Construction Industry Council. Unanimously carried.

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It was moved by Mr. Nies and seconded by Mr. McNulty that the following resolution relative to the Attorney General defending State officials and State employees when such officials and employees are sued in their official capacities, be sent to the Governor. Unanimously carried.

"WHEREAS, The Attorney General of the State of California is not permitted by law to defend State Officials and State employees except where such officials

and employees are sued in their official capacities, and

"WHEREAS, State employees and officials are frequently sued as individuals on account of acts properly done in their official capacities, and

"WHEREAS, in such instances it is necessary that such officials and employees employ counsel for their own defense on account of such proper official duties, therefore

"BE IT RESOLVED, That the Contractors' State License Board, in regular session assembled this 16th day of January, 1937, does recommend to his Honor Governor Frank F. Merriam that he approve, if passed by the Legislature, a bill reading in substance as follows:

"Whenever any suit for damages is brought against any officer or employee who is paid in whole or in part from State funds, on account of his official actions in making arrests or prosecuting offenses, or swearing to complaints, such officer or employee may, with the consent of the head of the department in which he is employed, have such action referred to the Attorney General, and upon the determination of the Attorney General that such officer or employee performed his official duty in good faith and without malice, it shall then be the duty of the Attorney General to appear and defend such officer or employee in such action or authorize any attorney in such department to appear and defend such officer or employee.

"The costs and expenses involved in such action and any judgment recovered against such officer or employee shall be a lawful charge against the funds of such department by which such officer or employee was employed, and for which he was acting officially; provided, however, that such department may recover from such officer or employee the amount of any judgment, cost or expenses paid out by it under the provisions of this section."

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The Secretary submitted to each member of the Board a copy of the minutes of the meeting of the Construction Industry Council held in Fresno on January 9.

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It was moved by Mr. [unclear] and seconded by Mr. [unclear]
that the meeting adjourn, to meet again at the call of the
Chairman. Unanimously carried.

The meeting adjourned at 12:05 P. M.

Earl J. Anderson

EARL J. ANDERSON
EXECUTIVE DIRECTOR
CONTRACTORS' STATE LICENSE BOARD

Reported by
Walter E. [unclear]
22 State Office Building
Sacramento, California

MINUTES OF THE SPECIAL MEETING CONDUCTED BY
CONTRACTORS' STATE LICENSE BOARD
OF CALIFORNIA
Held at
Sacramento, California
March 19, 1937

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The special meeting of the Contractors' State License Board was called to order by Roy M. Butcher, Chairman of the Board, at 11:00 A. M., March 19, 1937, in the State Office Building, Sacramento, California.

The roll was called and the following were present:

Roy M. Butcher, Chairman
Ralph E. Homann, Vice Chairman
Clarence B. Eaton, Member
Hugh McNulty, Member
S. G. Johnson, Member
William Nies, Member
Earl S. Anderson, Executive Secretary

Absent:

Stephen L. Ford, Member

Also present were:

Glen V. Slater, Assistant Registrar
Ralph S. Bowdle, Deputy Registrar
Louis F. Erb, Deputy Registrar
Harry R. Cayford, Secretary, Fresno Builders' Exchange
Carl Steger, Secretary-Treasurer, San Joaquin County
Master Painters
David S. Moir, Building Contractors Association of
Southern California
William E. Hague, Central California Chapter, A. G. C.
P. M. Sanford, State Builders' Exchange, Richmond

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The minutes of the last meeting, held January 15 and 16, 1937 in Sacramento, were submitted by the Secretary. It was moved and seconded that the minutes be approved as written. Unanimously carried.

Mr. Homann, Chairman of the Finance & Budget Committee, stated that his Committee had no report to render at this time.

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Mr. S. G. Johnson, Chairman of the Rules and Procedure Committee, stated that his Committee on Rules and Regulations had made an investigation of Subdivision 5 of Section 9 of the Act, concerning the keeping of books and records by licensees. He stated that for a long time there had been a desire in the industry that Subdivision 5 of Section 9 be enforced more strictly, for the reason that many of the smaller contractors have not been keeping books and records according to present requirements, not only of the Contractors' Law, but of other laws of the State. Mr. Johnson stated that a written report from his Committee would be available by this afternoon or tomorrow morning, and that members of the Committee had given much thought and study to this provision of the Law. He said the Committee was of the opinion that by securing more strict enforcement of Subdivision 5 of Section 9 of the Act, it would afford the Board a splendid chance to make the License Law of benefit to the industry. However, Mr. Johnson stated that the members of the Committee believed that this provision of the Law should be approached with caution, keeping in mind the wisdom of building up and strengthening the entire Act, and that the Board should adopt the procedure of not bearing down too hard on this particular subdivision. Furthermore, stated Chairman Johnson "we are entirely in sympathy with the request and desire of the Board members and members of the industry in trying to enforce more strictly this provision of the Act."

Mr. Homann stated that he would be interested in the outlining of some approach to this matter, and Mr. Johnson stated that this would be given.

Chairman Butcher stated that a verbal report had been submitted by Mr. Johnson and that same would be accepted until a written report could be rendered, either this afternoon or tomorrow morning.

A general discussion was had in further regard to the keeping of books and records, and Mr. Anderson stated that there was some thought of incorporating this as a question on the application form. It was finally decided that the Board adopt a resolution to approve more strict enforcement of this provision when more flagrant violations are known.

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The Secretary reported to the Board that there was a total of 27,146 licensed contractors as of March 1, 1937, as compared to 24,375 contractors March 1, 1936, making an increase of 2,771.

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The following letters and communications were read by Earl S. Anderson, Executive Secretary and Registrar:

Letter from Salinas Builders' Exchange, stating that their office is open to the Board and Inspector Kelly, and offering their assistance wherever possible.

A letter from the Builders' Exchange of Oakland, in regard to Inspector Hahlves was read. At this time Mr. Anderson, after some discussion was had, stated that the Board was making an arrangement

with the Income Tax Division of the State to go in with them on renting office space in the Dalsiel Building in Oakland, for the use of our inspectors in that district. Mr. Anderson stated that the Income Tax Division would take our phone calls and messages and refer them to the inspectors. The lease was signed by Mr. Bonelli and becomes effective March 15th; the cost per month to be \$25.00 and telephone extra.

A letter from the Builders & Manufacturers Exhibit of Oakland, regarding the Oakland situation was read. This was a proposal to furnish space, telephone and message service for a price of \$18.00 per month.

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A letter from the "Southwest Wave of Los Angeles" in regard to their policy of not accepting advertisements from contractors who advertise prices, was read.

A letter from the California State Chamber of Commerce signed by P. M. Sanford, Chairman, and LaBarre, Chairman of Southern Section was read. This was in regard to contacting members of the Legislature and asking them to support amendments and having members attend Legislative committee meetings. Senate Bill 240 was approved by both sections. Senate Bills 933, 934 and 935 were opposed by the State Chamber of Commerce.

A letter from the Builders' Exchange of Long Beach, signed by E. A. Bradbury, favoring the amendments with a few exceptions, was read. The Exchange opposed the question in regard to conviction of a felony in that it does not apply to the Act. They also called attention to a typographical error in Section 5. At this time there was considerable discussion as to whether or not

a license could be denied because of conviction of a felony, and Mr. Anderson read a letter in reply to Mr. Bradbury on this matter.

A letter from the General Contractors' Association of Orange County was read by Mr. Anderson, regarding a suggestion to be added to Subdivision 4 of Section 9; said suggestion being the addition of the words "or Workmen's Compensation, Insurance and Safety Laws" of the State.

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At this time a lengthy discussion was held regarding the advisability of entering into the enforcement of the Compensation Insurance Law as applied to contractors and just what our limitations would be. The matter of scaffolding and the safety of same was also discussed. Mr. Butcher, Chairman, stated that if there were no objections this letter would be referred to the Legislative Committee.

A letter from the Master Plumbers' Association of San Francisco, signed by Mr. McCloud, regarding Subdivision 4 of Section 9 was read, regarding the insertion of "or health laws" in the Law to prevent continued violation of the plumbing ordinance by contractors. Mr. Anderson also read his answer to this letter. Mr. Nies stated that he believed some member of the Board or Mr. Anderson should be instructed to set the Association right on our limitations regarding this qualification.

A letter from Frank Connelly of the Associated General Contractors of Los Angeles, commenting on the article from "Business Week" regarding non-Californians obtaining contractors' licenses, was read.

Copy of a letter sent to Mr. Bradbury of the Long Beach Builders' Exchange, signed by Senator John B. McColl, regarding Senate Bills 933, 934 and 935 was read, in which he states that these bills were introduced at the request of Floyd G. Boos. It stated no action would be taken until industry meetings are called.

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The meeting recessed at 12:30 P. M. to reconvene at 1:30 P. M., which time was set by Chairman Butcher.

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AFTERNOON SESSION
2:30 P. M., March 19th, 1937

The meeting was called to order by Chairman Butcher at 2:30 P. M. in the State Office Building, Sacramento.

The following were present:

- Roy M. Butcher, Chairman
- Ralph E. Homann, Vice Chairman
- Clarence B. Eaton, Member
- Hugh McNulty, Member
- S. G. Johnson, Member
- William Nies, Member
- Earl S. Anderson, Executive Secretary

Absent:

- Stephen L. Ford, Member

Also present were:

- Glen V. Slater, Assistant Registrar
- Ralph S. Bowdle, Deputy Registrar
- Louis F. Erb, Deputy Registrar
- Harry R. Cayford, Secretary, Fresno Builders' Exchange
- Carl Steger, Secretary-Treasurer, San Joaquin County Master Painters
- David S. Moir, Building Contractors' Assn. of Southern California
- William E. Hague, Central California Chapter, A.G.C.
- P. M. Sanford, State Builders' Exchange, Richmond
- Joe Burr, Sacramento Builders' Exchange
- Frank J. Connelly, So. California Chapter, A.G.C.

At this time Mr. Fred A. Taylor, Assistant Director of the Department of Professional & Vocational Standards addressed the Board at length in regard to three bills which have been introduced in the Legislature which would allow the self-supporting boards and agencies of the Department of Professional & Vocational Standards to invest surplus funds in the construction of a building in Sacramento for the use of this Department, and the equipping and furnishing of same. Mr. Taylor stated that this would include some agencies outside this Department; namely Corporation Commission, Collection Agency, Detective License Bureau, Real Estate and some others. Mr. Taylor stated that there had been some misunderstanding of the motive and necessity of this action and that he had been asked to explain the matter to the Board.

After Mr. Taylor's talk Mr. Butcher asked the Board if it wished to take any action on this matter.

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It was moved by Mr. McNulty, seconded by Mr. Nies that the Board instruct the Registrar to draw up a resolution approving Senate Bills 250, 251 and 252 for the appropriation of our surplus funds to acquire land and construct and equip a building for the suitable accommodation of our agencies. Unanimously carried.

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Mr. McNulty, Chairman of the Legislative Committee, submitted the following report of the activities of his Committee:

"Your Legislative Committee desires to report as follows covering the period since the last regular meeting of the Board:

"Amendments introduced at the first session of the Legislature affecting the Contractors' License Law and the Contractors' State License Board have been read, and your Committee sets forth herewith a list of such bills, their authors, the subject matter and our recommendations.

"A. B. 293, Desmond. Amends the License Law by reducing the \$200.00 exemption clause to \$50.00. Your Committee approves the bill, providing S. B. 240, carrying the same provision, does not pass.

"A. B. 1571, Cottrell. Permits the State Attorney to defend State employees when sued personally for official acts. Your Committee approves this bill.

"S. B. 240, DeLap. Generally amends the Contractors' License Law and is the bill introduced by the Construction Industry's Council. This bill is approved.

"S. B'S. 250 to 254, Nielsen. All of these bills deal with the right of the Department to acquire land and construct office facilities thereon. These bills are approved.

"S. B. 933, McColl. Repeals the Contractors' License Law. The Committee disapproves this bill.

"S. B. 934, McColl. Amends Sections 5 and 7 of the Contractors' License Law by reduction of the fees. The Committee disapproves this bill.

"S. B. 935, McColl. Amends Sections 4 and 5 and adds a new subsection to Section 4 of the Contractors' License Law. Changes the representation upon the Contractors' License Board and proposes other minor changes. The Committee disapproves the bill.

"Your Committee is glad to note that the Executive Committee of the State Chamber of Commerce has gone on record upon the above bills in line with the action of this Committee.

"Certain errors of a technical nature having come to light through continued study of S. B. 240, amendments to correct these errors have been drawn and will be introduced at the proper time. These amendments do not change the administrative features of the law or of S. B. 240.

"Apparently numerous changes to S. B. 240 will be necessary and your Committee presumes that the changes will be proposed by members of the Contractors' Associations before the bill proceeds through the Legislature.

"Respectfully submitted,

(Signed) Hugh McNulty, Chairman
Ralph Homann, Member
S. C. Johnson, Member"

Mr. McNulty stated that he had received a number of proposed amendments which he would like to turn over to the members of the Executive Committee of the Construction Industry Council and other construction organization members present.

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Mr. Anderson submitted the proof of the first bulletin, named the "California Licensed Contractor", which will be published by the Registrar of Contractors, and which will be mailed to all licentiates and others connected with the construction industry. A number of favorable comments were made by members of the Board. Some recommendations were also made to make this bulletin more satisfactory.

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Mr. McNulty stated that it had come to his attention that there were employees in the different agencies who are not receiving their minimum salaries, or have not received the amount they should be receiving according to the time they have put in. Mr. Anderson explained that everyone in this Department was receiving his minimum and that the Governor had a plan for increases in salary according to the efficiency record of the employee and the length of time employed. Mr. Anderson advised he had discussed the matter with the Director and that he hoped to make some recommendations shortly.

It was moved by Mr. McNulty, seconded by Mr. Johnson that this Board approves the granting of increases in salary to those employees who have reached the prescribed percentage of efficiency, providing there are funds available for this purpose. Unanimously carried.

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It was moved by Mr. Homann, seconded by Mr. McNulty that the price of the 1936-37 Directory of Licensed Contractors be set at \$4.00. Unanimously carried.

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Chairman Butcher stated that Mr. Eaton had been appointed by him as a member of the Finance & Budget Committee.

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At this time Mr. Butcher called upon Mr. Eaton, the newly appointed Board member representing the General Engineering Contractors, for a few remarks. Mr. Eaton expressed his appreciation of being appointed to the Board and his pleasure at being able to attend the meeting.

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The meeting of the Contractors' State License Board adjourned at 4:55 P. M. to reconvene at 10:00 A. M., Saturday, March 20th.

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MORNING SESSION
11:10 A. M., March 20th, 1937

The meeting was called to order by Chairman Butcher at 11:10 A. M. in the State Office Building, Sacramento.

The following were present:

Roy M. Butcher, Chairman
Ralph E. Homann, Vice Chairman
Clarence B. Eaton, Member
William Nies, Member
Earl S. Anderson, Executive Secretary

Absent:

Stephen L. Ford, Member
S. G. Johnson, Member
Hugh McNulty, Member

Also present were:

Glen V. Slater, Assistant Registrar
Ralph S. Howdle, Deputy Registrar
Louis F. Erb, Deputy Registrar
Carl Steger, Secretary-Treasurer, San Joaquin
County Master Painters
David S. Moir, Building Contractors' Assn. of
Southern California
William E. Rague, Central California Chapter, A.C.C.
Floyd G. Booe, Northern California Chapter, A. C. C.
William Coughlin, Northern California Chapter, A.C.C.
P. M. Sanford, State Builders' Exchange, Richmond
Harry R. Cayford, Secretary, Fresno Builders' Exchange
Joe Burr, Secretary, Sacramento Builders' Exchange

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The following resolution, submitted by the Rules & Regulations Committee, was read:

"WHEREAS, the contractor who operates without due regard for his costs of operation is a detriment to his vocation, and the wide-spread operation of such contractor tends to deny the right of a living to his competitors, and

"WHEREAS, the keeping of proper records by contractors would tend to correct such operations, and

"WHEREAS, Subdivision 5 of Section 9 of the Contractors' License Law requires that licensees shall keep records of receipts and disbursements, as well as all contracts and documents in connection with all his transactions as a contractor, and

"WHEREAS, complaints from the industry indicate that many contractors fail to comply with the above provision of the Law.

"NOW, THEREFORE BE IT RESOLVED, that the Contractors' State License Board in regular meeting this 20th day of March, 1937, instruct the Registrar to carefully study the application of said Subdivision 5 of Section 9 of the Contractors' License Law to a program designed to educate and bring to a decent regard for their vocation and the Law, the aforementioned operators in accordance with such further instructions as may be given by the Board."

It was moved by Mr. Nies, seconded by Mr. Eaton that the resolution be accepted. Unanimously carried.

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The following resolution, pertaining to the approval of Senate Bills 250, 251 and 252 which would permit the use of some of our surplus funds to acquire land and erect and equip a building, was read by Mr. Anderson:

"WHEREAS, Senate Bills 250, 251 and 252 by Senator Nielsen were introduced by the Department for the purpose of obtaining additional office accommodations, and

"WHEREAS, there is a very definite need for additional space for all of the Boards of the Department of Professional and Vocational Standards, and

"WHEREAS, several of the agencies have surplus funds over and above the amount necessary to properly conduct the business of said agencies, and that said bills have the effect of using only surplus moneys of such agencies for the purpose of acquiring land/^{and} the construction and equipment of a building to provide suitable accommodations;

"THEREFORE, BE IT RESOLVED THAT the Contractors' License Board approves of the foregoing Senate Bills, and for reasons heretofore enumerated urges the passage.

"PROVIDED, HOWEVER, that no appropriation or allocation of surplus moneys from the Contractors' License Fund shall be in an amount which would in any way, manner, shape or form, impair the efficient, necessary and desirable operation of this Board."

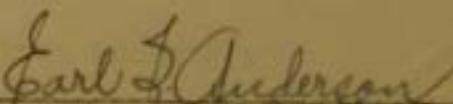
Mr. Booe of the A. G. C. took the floor at this time and advised against the use of our surplus funds to such an extent that we would be unable to engage in certain activities regarding labor in the event this bill were passed by the Legislature.

A general discussion was again held regarding the use of our funds for the erection of a building, and it was decided that inasmuch as the matter had been discussed and settled previously, that the resolution should stand approved as read.

Mr. Booe of the A. G. C. then suggested that the members of the Construction Industries Council should proceed to handle the legislation as soon as possible as the bill would soon be before the Committee.

It was moved by Mr. Homann, seconded by Mr. Nies that the meeting adjourn, to meet again at the call of the Chairman. Unanimously carried.

The meeting adjourned at 11:55 A. M.



EARL S. ANDERSON
EXECUTIVE SECRETARY
CONTRACTORS' STATE LICENSE BOARD

Reported by:
Gladys M. Crosby
423 State Office Building
Sacramento, California

MINUTES OF THE REGULAR MEETING CONDUCTED BY
CONTRACTORS' STATE LICENSE BOARD
OF CALIFORNIA
Held at
Sacramento, California
April 30, 1937

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The regular meeting of the Contractors' State License Board was called to order by Roy M. Butcher, Chairman of the Board, at 11:00 A. M., April 30, 1937, in the State Office Building, Sacramento, California.

The roll was called and the following were present:

Roy M. Butcher, Chairman
Ralph E. Homann, Vice Chairman
Clarence B. Eaton, Member
Stephen L. Ford, Member
S. G. Johnson, Member
Earl S. Anderson, Executive Secretary

Absent:

Hugh McNulty, Member
William Nies, Member

Also present were:

Ralph S. Bowdle, Deputy Registrar
Carl Steger, Secretary-Treasurer, San Joaquin
County Master Painters

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The minutes of the last meeting, held March 19th and 20th, 1937, in Sacramento, were submitted by the Secretary. It was moved by Mr. Homann and seconded by Mr. Ford that the minutes be approved as written. Unanimously carried.

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Mr. Anderson read two telegrams from Hugh McNulty and William Nies, respectively, advising the Board of their inability to be present at the meeting.

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The Secretary reported to the Board that there was a total of 28,598 licensed contractors as of April 30, 1937.

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The following letters, addressed to the Contractors' State License Board from Fred A. Taylor, Assistant Director of the Department of Professional & Vocational Standards, relative to the sale of the San Francisco State Annex Building, were submitted by the Secretary:

April 17, 1937

"I wish to advise you that we have disposed of our proprietary interest in the building at 450 McAllister Street, San Francisco, to the State Compensation Insurance Fund.

"The original investment made by your Board on May 12, 1933, was \$94,653.50. Repayments of principal amount to \$23,997.68. Interest earned on the investment and credited to your account since that date was \$16,488.04.

"As soon as details of the transaction are completed, the unpaid principal of \$70,655.82 will be returned for credit to your fund.

"This has been an excellent investment to your Board, but the Compensation Insurance Fund wishes to exercise its option to purchase the building in accordance with existing law."

"April 30, 1937

"In response to your letter of April 27th, we find that from May 1, 1933, to April 1, 1937, the Contractors' License Board paid rent in the building at 450 McAllister Street in the amount of \$5,207.35.

"If credit is taken for the rent from the amount earned as interest, we find that a net profit of \$11,240.69 results from the investment in the building.

"We consider that this has been a very fine investment for the surplus funds of your Board."

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Mr. Anderson informed the Board that he had received many letters of commendation on the new "California Licensed Contractor" from various sources, and that the cost of the bulletin had been

more than met by the many changes of address, etc. which licensees had sent to the office since publication of the bulletin. He stated that the next bulletin would probably be off the press sometime in June.

Mr. Ford suggested that in the next edition of the bulletin we insert an article regarding the keeping of books and records, and also regarding Compensation Insurance and Safety Laws.

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It was stated by Mr. Anderson that our renewal period would be here before the next Board meeting and that the forms had already been prepared. He presented the Board with copies of the renewal notice to be used. There was considerable comment regarding the fact that we intend to return all personal checks and only accept money orders, certified checks or cashier's checks. He also advised that a self-addressed envelope was being inserted in all renewal notices.

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Several members of the Board commented that the arrangement of opening an office for the East Bay District in the Dalziel Building, Oakland, seemed to be very satisfactory with the industry in that district.

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The Secretary read a letter from the Attorney General in which is set forth the opinion that a copartnership license may be suspended or revoked on account of acts done by one of the partners under the copartnership license, in violation of the Contractors' License Law.

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At this time there was a general discussion regarding

joint venture licenses.

Mr. Eaton requested that an opinion be secured from the Attorney General as to whether or not a joint venture license was necessary when the contract was taken entirely in the name of one person or firm and then a second person or firm, both duly licensed in his own name, entered the project but whose name did not appear in connection with the contract.

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It was moved by Mr. Johnson, seconded by Mr. Eaton, that the following letter relative to so-called N.R.A. legislation, be mimeographed and sent to all construction industry associations and organizations of the State. Unanimously carried.

"TO ALL CONSTRUCTION INDUSTRY ORGANIZATIONS:

"Under direction of the Contractors' State License Board, I have been instructed to issue this letter in the interests of the contracting industry of California.

"It appears more than likely that the long expected National "NRA" legislation will probably be introduced to the present session of Congress within the next few days if the subject is dealt with at all this session.

"What form this legislation will take cannot at this time be foretold. It may be reasonably, however, assumed that the proposed measure or measures, if adopted and found to be constitutional, will set up certain regulations for the different branches of industry and the various individual members of those branches. It may also be reasonably assumed that there will be administrative, or quasi-judicial, proceedings provided to carry out the regulation, and that at these proceedings individuals and associations will frequently desire or be required to appear.

"It has been called to my attention that the establishment of a program of this sort in the State Capitol at Washington may possibly work a tremendous hardship upon those removed from Washington by great distance, if it becomes necessary or desirable for such persons not residing at Washington to appear at proceedings under the regulatory act or acts.

"In the absence of any strict provisions as to the hearing of charges and the review of decisions of any tribunal handling such decisions it may be presumed that the

majority of these cases will be carried forward from the first instance in the National Capitol. If this should be the case, persons in this State who find it necessary or desirable to be present will probably find that the cost of travel and of transporting witnesses is prohibitive. It might deprive Californians of the privilege of employing their regular counsel, familiar with our local problems, for few individuals, or even trade associations, can afford to send a legal representative to Washington.

"It is suggested that you immediately call to the attention of your representative in Congress the fact that any legislation of the so-called "NRA" type should carry specific provisions providing that hearings and the reviewing of such hearings be held in the immediate vicinity where the cause of action has arisen.

(Signed) Earl S. Anderson
Registrar of Contractors"

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The Secretary advised the Board regarding the forthcoming Civil Service examination for Inspector for the Contractors' State License Board, to be held in Los Angeles, San Francisco, Sacramento and San Diego on May 15, 1937. Mr. Anderson stated that it was hoped the examination would deal mostly with matters pertaining to the regular duties of the inspector.

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It was moved by Mr. Johnson, seconded by Mr. Eaton, that the following report of the Registrar and Executive Secretary be incorporated and filed in the minutes. Unanimously carried.

"REPORT OF REGISTRAR AND EXECUTIVE SECRETARY
APRIL 30, 1937

"With registration at the all time high figure of 28,598 as of April 30, your attention is called to the fact that we have licensed 2,546 new contractors since the first of this calendar year. With the present rate being fairly well maintained, despite the nearness of the end of the fiscal year, our registration as of June 30 will probably be approximately 29,500.

"With the approach of June your Registrar and staff have carefully laid plans for the handling of our renewal work, and we are introducing several innovations which should result in a speedier handling of our

routine work and in the avoidance of errors by licensees themselves who so frequently are unable to understand the procedure under which the Board necessarily acts.

"Renewal licenses this year will be printed by our addressograph and will consist of a card so perforated that licensees, who desire to do so, may remove the border and have remaining a small identification card similar to the size issued by lodges and such organizations.

"Our renewal application forms will contain a statement of the personnel as of record so that corporations in which changes of officers have occurred will be reminded that such changes must be reported to the Board. Likewise, our renewal instructions which are attached to the renewal application have been designed to thoroughly impress upon licensees the fact that changes of personnel in individual or copartnership licenses may not be allowed. This should avoid the renewal of many licenses by persons whose status under the license law has changed and where such changes have not been brought to our attention due to ignorance of the licensee of the provisions of the Contractors' License Law.

"Preparation of copy for the next issue of "The California Licensed Contractor" has commenced. This issue of the organ will be mailed shortly after the first of June (almost immediately following the mailing of renewal applications) and will feature a story impressing upon licensees the necessity of mailing their renewal application in proper form prior to June 30.

"In the past we have instructed renewal applicants not to send personal checks. Our instructions have not been observed generally. This year we will return all personal checks when forwarded with renewal applications. This will avoid work and therefore lessen our renewal burden. Procedure has been worked out so that no hardship will accrue to the applicant, and because of the saving in work we will be able to cut down the average number of days elapsing between the filing and the issuance of a renewal license. This will be of value to such contractors as may be required early in July to produce actual evidence of the possession of a license in good standing.

"As your Legislative Committee will probably report, changes have been necessary in both Senate and Assembly Bills amending the Contractors' License Law. Your staff has carefully watched the progress of these bills to see that no avoidable errors creep into them through reprint or otherwise.

"As of the 30th day of May the final supplement to our directory service for this fiscal year will be published. Thus we will have furnished to our paid subscribers a directory service which will contain almost every name of a contractor licensed during this fiscal year. Our sales of directories are very satisfactory and, with the publication our directories have the next fiscal year, I believe we will be able to increase our subscriptions by judicious publicity.

"It might be noted that due to the use of our addressograph system we are going to be able to mail out our renewal application notices and our bulletins under a one cent post office permit. We will make a gross saving of one-half cent per envelope, amounting to approximately \$290.00, which saving will be reduced, however, by the employment of additional temporary clerical help since it is necessary to arrange our permit envelopes geographically by town. Nevertheless, the saving per operation should amount to at least \$75.00 in each case, and in the future all bulletins and documents mailed to our entire list will be handled in this same manner.

"In general, I wish to call to the attention of the Board the fact that the work of your organization has been steadily increasing in every respect. More applications have been filed in each month of the past year than were filed in the corresponding month of the preceding year. Similarly, formal complaints have increased and the inspectors are finding the same situation as to less important troubles which they are able to adjust in the field. During this year we have taken on an additional function of publishing a quarterly bulletin and our program of checking compensation insurance is now approximately one year old.

"The filing of insurance reports by renewal applicants threw an additional burden upon the Bureau and the checking of licensees who failed to so report has resulted in additional work for your inspectors. Notwithstanding the fact that the bulk of work has increased due to reflected business conditions and the addition of new functions, I can predict at this time that our books will show on June 30 that our labor costs during the past year have decreased. Furthermore, I do not believe that the service rendered by our inspectors has been adversely affected, although at times I do know that your organization has been hard put to it to take care of current work.

Respectfully submitted,

(Signed) Earl S. Anderson
Registrar & Executive Secretary"

At this time there was a general discussion regarding the prosecution work of the Board, relative to unlicensed contractors, there having been a specific case brought to the attention of the Board by one of the members. It was explained by Mr. Anderson that the inspectors prosecuted unlicensed violators of the Law whenever sufficient evidence warranted and where an injury had occurred to the owner, but that some judges were rather lenient with many of the violators.

The matter of informal complaints, before a formal complaint was accepted, was also discussed and Registrar Anderson stated that in a large percentage of the cases the matter was often settled informally.

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Mr. Anderson read the following report submitted by Hugh McNulty, Chairman of the Legislative Committee, who was absent:

"REPORT OF LEGISLATIVE COMMITTEE APRIL 30, 1937

"Your Legislative Committee begs to report that amendments to the Contractors' License Law, as approved by the Board, are now embodied in both Senate Bill 240, introduced by Senator DeLap, and in Assembly Bill 293, introduced by Assemblyman Desmond.

"The two bills are at present in identical form. The Assembly Bill is on third reading file and may be up for a vote of the Assembly by the first Monday in May. The Senate Bill has been unofficially approved by the Senate Committee on Building and Construction, and an informal meeting of the committee will probably have been held before the time this report is submitted, for the purpose of sending out the bill to the Senate with a "do pass" recommendation.

"Assembly Bill 293 was the first of the two measures to be given consideration by the Legislative Committee. Opposition to the reduction of the \$200.00 exemption clause to \$50.00 was successful in preventing passage of the bill in its original form. A compromise figure of \$100.00 was agreed to, however, and the Senate Bill was thereafter amended so that it also calls for the reduction of the exemption clause from \$200.00 to \$100.00 instead of to \$50.00.

"Senate Bills 933, 934, 935, introduced by Senator McColl, and which were disapproved by the Board, have not been taken up by Senator McColl, and we are reasonably assured that no effort will be made to press passage of the bills. The bills are all in committee and have not been set for hearing.

"Senate Bills 250, 251, 252 providing for the construction of a building to house the department have been amended so that any construction carried on under the provisions of these bills must proceed within two years' time.

"Senate Bill 884 permitting the Attorney General, with the approval of the department, to defend state officials when sued as individuals because of official acts has passed the Senate and is on the floor of the Assembly.

"In the process of printing amendments to Assembly Bill 293, in order to bring it into conformity with Senate Bill 240, as that measure was originally approved by the Board, certain errors were made by the printer, but these errors have been called to the attention of the proper persons, with amendments being supplied to rectify them, and your committee feels at this time that the bills are both in proper form to be carried forward.

Respectfully submitted,

Hugh W. McNulty, Chairman
S. G. Johnson
Roy M. Butcher."

It was moved by Mr. Eaton and seconded by Mr. Homann that the report of the Legislative Committee be received and filed. Unanimously carried.

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Mr. Anderson advised the Board that Mr. Booe had amended Senate Bill 935 to provide for a \$25.00 per diem for Board members.

He also stated that all the amendments to the Contractors' License Law were considered as appropriation bills and could not be passed until the Budget is passed by both houses and signed by the Governor.

In further comment on proposed Legislation, Mr. Anderson stated that A. B. 293 had received most of its opposition from the Assembly committeemen, particularly with regard to the "\$200.00

Exemption" which has been reduced to \$100.00, and that probably nothing would be done on the bills for a week or ten days.

It was stated by Mr. Anderson that when the bills came up before both houses each member of the Legislature was to be given a copy of the associations that are backing our bills, and a copy of this list was handed to each member of the Board.

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At this time Mr. Anderson referred to another editorial in "Business Week", and Mr. Johnson had suggested that this magazine should be advised regarding the stand of the Board with reference to non-Californian contractors who endeavor to start in the contracting business in this State.

A general discussion was had regarding the safety and protection given to the public on account of the activities of the Contractors' License Law. Mr. Romann stated that as people flocked to California from all over the country, it might be beneficial to the industry for them to know that while we build no wall around California, new applicants are required to conform to good business standards.

It was moved by Mr. Johnson, seconded by Mr. Ford that the Registrar be instructed to write "Business Week" and send this magazine a copy of our Law; also stating the purpose of the Act and how it is being administered and enforced, with the view of making it clear that it is not working a hardship on the legitimate contractor or the man from another State if he is qualified. Unanimously carried.

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It was stated by Mr. Anderson that Mr. Johnson had suggested that the leading newspapers be requested to run an editorial relative to the activities of the Contractors' License Law.

Mr. Johnson stated that it would be fine if Mr. Eaton would secure a letter from the Northern California Chapter of the A. G. C. stating their position with reference to bills before the Legislature. Mr. Eaton advised the Board that he would be glad to do this.

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Mr. Homann, Chairman of the Finance and Budget Committee, stated that his Committee had no report to render at this time.

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Mr. Ford, Chairman of the Personnel Committee also stated his Committee had no report to render at this time.

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Mr. Johnson, Chairman of the Rules and Procedure Committee, gave a short verbal report and stated that his Committee was still working on the matter of the enforcement of Subdivision 5 of Section 9 of the Act, requiring the keeping of books and records by licensees, as set forth in the resolution submitted by the Committee at the last meeting of the Board held in Sacramento on March 20, 1937.

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At this time a general discussion was held regarding the enforcement of the Safety Laws of the State. Mr. Ford was of the opinion that we should write a letter to the Industrial Accident Commission recommending that the enforcement of safety laws be made with the assistance of city building departments. A suggestion was made that a conference should be held with the members of the Industrial Accident Commission.

It was moved by Mr. Johnson, seconded by Mr. Ford, that the members of the Industrial Accident Commission be invited to attend our next Board meeting and discuss the enforcement of the safety

laws. Unanimously carried.

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The subject of the keeping of books and records was again brought up and it was the suggestion of Mr. Anderson that the matter be postponed for at least three months. Mr. Bowdle suggested that the matter could then be taken up in the form of a leaflet inclosed with the fall issue of "The California Licensed Contractor", which leaflet could be returned with the information desired. It was the opinion of many members of the Board that this would cover the situation.

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At this time Chairman Butcher called upon Carl Steger of the San Joaquin County Master Painters for a few remarks. Mr. Steger commented very favorably upon the work of the Board and the inspectors during the past two years, particularly in the San Joaquin Valley.

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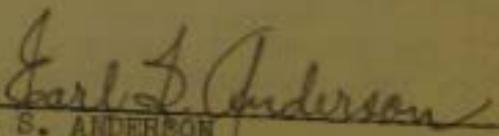
Mr. Butcher stated that the next Board meeting would be held in July, probably in Southern California -- the time and place to be decided upon later.

It was moved by Mr. Johnson, seconded by Mr. Ford, that the meeting adjourn, to meet again at the call of the Chairman. Unanimously carried.

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The meeting adjourned at 1:10 P. M.

Reported by:
Gladys M. Crosby
423 State Office Building
Sacramento, California


EARL S. ANDERSON
EXECUTIVE SECRETARY
CONTRACTORS' STATE LICENSE BOARD

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

Held at
U.S. GRANT HOTEL, SAN DIEGO, CALIFORNIA
July 23 and 24, 1937

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The regular meeting of the Contractors' State License Board was called to order by Mr. Roy M. Butcher, Chairman, at 10:30 A.M., July 23, 1937, at the U.S. Grant Hotel in San Diego.

The roll was called and the following were present:

Roy M. Butcher, Chairman
Ralph E. Homann, Vice Chairman
S. G. Johnson, Member
Stephen L. Ford, Member
Clarence B. Eaton, Member
William Nies, Member
Earl S. Anderson, Executive Secretary.

Absent:

Hugh W. McNulty, Member

Also present were:

Glen V. Slater, Assistant Registrar
I. L. Swearingen, Deputy Registrar
Jess W. Aykroyd, Inspector San Diego District
Harold P. Requa, Jr., Public Relations Counsel
M. H. Golden, Pres., Associated General Contractors
of San Diego
M. A. Mathias, Sec., " " "
B. M. Torgerson, Pres., San Diego Association of
Building Contractors
M. Brauer, Sec., San Diego Association of Building
Contractors
Daniel A. Deacon, Sec., Master Plumbers' Association
of San Diego
Jess B. Worthington, Pres., Master Painters' Association
B. G. Carroll, Engineering Contractor, San Diego
S. V. Weimer, Biddle Trade Bureau
J. Scott Milne, Vice Pres., International Brotherhood
of Electrical Workers, San Francisco.

It was moved by Mr. Homann and seconded by Mr. Ford that the minutes of the last meeting, held in Sacramento on April 30, 1937, be approved as written. Unanimously carried.

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Mr. Homann, Chairman of the Committee on Finance and Budget, submitted the following report for his Committee:

"I am submitting as follows the budget for the 89th fiscal year, or from the period July 1, 1937 to June 30, 1938:

BUDGET OF PROPOSED EXPENDITURES
CONTRACTORS' STATE LICENSE BOARD
89th FISCAL YEAR
BY MAJOR EXPENDITURE CLASSIFICATION

<u>ADMINISTRATION</u>	<u>89th F. Y.</u>	
Salaries and Wages	\$24,220.00	
Materials and Supplies	8,200.00	
Services and Expenses	18,926.00	
Property and Equipment	<u>150.00</u>	
TOTAL ADMINISTRATION		\$51,496.00
 <u>INVESTIGATION AND LEGAL</u>		
Salaries and Wages	72,240.00	
Materials and Supplies	4,200.00	
Services and Expenses	27,720.00	
Property and Equipment	<u>3,500.00</u>	
TOTAL INVESTIGATION AND LEGAL		107,660.00
Allotment for salary adjustments	3,300.00	
TOTAL BUDGET		<u>3,300.00</u> \$162,456.00

"I wish to point out that this budget is increased \$14,881.00 over the budget as approved by the Legislature and this will be taken care of by the deficiency allotment approved by the Director and the Governor. Provision is made for the addition of three more inspectors in the field.

"The reason for the increase in the budget is for the three additional inspectors; also for salary adjustments."

A general discussion was held on anticipated revenue. In response to Mr. Johnson's query as to the amount of anticipated

revenue, Mr. Anderson informed him that it was about \$204,000.00, and read the list of sources and the amount of anticipated revenue from each source.

It was moved by Mr. Johnson and seconded by Mr. Eaton that the report of the Committee on Finance and Budget be approved as submitted. Unanimously carried.

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The following report of the Legislative Committee was read by Mr. Anderson in the absence of Mr. Hugh W. McNulty, Chairman of the Committee:

"Your Legislative Committee takes pleasure in Submitting the following report at the close of our fiscal year:

"There was introduced in the Senate, by Senator DeLap, a Bill known as Senate Bill 240 relating to Amendments to the Contractors' License Law, which Bill was presented by the construction industry and received the approval of this Board, also the assistance of Assemblyman Desmond in the Assembly. This Bill successfully passed both houses of the Legislature and has been made a part of the Contractors' License Law by the signature of Governor Frank F. Merriam and will become effective August 27 of this year. There was only one Amendment to the Bill as originally presented and that was the change of the \$200.00 exemption clause from \$50.00 to \$100.00. In other respects no changes of consequence were necessary in order to insure a successful passage of the Amendments.

"You, as well as the industries, have been notified of the nature of these Amendments through a news bulletin issued by the Registrar immediately upon signing of the Bill by the Governor, and the notice contained a brief digest of the changes which would be made in our Act.

"Assembly Bill 293, introduced by Assemblyman Desmond, relating to the Amendments to the Contractors' License Law, and which was a companion Bill to S.B. 240, was passed by the Assembly after it was amended changing the \$200.00 exemption clause from \$50.00 back to \$200.00.

Due to this change in the Bill it was deemed advisable to let it die in the Senate Committee.

"Senate Bills 933, 934 and 935, introduced by Senator McCall, and which were disapproved by the Board, were never moved out of the Committee to which they were originally sent, with the exception of S.B. 935. S.B. 935, however, was amended so that its provisions conformed with Section 4 of S.B. 240, with the exception that S.B. 935 provided for payment of \$20.00 per diem to members of this Board. This Bill was not signed by the Governor before the expiration of the statutory time for signing of Bills and hence does not become a law. The failure of the Governor to act upon this Bill was, of course, foreseen by your Committee inasmuch as His Excellency has consistently opposed any legislative measures which would increase the cost of the government or of any of its branches.

"Senate Bill 584, introduced by Senator Nielsen and known as the 'State Officers and Employees Defense Bill', also failed to receive the Governor's approval. We are advised that there was considerable doubt in the minds of many persons as to whether or not the State and its various departments would become legally liable to an extent far beyond that contemplated by the persons who drafted the Bill.

"Senate Bills 250, 251 and 252 providing for the construction of a State building in Sacramento to house the Department of Professional and Vocational Standards and other departments were successful and were signed by the Governor. Your committee is advised that the Director of this Department, and the Director of Finance, are proceeding with all possible speed to take care of necessary details leading to actual construction.

Respectfully submitted,

LEGISLATIVE COMMITTEE

By (Signed) Hugh W. McNulty
Hugh W. McNulty, Chairman

By (Signed) Ralph E. Homann
Ralph E. Homann, Member

By (Signed) S. G. Johnson
S. G. Johnson, Member

Mr. Johnson called attention to an error in the sixth paragraph of the above report, stating that he did not think any promise was made by the Industry that it would not "in the future"

come in with a request for a sum per diem for Board members. He stated that Senator Sedlan did say he doubted whether the bill would pass if the Board did not take out that provision, which was done; also that he did not think any promise was made that the Industry would not make a future request for a sum per diem because at the time the Industry was definitely in favor of a per diem for Board members. "However", said Mr. Johnson, "in making this comment I am not criticizing the making of a concession or promise in order to get the bill passed. I think the Governor did the right thing in view of the fact that he consistently vetoed other bills entailing additional expense to the State, but I do not think we should be embarrassed if in the future we should find it necessary to come in with a new request for a per diem."

Mr. Anderson: "I think he meant to say 'in the near future'."

After a general discussion on the report of the Legislative Committee it was moved to strike out the paragraph referring to request for sum per diem and the report was then filed as written with the above correction.

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Mr. Anderson, Secretary, submitted the following report of the activities of the Department:

"Total licensed contractors	6-30-37	- -	29,431
"	6-30-36	- -	<u>26,234</u>
Increase	- - - - -	- - - - -	3,197 - 12%
Renewals	7-1-37	- - - - -	24,710
"	7-1-36	- - - - -	<u>22,460</u>
Increase	- - - - -	- - - - -	2,250 - 10%

"During the renewal period we received about 1500 checks without renewal applications. Received about 500 renewal applications without fees. We threw into suspense about 1000 miscellaneous renewal applications for the reason that we were unable to determine from the notations on them whether or not the renewals could be allowed. In other words, there was a question whether the change in name could be accepted.

"There was also received about 3,250 renewal applications with changes that could be allowed but required the making of new addressograph plates.

"There was received approximately 3,500 personal checks which have been returned but as yet not all of them have been returned to us.

"Altogether there have been approximately 10,000 renewals that were given special attention and this represented considerable work which we have never had before for several reasons. In the first place, previously if a licensee mailed in his check without a renewal application, as long as we were able to tell the party's name and knew how to credit the fee we would renew the license. This year we returned the application and a form letter.

"The extra work in handling personal checks did not account for more than one-third of our special action operations. Many changes in addresses, officers and firm names should possibly have been made within the last three, four or five years and due to the new renewal application form enclosed with a notice we have been advised of the changes.

"Appropriation bills signed by the Governor for capital improvements for the next biennium approximately \$25,000,000.00, including \$2,000,000.00 for the State Prison in Southern California, \$1,500,000.00 for State office building, Sacramento, and balance to be spent on State hospitals and veterans' institutions."

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The following letters were read by Mr. Anderson:

Letter from Mr. Fred A. Taylor relative to Compensation Insurance.

Letter from Orange County Builders' Exchange

and Mr. Anderson's reply to same, followed by Mr. Bassett's reply.

Letter from Cabinet Manufacturers Institute of California and Mr. Anderson's reply to same, which was followed by general discussion, especially with reference to bidding or submitting sub-bids.

Letter from Palo Alto Chapter of Painters' & Decorators' Association requesting additional inspectors be put on in that district.

Letter from Art Hansen of Inglewood regarding people doing landscape work without a contractor's license; also regarding additional inspectors.

Letter from Ruebel Electric Company of Alhambra in regard to bids; also Mr. Anderson's reply to same, followed by a general discussion on the subject.

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Mr. Anderson reported that he had ten letters complaining about the rule that was established on renewals that we would not accept personal checks, and pointed out that out of 29,000 licensed contractors there were only ten letters of protest received by the Department.

Mr. Mathias, Secretary of the San Diego Chapter of the Associated General Contractors, and Mr. B. M. Torgerson, President of the San Diego Association of Building Contractors, both protested the ruling requiring certified checks, stating that the ruling was wholly unnecessary with regard to renewals and as placing a burden on the industry that does not do the department

any particular good; whereupon Mr. Anderson recited the facts which led the Board to make such ruling. General discussion of same ensued.

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Mr. Butcher, Chairman, called recess at 12:10 P.M. for lunch.

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AFTERNOON SESSION

2:00 P.M.

The afternoon session of the Contractors' State License Board was called to order at 2:00 P.M. by Roy M. Butcher, Chairman. The following were present:

Roy M. Butcher, Chairman
Ralph E. Homann, Vice Chairman
S. G. Johnson, Member
Stephen L. Ford, Member
Clarence B. Eaton, Member
William Nies, Member
Earl S. Anderson, Executive Secretary.
Glen V. Slater, Assistant Registrar
I. L. Swearingen, Deputy Registrar
Jesse W. Aykroyd, Inspector

Absent:

Hugh W. McNulty, Member.

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Mr. Anderson continued the reading of letters as follows:

Letter written by Mr. Anderson to "Business Week" relative to the Contractors' License Law.

Letter regarding inspectors' examination which was held May 16. Mr. Anderson reported that as yet the oral examinations have not been held as the Personnel Board have not finished grading the written examinations.

Letter to Attorney General requesting an opinion as to whether a person who participates in the profits or losses of a job would require a contractor's license; also the Attorney General's answer to same. Inasmuch as the answer was not clear, Mr. Anderson said he would secure a more definite opinion from the Attorney General.

Letter from Attorney General setting forth an opinion regarding bidding on State projects by Board members.

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Report of death of Inspector Adam Haberland of the Los Angeles District.

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General discussion on the leaflet entitled "The California Licensed Contractor".

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

"Due to the increased activity in building construction, and after careful investigation and in the interest of efficiency, we find it advisable to make the following recommendations:

1. That we procure the services of three additional inspectors; one for the Sacramento District, and one for the San Francisco District, and one for the Los Angeles District.
2. That the Registrar be instructed to request the Director of the Department of Professional and Vocational Standards, Mr. William G. Bonelli, to approve the

above request, same to become effective at the earliest possible date.

Respectfully submitted,

PERSONNEL COMMITTEE

By (Signed) Stephen L. Ford
Stephen L. Ford, Chairman

By (Signed) Hugh W. McNulty
Hugh W. McNulty, Member

By (Signed) William Niss
William Niss, Member

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

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General discussion of additional inspectors; also clerical work necessary to be done by inspectors.

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General discussion of formal complaints and the handling of same.

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Mr. Deacon, Secretary of the Master Plumbers' Association of San Diego, expressed the desire that Inspector Aykroyd be assigned the entire County of San Diego in the event the Department was going to redistrict territories.

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General discussion of qualification by means of examination.

Mr. Mathias, Secretary of the San Diego Associated General Contractors, expressed his interest in the rules and

regulations with regard to examination.

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Mr. S. G. Johnson, Chairman of the Committee on Rules and Regulations, requested that the Chairman of the Board appoint a member to take the place of Mr. McNulty as his Committee was going into session to prepare its report. Mr. Clarence B. Eaton was appointed as substitute for Mr. McNulty.

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Motion was made by Mr. Johnson and seconded by Mr. Nies that the meeting recess until the following morning. Unanimously carried.

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The regular meeting of the Contractors' State License Board recessed at 3:30 P.M.

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The regular meeting of the Contractors' State License Board reconvened at 10:00 A.M. on July 24, 1937, to take up unfinished business. The roll was called by Chairman Butcher and the following were present:

Roy M. Butcher, Chairman
Ralph E. Homann, Vice Chairman
S. G. Johnson, Member
William Nies, Member
Clarence B. Eaton, Member
Stephen L. Ford, Member
Earl S. Anderson, Executive Secretary.

Absent:

Hugh W. McNulty, Member.

Also present were:

Glen V. Slater, Assistant Registrar
I. L. Swearingen, Deputy Registrar
Jess W. Aykroyd, San Diego Inspector
Assemblyman Charles Stream, of San Diego
Mr. Curry of Hunt & Curry, Contractors of San Diego
M. H. Golden, Pres., Associated General Contractors
of San Diego
M. A. Mathias, Sec., Associated General Contractors
of San Diego.

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Mr. S. G. Johnson, Chairman of the Committee on Rules and Regulations, submitted the following report for the consideration of the Board:

"Your Committee on Rules and Regulations has met this day to study and recommend for your consideration an amendment to Rule 1, Paragraph 2, of the Rules and Regulations of the Board to be based on Section 5 of the Contractors' License Law as amended by the 1937 Legislature.

"In amending the Rules and Regulations relating to the examination of applicants for contractors' licenses we wish to call the attention of the Board to Rule 1, Paragraph 2, of the Rules and Regulations adopted April 15, 1936. This Paragraph was adopted but was abandoned as the result of an opinion of the Attorney General, and provided for the appearance of applicants for personal examination.

"Since the law now gives the Registrar the power to examine applicants for licenses, we believe the original subject matter of Paragraph 2, Rule 1 should replace the present provisions. We recommend this be done by resolution, and that the wording of said Paragraph 2 of Rule 1 now be as follows:

'After such application has been filed, it shall be the duty of the Registrar, therefore, to examine same, and, if it appears regular on its face, the Registrar shall thereupon appoint a time and place where the applicant shall appear personally for examination, either oral or in writing, or both, as the Registrar may require. Such examination shall be designed to determine whether or not the applicant has the qualifications

as set forth in Section 5 of the Contractors' License Law.'

*We further recommend that the third paragraph in Rule 1 be amended by the insertion of the phrase 'knowledge, experience' to be inserted in the first sentence of said Paragraph between the words 'in' and 'integrity', and that the word 'and' which follows the word 'integrity' be changed to 'or'. This sentence would then read as follows:

'No applicant shall be granted a license to engage in contracting if it shall appear from answers given in the application form, or from answers to the questions, both oral and written, that such applicant is lacking in knowledge, experience, integrity, or in character as shown - - - -.'

*The Committee further recommends that a system of both oral and written examinations be worked out and that the cooperation of the Registrar be requested for that purpose.

*Since the Law provides that rules and regulations adopted by the Board must be approved by the Director of the Department of Professional and Vocational Standards we believe it advisable to consult with him in working out the examination plan that no changes shall be made when it is finally adopted by the Board.

*In order that the new examination plan shall be completed when the new law goes into effect August 27 it may be necessary for the Board to hold a special meeting not later than August 20.

Respectfully submitted,

RULES AND REGULATIONS COMMITTEE

By (Signed) S. G. Johnson
S. G. Johnson, Chairman

By (Signed) William Nies
William Nies, Member

By (Signed) Clarence B. Eaton
Clarence B. Eaton, Member Pro tem

General discussion on the subject of above report. Mr. Johnson stated: 'We thought the rule that was adopted April 15,

1936, in Los Angeles, should take that place now because that has to do with the examination and that was the vital question at that time. We thought then that we were making rules and regulations for taking care of the examination feature and later that was stricken out at the request of the Attorney General, and Rule 1, Paragraph 2, is what was left of the original rule and does not provide for any examination, and I do not think this rule would work out. The original rule was worked out very carefully at that time and for that reason I do not believe we can do much better than to reinsert that paragraph. I think the only way we can do that instead of writing a new set of rules and regulations is to make an amendment."

Mr. Curry, Contractor of San Diego, and Mr. Golden, President of the San Diego Associated General Contractors, expressed their ideas as to what kind of examination is necessary, and Mr. Johnson gave a resume of the limitations to which the Board can go in the matter of examinations.

Assemblyman Charles Stream also expressed his views on the subject and thanked the Board for the opportunity of meeting its members.

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It was moved by Mr. Ford and seconded by Mr. Homann that the report of the Committee on Rules and Regulations be accepted. Unanimously carried.

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General discussion of feasibility of issuing temporary licenses.

General discussion of Unfair Trade Practice Act.

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Chairman Butcher announced that inasmuch as this was the July meeting, it would be necessary, in accordance with law, to have an election of officers.

Motion was made by Mr. Johnson and seconded by Mr. Eaton that the present officers be re-elected for the ensuing year. Unanimously carried.

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The subject of a special meeting was discussed and it was suggested that it be held prior to August 20 so that the matter of examination would be ready when the law goes into effect on the 27th.

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Chairman Butcher instructed the Registrar to write a letter of appreciation to Senator DeLap and Assemblyman Desmond for their assistance in the Legislature toward securing the passage of S.B. 240.

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The following resolution was presented by Mr. Johnson stating that the meeting adjourn in tribute to Inspector Adam Haberland, deceased, and that the Secretary be instructed to send a copy of same to Mrs. Haberland:

"WHEREAS, the allotted time upon this earth of Adam Haberland, an inspector for the Contractors' State License Board, has now expired, and

"WHEREAS, the Board realizes that it and the

State has lost a loyal officer.

"NOW THEREFORE BE IT RESOLVED, that the Contractors' State License Board stands adjourned from this its meeting of the 24th day of July, 1937, in respect to the memory of Adam Haberland."

Motion was made by Mr. Nies and seconded by Mr. Ford that the resolution to adjourn be adopted and incorporated in the minutes. Unanimously carried.

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

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EARL S. ANDERSON
EXECUTIVE SECRETARY

Reported by:

Pearl Michelson
906 Calif. State Bldg.
Los Angeles, California.

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

Held at
Eureka, California
October 1st, 1937

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The regular meeting of the Contractors' State License Board was called to order by Roy M. Butcher, Chairman of the Board, at 11:00 A.M., October 1, 1937, at the Eureka Inn, Eureka, California.

The roll was called and the following were present:

Roy M. Butcher, Chairman
Ralph E. Homann, Vice Chairman
Clarence B. Eaton, Member
S. G. Johnson, Member
William Nies, Member
Stephen L. Ford, Member
Earl S. Anderson, Executive Secretary.

Absent:

Hugh W. McNulty, Member.

Also present were:

Glen V. Slater, Assistant Registrar
Ralph S. Bowdle, Deputy Registrar
Louis F. Erb, Deputy Registrar
I. L. Swearingen, Deputy Registrar
Harry H. Hill, Inspector.

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The minutes of the last meeting, held July 23 and 24, 1937, in San Diego, were submitted by the Secretary. Mr. Johnson suggested that a correction be made on page 15, adding the following sentence to the first paragraph: "The Chairman then appointed Mr. Nies to act as chairman and preside over the election."

It was moved by Mr. Homann and seconded by Mr.

Johnson that the minutes be approved as written including the correction suggested by Mr. Johnson. Unanimously carried.

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Mr. Homann, Chairman of the Finance & Budget Committee, stated that his Committee had no report to render at this time.

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Mr. Ford, Chairman of the Personnel Committee, also stated that his Committee had no report to render at this time.

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Mr. McNulty, Chairman of the Legislative Committee, being absent, it was stated by Mr. Anderson, Executive Secretary, that Mr. McNulty informed him that his Committee had no report to render at this time.

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Mr. Earl S. Anderson, Executive Secretary, read the following committees and members, appointed by Chairman Roy M. Butcher:

"Rules & Procedure"
S. G. Johnson, Chairman
Hugh W. McNulty
William Nies

"Finance & Budget"
Ralph E. Homann, Chairman
Stephen L. Ford
Clarence B. Eaton

"Personnel"
Stephen L. Ford, Chairman
Hugh W. McNulty
William Nies

"Legislative"
Hugh W. McNulty, Chairman
S. G. Johnson
Ralph E. Homann.

Mr. Anderson, Secretary, submitted the following report of the activities of the Department:

"Total licenses issued to date (9/28/37)	27,326
Total licenses issued as of 9/30/36	<u>24,317</u>
INCREASE	3,009

Revocations (from July 1, 1937 to Sept. 1, 1937)	4
Suspensions (from July 1, 1937 to Sept. 1, 1937)	14

Criminal Prosecutions, July 1, 1936 to June 30, 1937

Cases filed - - - - -	174	
Dismissals - - - - -	9	
Convictions - - - - -	160	- 94%
Cases Pending - - - - -	5	

Disposition of Cases before the Registrar Charging Violations of the Contractors' Act July 1, 1936 to June 30, 1937

Suspended	100	Not Guilty	73
Revoked	16	Dismissed or Settled	156
Applications Denied	15	Applications granted after hearing	28
Flagged (Defendant no longer licensed)	25		

Total cases before Registrar - 413

"The September issue of The California Licensed Contractor will be off the press this week.

"The Alphabetical Directory of Licensed Contractors is now in the State Printing Plant and will be ready for distribution in about two weeks.

"The Geographical Directory of Licensed Contractors should be ready for distribution within about 30 days."

An opinion from the Attorney General was read setting forth the definition of a copartnership.

It was reported that the eligible list for Inspectors in this Department was available, and the Secretary informed the Board that at an early date these people would be interviewed.

Mr. Anderson reported to the Board that he had received many fine compliments -- as had Mr. Bonelli and the Honorable

Frank F. Merriam, Governor of California, on the work of the Deputies and others of the Contractors' State License Board in holding hearings in complaint cases.

It was stated by Mr. Anderson that the bill before the Legislature allowing the Attorney General to defend State employees when sued for acts done in their official capacity had been defeated on account of the fact that the Governor was of the opinion that it might result in careless prosecution on the part of such employees. Mr. Eaton stated that he would like to hear a discussion on that matter and a general discussion was then held. Mr. Butcher then suggested that Mr. Anderson make an investigation to ascertain if anything could be done to protect employees in case of suit, and also if Board members would be liable under such suits.

It was stated by Ralph S. Bowdle, Deputy Registrar, that it had been well established that no Board member could be sued as a Board member unless it could be shown that he was directly responsible for the Act.

Mr. Anderson asked if there were any comments on the new printed copies of the amended Contractors' Act and the general opinion of the Board was that it was an excellent job of printing.

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Various news items and editorials from California newspapers and construction magazines relative to activities of the Board were read by Mr. Anderson, with comments from the Board.

Mr. Johnson stated that it would be a good idea to discuss the article in "Organized Labor" as it was largely through the support of Organized Labor that the 1935^{and 1937} amendments were passed.

Mr. Anderson stated that he was glad this subject had been brought up as he had instructed Mr. Slater and Mr. Bowdle to spend some time during the Legislative session contacting representatives of organized labor and secure their support of our legislation. Mr. Butcher asked if it would not be advisable to send a letter of thanks to newspapers and magazines for the space allowed us and their cooperation in printing our articles. It was suggested that this be done in the form of a resolution and Mr. Anderson was instructed by the Chair to prepare such a resolution and present it to the Board at tomorrow's session.

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It was suggested by Mr. Anderson that the Board adopt a resolution favoring more mention and publicity being given to contractors on both public and private projects, as it is nearly always a fact that the engineer and architect receive the mention. The Secretary was instructed to prepare such a resolution and present it to the Board at tomorrow's session.

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The meeting recessed at 1:00 P.M. to reconvene at 2:00 P.M., which time was set by Chairman Butcher.

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AFTERNOON SESSION
2:30 P.M., October 1st, 1937

The meeting was called to order by Chairman Butcher at 2:30 P.M. in the Eureka Inn, Eureka, California.

The following were present:

Roy M. Butcher, Chairman
Ralph E. Homann, Vice Chairman
Clarence B. Eaton, Member
S. G. Johnson, Member
William Nies, Member
Stephen L. Ford, Member
Earl S. Anderson, Executive Secretary.

Absent:

Hugh W. McNulty, Member.

Also present were:

Glen V. Slater, Assistant Registrar
Ralph S. Bowdle, Deputy Registrar
Louis F. Erb, Deputy Registrar
I. L. Swearingen, Deputy Registrar.

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Mr. S. G. Johnson, Chairman of the Rules and Procedure Committee, submitted the following verbal report:

"Mr. Chairman, you will likely expect a report on the new operating rules and regulations, and the new examination set-up. This work is now completed. It has been compiled and arranged by Registrar Anderson and Assistant Registrar Slater, with the assistance of Deputy Registrars Bowdle, Swearingen and Erb. And we wish to say that the work is ably and well done. Your Committee has spent considerable time in going over the new operating rules and regulations and believes they will meet with the Board's requirements at this time. They specify the duties of the Registrar, the Deputy Registrars and the Inspectors; they state the requirements of applicants and the responsibilities of licensees.

We wish to present to the Board a written report covering both the rules and regulations and the examination

form, but we would like to have another meeting for further study of the examination questions, before the Board meeting tomorrow. We therefore ask for extension of time until then when a written report will be submitted."

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The new Rules & Regulations covering the amendments to the Contractors' License Law were then read by Earl S. Anderson, Executive Secretary.

A general discussion was held on the Rules & Regulations.

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At this time Mr. Anderson read the examination procedure to the Board and explained the different forms to be used in the examinations.

A general discussion was held on the examination procedure.

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Mr. Anderson advised the Board that it would be necessary to employ another clerk in the Sacramento Office to take care of the examination work.

The places and dates of examinations was read by Mr. Anderson, and he stated that in Los Angeles and San Diego it would probably be necessary to rent space where examinations will be held.

Mr. Johnson advised the Board that there had been compiled over 100 questions, from which might be selected 20 or 30 on

the Compensation, lien laws, etc.

A discussion was had as to whether or not the Board should have a knowledge of the questions to be used for the examinations, as it was the opinion of some of the members that the Board should not have this information.

At the request of Mr. Johnson, Chairman Butcher granted a delay until Saturday morning, at which time the Rules & Regulations and examination questions would again be under consideration.

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At this time Mr. Johnson requested that the members of his Committee meet immediately after the adjournment of this meeting.

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The meeting of the Contractors' State License Board adjourned at 5:10 P.M. to reconvene at 9:00 A.M., Saturday, October 2nd.

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MORNING SESSION
9:30 A.M., October 2nd, 1937

The meeting was called to order by Chairman Butcher at 9:30 A.M., in the Eureka Inn, Eureka, California.

The following were present:

Roy M. Butcher, Chairman
Ralph E. Homann, Vice Chairman
Clarence B. Eaton, Member
S. G. Johnson, Member
William Nies, Member
Stephen L. Ford, Member
Earl S. Anderson, Executive Secretary.

Absent:

Hugh W. McNulty, Member.

Also present were:

Glen V. Slater, Assistant Registrar
Ralph S. Bowdle, Deputy Registrar
Louis F. Erb, Deputy Registrar
I. L. Swearingen, Deputy Registrar
Harry H. Hill, Inspector.

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Mr. Johnson, Chairman of the Rules & Procedure Committee,
submitted the following report:

"Your Committee on Rules and Regulations has had three meetings to give further study to the Rules and Regulations with respect to the new provisions in the Law for examination of applicants for contractors' licenses. These meetings were held in Los Angeles, July 26th; San Jose, September 11th, and Eureka, October 1, 1937. The following report is hereby respectfully submitted:

"At the recommendation of the Registrar, a new set of operating Rules and Regulations have been drawn up, defining the duties of the Registrar and his assistants and deputies; duties of inspectors; requirements of applicants and responsibilities of licensees. These Rules would replace those adopted by the Board July 24, 1937. Due to the new examination feature of the Law now in effect, and the clarification of the duties and requirements of the enforcing officers, applicants and licensees, your Committee recommends that the new Rules and Regulations as prepared by the Registrar be approved by the Board.

"The Registrar has also prepared a revised application form to meet with the new examination requirement of the Law. This form, your Committee believes, is a great improvement over the one used last year, and recommends it for a favorable consideration by the Board.

"Also the Registrar has compiled and arranged a group of approximately 200 examination questions. These questions are classified as to subject matter into six classes and cover such subjects as business procedure; liens, Contractors' License Law, Labor and Safety Laws, Building and Health, estimating and costs, and skill and experience. While the last subject matter relates to skill and experience, the applicant is not examined as to his own fitness in

this respect, but only as to his appreciation of the worth of these fundamentals as essentials for responsibility of a contractor. The written examination is given for the purpose of determining the applicant's knowledge of the business fundamentals which every contractor must be familiar with for his own good and that of the industry. The examination is general and should be taken by everyone desiring to enter the business of contracting.

"Your Committee recommends that this examination form be approved by the Board, subject to the approval of the Director of the Department and the Attorney General.

"Respectfully submitted:

(Signed) S. G. Johnson
Chairman

(Signed) Wm. Nies
Member

Member "

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Mr. Erb brought up the matter of when a joint venture ceases, and Mr. Anderson stated that a joint venture is really a copartnership and that the license might be used from year to year if it were renewed in the same status. A general discussion was held on this subject and it was the opinion of the Board that Mr. Anderson was correct.

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The question of whether or not a foreign applicant for examination, who can neither read nor write English, is entitled to have someone appear at the examination with him and interpret the questions for him was brought up and a general discussion was held on this matter. It was the opinion of the Board that this would constitute receiving assistance and that no help should be

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allowed such a person.

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The questions for examination were then presented to Mr. Anderson by Mr. Johnson, with the statement that he believed Mr. Anderson should read about ten questions from each classification. After taking his stand in favor of the examination, Mr. Johnson stated that if the Board had any other suggestions to offer he would be glad to receive them. Mr. Johnson informed the Board that he believed applicants should be asked not less than 50 questions, or possibly 75, and that we should have 500 or 600 questions prepared so that changes can be made at intervals.

After the reading of some of the questions by Mr. Anderson a general discussion was had by the Board.

It was moved by Mr. Ford and seconded by Mr. Nies that the report of the Rules and Procedure Committee, and the amended Rules and Regulations, and the examination procedure, and the questions for examination, be accepted, subject to the approval of the Director and the Attorney General, and that the Secretary is instructed to make any changes or recommendations to meet the requirements as set forth by either or both the Director or Attorney General.

Ayes: Johnson, Nies, Ford and Butcher.

Noes: Homann and Eaton.

Motion carried.

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The Rules and Regulations, APPROVED BY THE BOARD
AND THE ATTORNEY GENERAL ONLY, are as follows:

"SECTION I. DUTIES OF REGISTRAR AND HIS ASSISTANTS AND DEPUTIES

1. The Registrar shall be the executive officer of the Board.
2. The Registrar shall carry into effect the general orders of the Board in accordance with its policies and when necessary shall adopt rules and regulations to that end.
3. The Registrar shall be responsible for the performance by the Board's personnel of its duties.
4. The Registrar shall apportion the duties of the personnel and shall delegate to his assistants and deputies such powers as are necessary to administer the Contractors' License Law under the rules and regulations of the Board.
5. The district offices of the Registrar shall be in charge of deputies, who shall act as district supervisors and hearing officers. The deputies shall be responsible in their given districts for the maintenance of records, the control of personnel, and routine operations.
6. In the conduct of his district, the deputy shall be the direct representative of the Registrar and his Assistant, and in their absence, as directed, shall act for them.
7. The deputy shall be responsible in his given district for expenses incurred on behalf of the Board, and he must approve all claims for expenses of the personnel under his jurisdiction.
8. The deputy in his given district shall supervise the work of the inspectors, and direct them in matters of policy.
9. The deputy is responsible for observation of approved Rules and Regulations by inspectors.

10. All matters in connection with procedure upon formal complaints shall be under the immediate direction of the deputy. He shall pass upon the sufficiency of pleadings and answers, shall act as hearing officer, and shall render recommendations and findings to the Registrar.
11. The deputy shall exercise direct control over the handling and examination of applications in his office.
12. Where a deficiency apparently exists in an application relating to the proof of possession of character by an applicant, the Deputy shall determine whether or not the application may be accepted or notice sent to the applicant to appear at a formal hearing with evidence in support of his application.
13. The deputy shall provide for examinations of applicants at stated times and places, and before examiners, as directed by the Registrar.
14. The deputy shall be responsible for investigations when needed, and for the course of action taken as the result of such investigations.
15. In his given district the deputy shall be responsible for rendering to the public the services provided by the Board.

He shall see that proper relations are maintained with public officials, organizations, and individuals by his entire staff.

SECTION II. DUTIES OF INSPECTORS.

1. To see that all contractors are licensed in the inspector's assigned district.
2. To gather and present evidence and swear to complaints in connection with misdemeanors of contractors.
3. To investigate all licensees for compliance with the Workmen's Compensation Insurance Act.
4. To file complaints of violations of the Workmen's Compensation Insurance Act.

5. Under direction and also upon own motion, to assist contractors and others with the settlement of disputes.
6. Under direction to assist in formal complaint cases by (a) gathering and presenting of evidence; (b) preparing reports; (c) serving subpoenas.
7. To contact and maintain cooperative relations with organizations and individuals and public officials in the construction industry.
8. To advise concerning and interpret the rules of the Board relating to qualifications of applicants.
9. As directed, to act in the capacity of examiners presiding at written examinations.
10. To refer to the District Office for handling, where possible, all matters requiring correspondence.
11. To promptly file with his District Office copies of such correspondence as must be handled by the inspector.
12. To file and keep for a reasonable length of time correspondence issued and received by an inspector relating to his work.
13. Filing of Reports:
 - A. The following routine reports must be filed immediately at the close of each month:
 - (1) Traveling expense;
 - (2) State automobile mileage;
 - (3) Monthly recapitulation of work.
 - B. Daily reports shall be made out at the close of the day's business and immediately filed or mailed to District Headquarters.
 - C. Special reports, including informal complaint and prosecution reports, and reports upon special investigations, shall be immediately filed. Such reports should be carefully checked to see that all pertinent data is included.

- D. Reports shall be typewritten or carefully written in legible hand, and shall include answers to all questions in cases of form reports.

14. Use and care of automobiles:

- A. Inspectors must economically plan their itineraries.
- B. State automobiles may be used on official business only.
- C. Mileage on permittee cars will be allowed only when car is used on official business.
- D. Permittee cars must be insured for public liability and property damage, jointly covering the inspector and the State, in accordance with the rules of the Board of Control.
- E. Emergency repairs of a minor nature for state automobiles may be secured without authorization; major repairs must be handled through district office.
- F. Where possible, state cars shall be serviced and gas and oil shall be purchased at state public works depots.
- G. Inspectors are responsible for maintaining state cars in good condition.
- H. Tires, batteries, spark-plugs, etc., except in emergency cases, must be purchased through the district office. Emergency purchases shall be billed to the Department in triplicate and the inspector must file a statement showing the necessity.
- I. Inspectors must operate cars in conformity with local and state traffic laws and with reasonable care.

15. Hours of state employees are set by statute. Inspectors must devote not less than the minimum statutory time.

16. Improper political activity must be avoided.

17. Inspectors must at all times be courteous, careful of their personal appearance, prompt in their

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appointments, and conduct themselves in a manner to bring credit to the Department.

SECTION III. REQUIREMENTS OF APPLICANTS

1. The word "Personnel" as used in this Section shall include all members of any copartnership and all officers of any corporation applying for a license. It shall also mean the responsible managing officer who qualified by examination on behalf of any applicant.
2. All applicants must qualify by written examination based upon the "building, safety, health and lien laws of the State, and of the rudimentary administrative principles of the contracting business." Providing, however, that this examination may not be required of an applicant or of the responsible managing officer of the applicant who is at the time of application the holder of an individual license or who is the responsible member or officer of a licensed copartnership or corporation; providing further that an additional examination shall not be required of a person who has within a period of two years, but after August 27, 1937, been qualified by examination. Sept 13, 1939
3. Every applicant and examinee shall include in the application certifications as to the possession of good character and integrity. Persons making such certifications shall be:
 - A. Licensed civil or structural engineers or licensed architects or licensed contractors;
 - B. Owners for whom applicant has performed construction work as a contractor, superintendent or foreman, or in a responsible capacity;
 - C. Building supply firms;
 - D. Banking institutions.

If applicant is an individual he must secure certifications as follows: two in classes A, B, C and one in class D.

If applicant is a copartnership or corporation each member or officer must personally secure certifications as follows: one in each class-

fication (A, B, C, and D).

An examinee who is not the individual applicant or a member or officer, if applicant is a copartnership or corporation, must personally secure certifications as follows: one in each classification (A, B, C, and D).

4. The requirements of Rule 3 of this Section shall not apply in the case of a combination of duly licensed individuals or firms making application for a joint-venture license.
5. If an individual, copartnership or corporation is qualifying by examination in the person of a responsible managing officer and the applicant or its personnel have had no previous experience in a responsible capacity in the construction business, such applicant or member or officer may substitute as signatories, persons of recognized standing and character in Classes A, B, and C only.

Such substitute signatories must state the nature of their business, their status in their particular firms, the years they have known the applicant, and a statement of the volume and nature of their business relations with the parties for whom they are signing.

6. The Registrar may, at his discretion, waive such references which must ordinarily accompany an application in the case of an applicant or of the personnel of an applicant who has, during his experience in construction work, lived and operated under conditions which make it impractical to furnish the references herein required.

In such cases the Registrar must satisfy himself by other means that the applicant is qualified, both as to character and integrity.

7. If space for certifications or for information required of signatories on application forms is insufficient, applicants shall either attach to the application form a facsimile of Section II of the application form or shall attach a document setting forth the omitted information.
8. Signatories shall, in ordinary cases, have known the applicant for at least a year and shall have either enjoyed business relations of consequence with the applicant, or shall have been in a favorable position to actually know of the ap-

plicant's reputation.

9. Upon all applications the name of the individual for whom certification is made must be written or typed prior to the time the signatory actually signs the application.
10. All signatures, other than signatories', to an application form must be acknowledged before a notary public or an officer of the Board.
11. After the filing of an application no refund may be made of a fee filed in connection with such application.
12. If a request for reexamination is made within six months from date of mailing of notification of failure, a new application form may not be required.
13. An examinee must make a minimum grade of 70% in the written examination.
14. Examinees must not resort to assistance from any source during an examination.
15. An examinee who has failed in the written examination must wait ten days after date of mailing of notification of failure before requesting re-examination.
16. Applicants applying for a license within six months from the date of a previous examination must again submit a \$10.00 fee, with a statement requesting reexamination and showing the approximate date of filing of the original examination form. The Registrar may in such case, if he deems it advisable, require the filing of a new application form.
17. Application forms and examination questions shall be retained by the Registrar. All documents filed in support of an application will be kept by the Registrar; provided, however, that he may in his discretion permit such documents to be withdrawn upon substitution of a copy.
18. Examinees will be given notification cards upon the approval of applications and must present their notification cards as authority to take the written examination.
19. Applications must be filed at an office of the

Registrar upon a form issued by the Board, and must comply with every requirement shown thereon.

20. An application fee of \$10.00 must accompany every application form. Fees tendered in the form of personal checks will be delayed by state rules requiring the clearance of checks.
21. Checks shall be made payable to the "Registrar of Contractors."
22. The applicant shall clearly state the name style in which the license is to be issued.
23. Applications for a license under a fictitious name will be rejected if the applicant has not published the Certificate and filed the affidavit of publication thereof as required by Section 2466 of the Civil Code of the state of California.
24. The applicant shall state his or its business address and mailing address. An "R.F.D." address must also show the name of the road, highway or district.
25. The name of every individual applicant or of the personnel of the applicant must be given in full for purposes of identification.
26. The applicant shall state whether it is doing business as an individual, copartnership, joint-venture, or corporation.
27. The applicant or its personnel shall indicate his or their previous professional or vocational license record.
28. The applicant or its personnel shall state such persons with whom it or they have been associated in the contracting business as partners within the five years immediately preceding the date of application.
29. The applicant or the members of its personnel shall state whether or not it or they have had a license refused, suspended, or revoked. If so, an explanatory statement must be appended to the application.
30. The applicant or its personnel shall state whether or not it or they have been connected with any person or firm whose license was refused, suspended, or revoked. If so, an explanatory statement must be appended to the application.

31. The applicant or its personnel shall state whether or not it or they have been previously convicted of a felony. If so, an explanatory statement must be appended to the application.
32. The applicant or its personnel shall state whether or not it or they have, within a period of three years, been guilty of any violation of Section 9 of the Contractors' License Law. If so, an explanatory statement must be appended to the application.
33. The applicant or its personnel shall state whether or not any bonding company or surety ever completed any contract in which it or any of them were interested. If so, an explanatory statement must be appended to the application.
34. The applicant or its personnel shall state whether or not there are any liens, suits, judgments, or compensation or labor claims pending or recorded against it or them or against any property as the result of the actions of it or of them arising out of its or their operations as a contractor. If so, an explanatory statement must be appended to the application.
35. The applicant must give the name of his or its Workmen's Compensation Insurance carrier and the number and expiration date of the policy, and a statement showing whether or not the premium deposit or any payroll audit claims are in arrears. If the applicant has no compensation insurance, a legal reason must be given.
36. The applicant shall indicate on the application form the general nature of his contracting operations.
37. An application must be signed as follows: If applicant is an individual, by that individual; if applicant is a copartnership, by each member of the copartnership; if applicant is a corporation, by any officer of the corporation.

A responsible managing officer who desires to qualify on behalf of an applicant must also sign the application form.

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SECTION IV. RESPONSIBILITIES OF LICENSEES

1. Licensees shall comply with all of the provisions of the Contractors' License Law.
2. Licensees shall comply with all rules and regulations of the Contractors' License Board and of its executive officer, the Registrar of Contractors.
3. Licensees shall display their permanent certificate in their main office or chief place of business.
4. Upon demand licensees shall exhibit satisfactory evidence of the possession of an unexpired license.
5. A surviving member or members of a licensed co-partnership by reason of death shall be entitled to continue in business under such license until the expiration date (June 30th) of such license; provided due application therefor is made to the Registrar within thirty days after death of the member, and same is approved by the Registrar in accordance with such rules and regulations as he may adopt.
6. Licensees shall make application for renewal of their licenses not later than June 30th of each year. Upon failure to do so, such licenses will be ipso facto suspended and shall be reinstated only upon the payment of \$5.00 in addition to the current renewal fee of \$5.00. Application for renewal must be made upon a form provided by the Registrar, accompanied by a current renewal fee of \$5.00. Personal checks will delay renewal of the license.
7. Certified copies of licenses will be issued by the Registrar upon payment of a fee of 50¢.
8. Licensees may not renew a license which has remained suspended for non-payment of fee for a period exceeding one year.
9. Licensees shall report changes of address within thirty days.
10. Licensees shall report changes of personnel within thirty days. (Except as provided in Rule 5 above, a change of personnel is allowable only among the officers of a corporation, or by the substitution of a qualified construction manager.)
11. If a person who has qualified for a licensee by

examination shall for any reason whatsoever cease to be connected with, or to direct the construction work of the licensee, the licensee must (a) notify the Registrar in writing within ten days and (b) within 60 days after such notice qualify another person by the filing of an approved application and by examination.

If such notice is not given within ten days, the license shall be ipso facto suspended and may only be renewed after the qualification of another person.

12. Licensees shall not abandon the physical construction of any project or operation except with legal excuse. Financial inability or similar conditions shall not be construed as legal excuses.
13. Licensees shall not use contract payments for any purposes other than the payment of claims for which liens may be filed, until all such claims have been discharged.
14. Licensees shall not separate their profits and wages paid to themselves for work actually performed, but must consider both as profits. Therefore licensees must care for all claims for which liens may be filed before any portions of contract payments may be appropriated to their own use, as wages or profit or otherwise.
15. Licensees shall carry out all contracts in strict accordance with plans and specifications as far as is physically possible.
16. Licensees shall not depart from plans or specifications without having secured the consent of all parties having an interest.
17. Licensees must abide by the building laws of the State, or of any of its subdivisions. (State Housing Act, City or County building ordinances, etc., relating to matters of physical construction.)
18. Licensees must observe the safety laws of the State. (Laws regulating scaffolding, temporary floors, etc.)
19. Licensees must observe the labor laws of the State. (Workmen's Compensation Insurance and Safety Act, Semi-monthly Payday Law, etc.)
20. Licensees shall make and preserve for three years

all contracts, documents, and receipts including a record of disbursements for each contract or undertaking. These records shall be kept up to date and must be kept open for inspection by the Registrar or his duly authorized subordinates.

21. Licensees must complete all construction projects or operations for the price set in the contract, due consideration being given to any modifications of or additions to such contracts.
22. Licensees shall in no way aid or abet an unlicensed person to evade any of the provisions of the Contractors' License Law.
23. Licensees shall not knowingly combine or conspire with an unlicensed person to accomplish an evasion of any portion of the Contractors' License Law.
24. Licensees shall not allow their licenses to be used by any other person.
25. Licensees shall not substantially injure a person by the doing of any wilful or fraudulent act.
26. Licensees shall not act in the capacity of a contractor except in the name of the licensee as set forth upon the license.
27. Licensees shall not act in the capacity of a contractor unless the personnel thereof is in accordance with the personnel of the licensee as recorded with the Registrar.
28. Licensees shall not knowingly enter into contracts with unlicensed contractors.
29. Licensees shall not, except with legal excuse, fail or refuse to prosecute construction projects or operations with reasonable diligence.
30. Licensees shall, when having the ability, pay any moneys when due for any materials or service rendered to them as contractors.
31. Licensees shall not falsely deny any amount due in order to secure a discount.
32. Licensees shall not falsely deny any amount due in order to hinder, delay, or defraud a creditor."

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CONTRACTORS' STATE LICENSE BOARD
BOARD MEETING MINUTES

1937

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It was moved by Mr. Johnson and seconded by Mr. Eaton that Rule 7 of the By-Laws be amended to read as follows:

"The By-Laws, Administrative Rules & Procedure, and Rules and Regulations, may be amended or amplified by a majority of the Board at any regular or special meeting of said Board."

Unanimously carried.

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It was moved by Mr. Johnson, seconded by Mr. Ford, that the following resolution extending the thanks of the Board to the trade publications for the support they have given our Law, be adopted. Unanimously carried.

"WHEREAS the effectiveness of the Contractors' License Law is increased directly in proportion to the cooperation received from the construction industry, and

"WHEREAS the Contractors' State License Board cannot constantly maintain direct relations with its licensees, and the numerous organized groups within its licensees, and

"WHEREAS there are circulated in California various trade organs dealing with the welfare of the construction industry, or of a definite division of the construction industry, and

"WHEREAS these trade organs have been of material assistance to the Contractors' State License Board and have more than met the Board's desire to maintain cooperative relations with such trade organs, and

"WHEREAS the cooperation between the State Board and these trade organs has been, in the opinion of the Board, of material benefit to the construction industry.

"NOW THEREFORE BE IT RESOLVED that the Contractors' State License Board in regular meeting convened this first day of October,

1937, extends its thanks to the aforementioned trade organs for their cooperation with the Board, which has been of advantage to the Board itself, and for their noticeable desire to use their publications for the support and the strengthening of the construction industry itself."

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It was moved by Mr. Nies and seconded by Mr. Homann that the following resolution favoring more mention and publicity being given to contractors on both public and private projects, be adopted. Unanimously carried.

"WHEREAS the three fundamental needs of humanity are food, clothing and shelter, and

"WHEREAS the construction industry is that economic division of society which has for its purpose the supplying of civilization's need of shelter, and

"WHEREAS years upon years of experience have shown that the economic administration of the construction industry rests upon those independent operators commonly called 'contractors', and

"WHEREAS there has been a deplorable lack of understanding of the necessary economic function of a contractor, which is not in the best interests of the people, either as to public or private works, and

"WHEREAS it is seldom brought to the attention of the public that the best and most economical construction work is done under the direction and control of qualified contractors;

"NOW THEREFORE BE IT RESOLVED by the Contractors' State License Board in regular session this first day of October, 1937, that the licensed contractors of California be, and herewith are admonished to seek, through whatever channels may be available, either by publicity which they may influence or by word of mouth which they may utter, to at all times carry to the public the fact that the best and

BOARD HEARING MINUTES

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most economical work of providing mankind's primary need of shelter is carried forward in this State by those independent business men -- California's licensed contractors."

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It was moved by Mr. Homann, seconded by Mr. Eaton, that the meeting adjourn, to meet again at the call of the Chairman. Unanimously carried.

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The meeting adjourned at 1:45 P.M.

EARL S. ANDERSON
EXECUTIVE SECRETARY
CONTRACTORS' STATE LICENSE BOARD

Reported by:
Gladys M. Crosby
423 State Office Building
Sacramento, California

R122 002
Dept. of Prof. and Voc. Studies
CONTRACTORS' STATE LICENSE BOARD
Based at State Capitol
1937
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MINUTES OF THE REGULAR MEETING CONDUCTED BY
CONTRACTORS' STATE LICENSE BOARD OF CALIFORNIA
Held at
EL TEJON HOTEL, BAKERSFIELD, CALIFORNIA
January 28 and 29, 1938

- - -

The regular meeting of the Contractors' State License Board was called to order by Chairman Roy M. Butcher at 10:30 A.M., January 28, 1938, at the El Tejon Hotel in Bakersfield.

The roll was called and the following were present:

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

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It was moved by Mr. McNulty and seconded by Mr. Eaton that the minutes of the last meeting, held in Eureka, California, on October 1 and 2, 1937, be accepted as written with the exception of the correction of the verbal report by Mr. Johnson on pages 6 and 7. Unanimously carried.

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Chairman Butcher read the following letter of resignation received by the Board from Earl S. Anderson, Executive Secretary and Registrar of Contractors:

"Your Honorable Body is hereby advised that, effective January 31, 1938, I shall submit my resignation as Registrar of Contractors and Executive Secretary of the Contractors' State License Board, Department of Profes-

sional and Vocational Standards. My appointment as Manager of the Construction Industries Department of the Los Angeles Chamber of Commerce has necessitated this action.

"It is with sincere regret that I terminate my connections with this Department and I assure you that it has been an honor to serve in this capacity. May I take this opportunity of expressing to the Board and the personnel of the Department my thanks for the cooperation and assistance given me while Registrar of Contractors. I shall always remember with a great feeling of satisfaction our pleasant associations together.

"Again assuring you of my appreciation for the honor bestowed upon me as Registrar of Contractors, and wishing your Board success in the future, I remain

Respectfully yours

(Signed) Earl S. Anderson
EARL S. ANDERSON
EXECUTIVE SECRETARY AND
REGISTRAR OF CONTRACTORS"

Various members of the Board expressed their appreciation to Mr. Anderson for his services while in his position as Registrar.

Mr. Anderson expressed his thanks for the well wishes of the Board.

It was moved by Mr. Johnson and seconded by Mr. Ford that the resignation of Mr. Anderson be accepted. Unanimously carried.

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

"CONTRACTORS' STATE LICENSE BOARD:

"In accordance with instructions, we, the undersigned Personnel Committee, have considered the applications for the position of Registrar of Contractors, and beg to report as follows:

"Consideration has been given to a number of applicants for this position. Your Committee held a meeting, attended by all of its members, at 8:00 P.M. Thursday, January 27, 1938, in the El Tejon Hotel, Bakersfield, California.

"From applications and other sources, letters and other data concerning the several candidates were received and considered. After due deliberation your Committee unanimously recommends the following candidates for your consideration and selection:

"Edgar Westbrook,
"Frank E. Benedict,
"Arthur Alber.

Respectfully submitted,

PERSONNEL COMMITTEE

(Signed) Stephen L. Ford
Stephen L. Ford, Chairman

(Signed) Hugh McNulty
Hugh W. McNulty, Member

(Signed) Wm. Nies
William Nies, Member "

The applications of the three candidates submitted by the Personnel Committee were then read by Mr. Anderson and it was suggested that each applicant be called before the Board for a brief interview. Mr. Westbrook was not present, but Mr. Benedict and Mr. Alber appeared and supplemented their applications and endorsements.

It was moved by Mr. Ford and seconded by Mr. Eaton

that subject to the approval of the Director of the Department of Professional and Vocational Standards, Mr. Arthur Alber be appointed as Registrar of Contractors to function as Executive Secretary of the Board and carry out all of the administrative duties provided for in the act creating the Contractors' State License Board, and as designated to him by the Board, the effective date of said appointment to be February 1, 1938, and the compensation for said position to be fixed at \$400.00 per month. This motion was unanimously carried.

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It was moved by Mr. Johnson and seconded by Mr. McNulty that the Board recess for lunch. Unanimously carried.

The regular meeting of the Contractors' State License Board recessed for lunch at 12:30 P.M. to reconvene at 2:00 P.M.

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AFTERNOON SESSION
2:15 P.M.

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The afternoon session of the Contractors' State License Board was called to order at 2:15 P.M. by Chairman Roy M. Butcher. The following were present:

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

Also present were:

Fred A. Taylor, Assistant Director
Glen V. Slater, Assistant Registrar
Ralph S. Bowdle, Deputy Registrar
Louis F. Erb, Deputy Registrar
I. L. Swearingen, Deputy Registrar
Ed Boney, Inspector
Arthur Alber, newly appointed Registrar.

The following entered while the meeting was in session:

Dave Moir, 1st Vice-Pres. Building Contractors
Association of Southern California, L.A.
Carl Steger, Secretary of San Joaquin Master
Painters Association, Stockton
J. Burr, Secretary of Builders Exchange, Sacramento
Rodney Turner, Assemblyman, of Delano.

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Mr. Johnson, Chairman of the Rules & Regulations Committee, submitted the following report:

"The Rules and Regulations Committee held a meeting on Friday, January 7, 1938, at 423 State Office Building, Sacramento, at the call of Chairman S. G. Johnson. Those present were: Chairman Johnson; William Nies, Member; Roy M. Butcher, Chairman of the Board; Clarence B. Eaton, Member, and Secretary Anderson. Mr. McNulty was unable to be present.

"The meeting was called to discuss the new rules and regulations adopted by the Board at its last meeting and which were to be referred to the Attorney General and the Director for their approval.

"Chairman Johnson requested the Secretary to outline to the Committee the changes and recommendations of the Attorney General regarding the rules.

"The Secretary reported to the Committee that the Attorney General commended the Board very highly for the splendid composition of the rules and offered only a few changes and recommendations. He then outlined the suggested changes and recommendations of the Attorney General.

"The Attorney General also checked over the questions and answers for the examination but made

Board Meeting Minutes

only a few suggested changes, which the Secretary presented to the Committee.

"The Secretary then reported to the Committee that Director Bonelli had not as yet approved the rules, and that he preferred to appear before the Board at its next meeting to discuss them before the entire membership.

"The Secretary further reported that the Director was opposed to certain rules relating to the examination.

"Considerable discussion was held on the questions. The Chairman then instructed the Secretary to select twenty-five questions out of the two hundred approved and requested that they be ready for the next Board meeting.

"It was brought to the attention of the Committee that a letter had been received from Floyd Booe, Manager of the Northern California Chapter of the A.G.C., in which they protested the issuance of a license to one Grover McLain. The Secretary then gave a brief digest of the case and reported that a formal hearing had been held upon the application for license for this party in the San Francisco office before Deputy Erb. He further stated that the evidence presented by the A.G.C. was not sufficient to refuse a license; that the Attorney General was of the opinion that the law did not give us the power to refuse a license upon the evidence as presented at the hearing.

"Chairman Johnson then brought up the matter of compensation insurance and stated he thought it would be a good plan to have the members of the Industrial Accident Commission meet with the Board sometime in the

near future so that plans could be formulated between the two departments towards securing more inspection work and apprehending violators of their act.

Respectfully submitted,

RULES & REGULATIONS COMMITTEE

- (Signed) S. G. Johnson
S. G. Johnson, Chairman
- (Signed) Wm. Nies
Wm. Nies, Member
- (Signed) Clarence B. Eaton
Clarence B. Eaton, acting
for Hugh McNulty, Member. "

It was moved by Mr. Eaton and seconded by Mr. McNulty that the report of the Rules and Regulations Committee be accepted. Unanimously carried.

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Mr. Anderson then read a number of the proposed examination questions for the approval of the Board, and after a general discussion it was moved by Mr. Johnson and seconded by Mr. Ford that the thirty-seven questions selected by the Board be submitted to the Director for his approval, and that the Board accept his recommendation that they be examined by him, together with Mr. Anderson, Mr. Alber, and the Chairman of the Board, and that 25 be accepted out of the 37. Unanimously carried.

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Mr. Anderson then referred to subsection 3 of Section 3 of the new rules and regulations and suggested that building and loan associations be added as signatories in Class D on the application form. A general discussion ensued.

Motion was made by Mr. McNulty and seconded by Mr. Eaton that subsection 3 of Section 3 of the new rules and regulations be amended to include building and loan associations. Unanimously carried.

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Mr. Anderson then read the following Registrar's Report:

"Total licensed contractors January 1, 1938 - - 29,367
"Total licensed contractors January 1, 1937 - - 26,052

"This makes an increase of licenses issued of 3,315 or 12.7%.

"According to our records 229 cases resulting in 178 formal hearings and fifteen continued hearings were handled by the Department for the period from July 1, 1937 to January 1, 1938.

"Dispositions of these cases are as follows:

Suspensions - - - - -	54
Revocations - - - - -	8
Cancelled - - - - -	1
Reinstated - - - - -	19
Guilty - no penalty - - - - -	1
Applications denied - - - - -	5
Applications granted - - - - -	15
Flagged-defendant unlicensed - - - - -	36
Settled-result of hearing - - - - -	31
Dismissed - not guilty - - - - -	31
Settled prior to hearing - - - - -	28

(EXPLANATION: The difference between the total number of hearings and the total of the disposition of the action taken is explained by the fact that there were eight instances when more than one case involved the same defendant and also that there were 28 cases that were settled before coming to a hearing.)"

"Letter from Harry Cayford relative to advising them when our next Contractors' Board meeting was going to be held so that their State Builders' Exchange could be present and probably hold their meeting at the same time;

"Letter from the Western Construction News addressed to Mr. Anderson with regard to publicity;

"Letter from the Builders' Exchange of Oakland thanking the department for the official directory;

"Letter from the Los Angeles Chamber of Commerce extending thanks for the official directory and complimenting the Board on same;

"Letter from Frank J. Connolly, Manager of the Southern California Chapter of the Associated General Contractors, commending the Board on the directory and asking that a directory be sent to the A.G.C. at Washington, D.C.;

"Letter from Mr. Sweeney of Santa Barbara Builders' Exchange regarding "whispering" campaign on lower building costs.

"Letter from David Reubenstein, San Diego Association of Building Contractors, regarding examination of contractors;

"Opinion from Attorney General regarding personal liability of members of the Contractors' State License Board;

"Opinion from Attorney General relative to whether certain owners of property should become licensed;

"Attorney General's ruling regarding Pest Control Act;

"Letter from J. F. Lindstrom, Jr., Executive Secretary of Peninsula Merchant Plumbers, regarding maintaining a branch office in the city of San Mateo;

"Mr. Anderson's reply to above letter;

"Another letter from Mr. Lindstrom, Jr., dated December 28, 1937, which was supplemented by remarks from Mr. Anderson. Chairman Butcher referred this to Mr. Anderson to answer in keeping with the motion that was passed previously;

"Letter, dated December 28, 1937, from the Associated General Contractors, Northern California Chapter, signed by Floyd Booe, addressed to Chairman Roy M. Butcher, protesting the issuance of a license to one Grover A. McLain;

"Acknowledgment by Mr. Anderson, January 6, 1938;

"Report on the three questions asked the Attorney General.

The Secretary then outlined the case to the Board. Motion was made by Mr. Eaton and seconded by Mr. Nies to sustain the Registrar in his decision on the application of Grover McLain. Unanimously carried.

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After recessing for five minutes Mr. Anderson read a report regarding credit reports on applicants. He then outlined a few articles printed in various publications, such as Southwest Builder and Contractor of December 17 relative to Contractors' and Pest Control Acts being harmonized; the California Contractor published in New York which carried an article titled "An Essay of the California Contractors' License Law" by Roy M. Butcher, Chairman of the Contractors' State License Board; Plastering Craft, October issue, which has a page devoted to this department; Western Plumbing and Heating Journal, November issue, an article on unlicensed contractors, etc.; Building Contractors' Forum of November, Dave Moir, Editor, relative to examination; Electrical West, November issue, an article by Mr. Roy M. Butcher; the California Plasterer, an article by Mr. Anderson; California Plasterer on the value of the license law; Southwest Builder and Contractor, October 29 issue, regarding handling license renewals; California Plasterer, September issue, regarding new license regulations; Southwest Builder and Contractor, October 22 issue, regarding proposed examination.

Mr. Johnson then referred to the bulletin published by

the Board entitled "The California Licensed Contractor", stating he has heard many favorable comments and is more convinced than ever that this little instrument can be made a very fine medium for publicity for the department, and it was his thought that perhaps it would be a good thing to have an article in each issue explaining some section of the Act with reference to its enforcement.

Motion was made by Mr. Johnson and seconded by Mr. Homann that the Registrar be asked to prepare for each issue an article explaining some section of the law. Unanimously carried.

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Mr. Anderson then cited a case in which suit was brought against the Contractors' License Bureau, Carlos Huntington, Registrar, and Glen V. Slater, Assistant Registrar, sometime in 1932 or 1933. Mr. Slater stated that this case is still pending and that the man who is representing him and the Contractors' State License Board has thus far received no remuneration for such representation. He asked that a motion be made requesting the Attorney General to appoint this man as attorney to represent this Board in the handling of the case against the Department, Huntington and Slater for the sum of \$250.00.

Motion was made by Mr. Ford and seconded by Mr. McNulty that this be done. Unanimously carried.

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Mr. Anderson then made a report on the Handbook for Licensed Contractors, the cost, etc. A general discussion ensued as to the number that should be printed. Mr. Moir expressed the

belief that about five thousand would be required to start with as his Association alone would take from three to five hundred. It was the unanimous opinion of the Board that five thousand copies of the Handbook should be printed.

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Mr. Moir then stated that his Association was staging a housing show at the Pan-Pacific Auditorium in Los Angeles from April 21 to May 1, and would be glad to have suggestions from the Board.

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Mr. Hugh W. McNulty, Chairman of the Legislative Committee, stated that his Committee had no report to make.

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A general discussion was held on the form letter regarding compensation insurance for employees of this department. Mr. Homann suggested that Mr. Bonelli be complimented for the work he has done on this, and that the Board express its appreciation to him. Mr. Butcher, Chairman, delegated Mr. Anderson to express the appreciation of the Board to Mr. Bonelli.

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Mr. McNulty then said he would like to know what process it is necessary to go through to divide the different contractors into their own craft so that a plumber, for instance, couldn't do wiring, and an electrician couldn't bid on the building of a structure. This was referred to the Legislative Committee to find out if it could be taken up at the next session

of the Legislature.

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Mr. Nies brought up the subject of renewal and expressed his views regarding same, and Mr. Anderson informed him that any change in the renewal system would have to be submitted to the Legislature for amendment. A general discussion of renewal of license followed.

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Mr. Sweeney, President of the Santa Barbara Builders' Exchange, stated he has received letters from various parts of the State commending the deputies of the department very highly for the work they are doing. He also stated that the License Board is functioning very satisfactorily.

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Hon. Rodney Turner, Assemblyman, informed the Board that his contacts with the department of Contractors at Sacramento have been most pleasant.

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It was moved by Mr. Johnson and seconded by Mr. Eaton that the meeting recess until the following morning at 10:00 A.M. Unanimously carried.

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The regular meeting of the Contractors' State License Board recessed at 6:00 P.M.

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MORNING SESSION
CONTRACTORS' STATE LICENSE BOARD
JANUARY 29, 1938

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The regular meeting of the Contractors' State License Board reconvened at 11:00 A.M. on January 29, 1938, to take up unfinished business. The roll was called by Chairman Butcher and the following were present:

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

Also present were:

Glen V. Slater, Assistant Registrar
Ralph S. Bowdle, Deputy Registrar
Louis F. Erb, Deputy Registrar
I. L. Swearingen, Deputy Registrar
Ed Boney, Inspector
Arthur Alber, newly appointed Registrar
Joe Burr, Secretary Builders' Exchange, Sacramento
Dave Moir, Vice Pres. Building Contractors'
Association of Southern California

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Mr. Slater reopened the subject of the suit against the Contractors' License Bureau, Carlos Huntington and Glen V. Slater, stating that he talked to Mr. Bonelli and Mr. Bonelli requested him to present the situation to the Board, and, if they couldn't make the deal with the Attorney General, to have placed on their payroll the attorney defending the case, same to be charged back to the Contractors' License Board, that the Board authorize the appointment of a reviewing officer on a temporary

authorization basis, the idea being he could be put on for two months or more to handle the case to work out the equivalent amount of money that was mentioned the previous day.

Motion was made by Mr. Ford and seconded by Mr. McNulty that the above recommendation be approved by the Board. Unanimously carried.

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Mr. Anderson again referred to the credit report on applicants for license and a general discussion followed. Motion was made by Mr. Nies and seconded by Mr. McNulty that the report be turned over to the Rules and Regulations Committee for a report at the next meeting. Unanimously carried.

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Mr. Homann, Chairman of Finance and Budget Committee, stated that his Committee had no report to make at this time.

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Mr. Homann brought up the subject of prosecution and asked if anything could be done to facilitate prosecution and punishment. A general discussion ensued.

Mr. Anderson suggested that the Board make a motion to instruct the Registrar to contact various organizations and acquaint them with this condition. It was moved by Mr. Homann and seconded by Mr. Ford that the following resolution be adopted and be mailed out as a news release. Unanimously carried.

"WHEREAS the very foundation of the Contractors' License Law is the ability to enforce its registration provisions, and

"WHEREAS the actual mechanics of the prosecution of unlicensed offenders of the Contractors' License Law lie in the hands and under the control of the prosecuting authorities of the State and its political subdivisions, and

"WHEREAS there has frequently been made the criticism that adequate enforcement of the Contractors' License Law is lacking, and

"WHEREAS it is the opinion of this body that no such criticism may justly be directed against the policies or operations of this body or of its personnel, now

"LET IT BE RESOLVED that this body, the Contractors' State License Board, in regular meeting this 29th day of January, 1938, does hereby instruct its administrative officer, the Registrar of Contractors, to acquaint the construction industry organizations with this condition and to request them to use their best influence to remedy this harmful situation."

Mr. Johnson expressed the belief that District Attorneys have failed to cooperate with the Department in the enforcement of the Contractors' License Law.

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Suggestion was made to thank the Bakersfield and Kern County Builders' Exchange for the splendid reception given to the Board during its stay in Bakersfield, and the enjoyable banquet to which the Board members were invited on Friday night, this to be made in the form of a resolution.

Motion was made by Mr. Nies and seconded by Mr. McNulty to make this in the form of a resolution. Unanimously carried.

"BE IT RESOLVED THAT the Contractors' State License Board, in open meeting this 29th day of January, 1938, extend to the Bakersfield and Kern County Builders' Exchange its deep and sincere appreciation for the splendid reception and entertainment accorded its members while in quarterly meeting at the El Tejon Hotel at Bakersfield on the 28th and 29th days of January, 1938; and

"BE IT FURTHER RESOLVED THAT it is the desire of this Board to cooperate in every way possible with said Builders' Exchange."

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Motion was made by Mr. Ford and seconded by Mr. Eaton to adopt a resolution thanking the management of the hotel for the use of the room, etc. Unanimously carried. Chairman Butcher delegated the Registrar to draw up such a resolution.

"BE IT RESOLVED THAT the Contractors' State License Board, in open meeting this 29th day of January, 1938, extend to the Bakersfield and Kern County Builders' Exchange its deep and sincere appreciation for the splendid reception and entertainment accorded its members while in quarterly meeting at the El Tejon Hotel at Bakersfield on the 28th and 29th days of January, 1938; and

"BE IT FURTHER RESOLVED THAT it is the desire of this Board to cooperate in every way possible with said Builders' Exchange."

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It was also suggested that a letter of thanks be written to Mayor George Wilson of Bakersfield, and Assemblyman

Rodney Turner of Delano. This was also delegated to the Registrar by Chairman Butcher.

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Dave Moir suggested that letters be sent to judges from time to time to acquaint them with what the Board and the industry wants in a reasonable way in line with the enactment of the law. A general discussion followed.

Mr. Ford suggested that the new Registrar check up and see what could be worked out, Mr. Alber to report at the next Board meeting.

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Mr. Burr, Secretary of the Builders' Exchange at Sacramento, stated that his organization is interested in having more inspectors, and that it was their understanding that a provision for additional inspectors had been made and they would like to see the Board take some action on the matter at this time. Mr. Anderson reported that provision had been made to add one more inspector to each of the three districts, that is, Sacramento, San Francisco and Los Angeles, and that same would be done very shortly.

A general discussion followed about the budget relative to additional allowance for additional inspectors.

Mr. Anderson reported on the matter of furnishing Board members with badges. Chairman Butcher instructed Mr. Alber to again take this matter up with the Director.

Mr. Anderson then read the budget report which was prepared by Mr. Taylor, Assistant Director.

Board Meeting Minutes

There followed a general discussion on the possibility of increasing the budget.

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It was moved by Mr. Johnson and seconded by Mr. Ford that the following resolution be adopted, a copy to be sent to Mr. Anderson in the proper form. Unanimously carried.

"BE IT RESOLVED THAT the Contractors' State License Board in open meeting this 29th day of January, 1938, extend to EARL S. ANDERSON, retiring Registrar of Contractors, its deep and sincere appreciation of the services he has so efficiently and loyally rendered during his term of office as the executive officer of the Board; and

"BE IT FURTHER RESOLVED THAT continued success be our wish for him in his new venture, and throughout the years to come."

- - - -

Chairman Butcher declared a recess for a special meeting in Los Angeles in the evening and stated that the next Board meeting will be held at the call of the chair.

The regular meeting of the Contractors' State License Board recessed at 12:30 P.M.

- - - -

The regular meeting of the Contractors' State License Board reconvened at 7:00 P.M. on January 29, 1938, at the Jonathan Club, Los Angeles, to take up unfinished business. The roll was called by Chairman Butcher and the

following were present:

Roy M. Butcher, Chairman
Ralph E. Homann, Vice Chairman
Stephen L. Ford, Member
Clarence B. Eaton, Member
Hugh W. McNulty, Member
William Nies, Member
Earl S. Anderson, Executive Secretary.

Absent:

S. G. Johnson, Member.

Also present were:

Fred A. Taylor, Assistant Director
Glen V. Slater, Assistant Registrar
Ralph S. Bowdle, Deputy Registrar
Louis F. Erb, Deputy Registrar
I. L. Swearingen, Deputy Registrar
Arthur Alber, newly appointed Registrar.

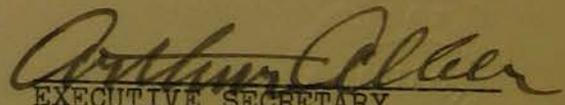
A general discussion was held as to the questions to be used in the examination.

- - - -

The Board then retired to the Farewell Banquet given in honor of retiring Registrar Earl S. Anderson.

- - - -

The regular meeting of the Contractors' State License Board adjourned at 7:45 P.M.


EXECUTIVE SECRETARY
CONTRACTORS' STATE
LICENSE BOARD

Reported by
Pearl Michaelson
906 Calif. State Bldg.
Los Angeles, Calif.

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

Held at
Sacramento, California
April 1 and 2, 1938

* * * *

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 Trepte, Member
Arthur Alber, Registrar & Executive Secretary

Absent:

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

* * * *

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.

* * * *

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

* * * *

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.

* * * *

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.

* * * *

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.

* * * *

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.

* * * *

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.

* * * *

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.

* * * *

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.

* * * *

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.

* * * *

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.

* * * *

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.

* * * *

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%.

* * * *

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.

* * * *

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

* * * *

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.

* * * *

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.

* * * *

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

* * * *

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.

* * * *

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.

* * * *

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.

* * * *

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.

* * * *

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.

* * * *

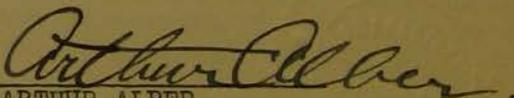
It was moved by Mr. Nies and seconded by Mr. Ford that the Secretary prepare a resolution commending Mr. Ralph Homann for his services and cooperation as a member of the Contractors' State License Board, and that a copy of said resolution be sent to Mr. Homann. This motion was unanimously carried.

* * * *

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.

* * * *


ARTHUR ALBER
EXECUTIVE SECRETARY

Reported by:

Edith Ebeling
423 State Office Building
Sacramento, California

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 B. 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
CHAIRMAN
SAN JOSE

RALPH E. HOMANN
VICE CHAIRMAN
LOS ANGELES

~~EARL ANDERSON~~ Arthur Alber
STRAR 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

April 2nd

1938

FRED A. TAYLOR
ASSISTANT DIRECTOR

STEPHEN L. FORD
LONG BEACH

S. G. JOHNSON
OAKLAND

HUGH W. MCNULTY
FRESNO

WILLIAM NIES
LOS ANGELES

CLARENCE B. 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

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 _____

Contractors' State License Board
Board Meeting Minutes

1938

4/4

MINUTES OF THE SPECIAL MEETING CONDUCTED BY
CONTRACTORS' STATE LICENSE BOARD OF CALIFORNIA
held at
U. S. GRANT HOTEL, SAN DIEGO, CALIFORNIA
June 17, 1938

- - - -

The special meeting of the Contractors' State License Board was called to order by Chairman Roy M. Butcher at 10:30 A.M., June 17, 1938, at the U. S. Grant Hotel in San Diego, California.

The roll was called and the following were present:

Roy M. Butcher, Chairman
Stephen L. Ford, Vice Chairman
S. G. Johnson, Member
Clarence B. Eaton, Member
Walter Trepte, Member
Arthur Alber, Executive Secretary.

Absent:

Hugh W. McNulty, Member
William Nies, Member.

Also present were:

Glen V. Slater, Assistant Registrar
I. L. Swearingen, Deputy Registrar
Jess Aykroyd, Inspector.

It was moved by Mr. Johnson and seconded by Mr. Ford that the minutes of the last meeting, held in Sacramento on April 1 and 2, stand approved as written with the addition of the report of the Rules and Regulations Committee. Unanimously carried.

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Mr. Alber, Secretary, submitted the following report on the activities of the Department:

"Total licenses issued as of 6/1/38 -----	32,912
" " " " " 6/1/37 -----	29,201
Increase - - - - -	3,711
Percentage of Increase - - - - -	12.7%

"Original licenses issued as of	6/1/38	-----	7,450
" " " " "	6/1/37	-----	6,673
Increase	- - - -	- - - -	777
Percentage of Increase	- - - -	- - - -	11.6%

"Renewal licenses issued as of	6/1/38	-----	25,462
" " " " "	6/1/37	-----	22,489
Increase	- - - -	- - - -	2,973
Percentage of Increase	- - - -	- - - -	13.2%

Mr. Alber also reported a total of 32,912 licenses issued for the fiscal year 1937-38 (as of June 1, 1938), 14,187 of which were in Los Angeles County.

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A general discussion was held relative to building and loan institutions as sponsors. Also on the advisability of changing the class of sponsors; in other words, eliminating material dealers. Mr. Slater suggested that it would be advisable for the Board to consider changing the class of sponsors as building material dealers were the greatest offenders, and if a change were made it should be to a sponsor that would be harder to secure. There ensued a general discussion on material houses as sponsors and it was suggested that a general letter be sent to the material houses regarding signing for applicants. It was also suggested that it be published in the trade magazines.

Mr. Johnson suggested that one who endorses an applicant be asked to answer the following question: "Do you think the applicant is capable of handling the business for which he applies for a license?", or some similar question that would call to the attention of the endorser the fact that he is assuming a certain amount of responsibility in signing for the applicant.

It was Mr. Ford's recommendation that an article be

printed in the bulletin "The California Contractor".

Chairman Butcher referred the foregoing to the Rules and Regulations Committee for a report during the afternoon session.

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The Secretary then made a report on the cost of the handbook. It was moved by Mr. Eaton and seconded by Mr. Johnson that the Board go ahead with the printing of the handbook. Unanimously carried.

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Mr. Alber, Secretary, reported receipt of the following letters:

"Letter from Santa Barbara commending T. L. Glenn."

"Also letter from Long Beach Labor Council about the good work Mr. Klepper is doing."

"Letter from Prosecuting Attorney in Pasadena regarding Patrick Lawson."

"Letter from City Building Inspector of Pasadena regarding A. Patrick Lawson."

"Invitation from Orange County Contractors' Association to attend dinner."

"Letter from State Master Plumbers inviting me to attend their convention in Sacramento."

"Also a letter from the above thanking me for attending and giving a talk."

"Letter from the Building Material Dealers Credit Association of Los Angeles expressing appreciation for the appear-

ance of Mr. Swearingen and myself at their meeting."

"Letter from the Hod Carriers' Association at San Rafael regarding change in policy in publication of directory."

"Letter from W. G. Bingham, new F. H. A. District Director, thanking me for my letter to him."

"Letter from Hod Carriers' Union of Fresno demanding a stricter enforcement of the Contractors' License Law."

"Letter from Mr. Nicholson, Building Inspector at Larkspur, expressing appreciation of the services of Mr. Rahlves."

"Letter from Marin County Building Trades Council of San Rafael regarding Mr. Rahlves."

"Letter from Labor Union in San Rafael regarding Mr. Rahlves."

"Letter from Walker and Walker of Wilmington, Delaware, asking for copy of our law as they are figuring on a similar law in Delaware."

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Mr. Hugh W. McNulty, Member, joined the meeting at this time.

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Mr. Alber then distributed to each member a copy of Mr. Taylor's Finance and Budget report, together with a copy of his letter, and a general discussion of same ensued. It was suggested that a statement of net worth showing assets and liabilities should be secured from Mr. Taylor for the next regular meeting.

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The Secretary then made a report on publicity appearing in the various trade magazines, such as an article regarding payment of renewal fees which appeared in Southwest Builder and Contractors; article in "California Plasterer"; article in "Building Contractors' Forum", etc.

This was followed by a report of his activities in connection with meetings attended since the meeting of April 1.

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At this point Mr. A. I. Stewart, Director of the Department of Professional and Vocational Standards, entered the meeting and was introduced to the Board members.

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A general discussion was entered into relative to the opinion of Mr. Jess Hession of the Attorney General's Office with regard to financial pre-qualification. Mr. Ford expressed the opinion that an owner should be at liberty to ask for a statement from a contractor, stating, "If a contractor gives a statement to an owner and then they get into trouble, then that owner would have some way of getting back at that contractor."

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Mr. Alber reported on the suit filed in San Mateo County against Mr. Slater and Mr. Huntington; also on the Stanislaus County decision in favor of the Department wherein a contractor had diverted from the plans and specifications.

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The Secretary also submitted the following reports:

Schedule of duties in the Sacramento office.

Report on additional help in the Los Angeles Office.

Appointment of a person in each office to take oath on applications and verification of complaints in accordance with opinion of Attorney General.

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Mr. Stewart expressed his ideas with regard to Mr. Ford's suggestion relative to financial pre-qualification.

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It was moved by Mr. Eaton and seconded by Mr. Ford that the Board recess for lunch. Unanimously carried.

The special meeting of the Contractors' State License Board recessed for lunch at 12:30 P.M. to reconvene at 2:30 P.M.

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AFTERNOON SESSION
3:00 P.M.

The afternoon session of the Contractors' State License Board was called to order at 3:00 P.M. by Chairman Roy M. Butcher, after a luncheon with the Director, Mr. A. I. Stewart.

The following were present:

Roy M. Butcher, Chairman
Stephen L. Ford, Vice Chairman
S. G. Johnson, Member
Clarence B. Eaton, Member
Walter Trepte, Member
Hugh W. McNulty, Member
Wm. Nies, Member
Arthur Alber, Executive Secretary.

- - - -

The Secretary reported on three resolutions appearing in various periodicals relative to the enforcement of the

that the Registrar make a survey regarding inspectors' districts and submit same at the next regular meeting. Unanimously carried. Contractors' State License Law, stating that after receiving same he and Mr. Slater went to Fresno and had a meeting with Mr. Harry L. Todd, Mr. Wm. Russell and Mr. Wm. Smith, who stated that at their meeting in Monterey they adopted resolutions similar to this and were desirous of getting new legislation next time and wanted the Board to cooperate with them. They want some kind of law passed which will confine a licensee to his particular classification.

Discussion about holding a school for inspectors periodically and Mr. Butcher expressed his opinion that a school for inspectors every three months or so was a good thing and should be done. Motion was made by Mr. McNulty and seconded by Mr. Eaton that Mr. Alber be given authority to hold a school for inspectors in July and October. Unanimously carried.

General discussion of the large territory covered by Inspector Boney and the need for more inspectors. Mr. Alber stated he would like to have the Board consider having two more inspectors in the Los Angeles office and a supervising inspector. Mr. Nies stated that in addition to inspectors he would like to see an investigator appointed.

General discussion about the advisability of inspectors having an office and being in a certain place at a certain time.

Motion was made by Mr. Eaton and seconded by Mr. Ford

that the Registrar make a survey regarding inspectors' districts and submit same at the next regular meeting. Unanimously carried.

Motion was made by Mr. Johnson and seconded by Mr. McNulty that the Personnel Committee investigate the need for additional inspectors for Fresno County, also for Los Angeles and other areas in conjunction with the survey to be made by Mr. Alber, and to have a report ready for the July meeting. Unanimously carried.

- - - -

There followed a discussion about holding a school for inspectors periodically and Mr. Butcher expressed his opinion that a school for inspectors every three months or so was a good thing and should be done.

Motion was made by Mr. McNulty and seconded by Mr. Eaton that Mr. Alber be given authority to hold a school for inspectors in July and October. Unanimously carried.

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General discussion on the payment of Social Security, Unemployment Reserves, and Sales tax.

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Mr. Alber reported his meeting with Mr. Harry Mellon of the City Prosecutor's Office in Los Angeles.

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Mr. Alber was delegated to make an appointment with Mr. Taylor for Mr. Ford regarding the financial statement.

Mr. Alber was also delegated to secure from Mr. Taylor a

clearer report on the budget, and also a report on the \$16,000.00 in the San Francisco building.

Chairman Butcher ordered that the financial report, Mr. Ford's report, and Mr. Alber's report come in together at the next meeting.

There followed another discussion of the budget.

- - - -

General discussion on the feasibility of adding more questions to the application blank, particularly one pertaining to bankruptcy.

Motion was made by Mr. Nies and seconded by Mr. Eaton that everything possible be asked of an applicant pertaining to his integrity and even bordering on his financial statement, and ask him what his status is; that those questions be embodied in the application; that this be done through the proper committee and within the scope of the law. Unanimously carried.

Chairman Butcher referred the above to the Rules and Regulations Committee for a report in July.

- - - -

Mr. Johnson, Chairman of the Rules and Regulations Committee, submitted the following recommendation:

"With reference to material dealers and lumber yards who sponsor applicants for licenses and the suggestion that perhaps those sponsors need to be substituted with other sponsors. The Committee talked the thing over and since the law at present prescribes who the sponsors shall be there is nothing the Board can do in changing the sponsorship. For that reason the best

thing we can do at the present time, the Committee thinks, is to advise these material people through a general letter that they are assuming a certain amount of responsibility when they sponsor an applicant for a license, and to have this letter printed in trade journals and also in our own bulletin 'The California Contractor'. This, in effect, is the recommendation of your Rules and Regulations Committee, and I move that it be accepted."

Motion was made by Mr. Ford and seconded by Mr. Nies that the foregoing recommendation of the Rules and Regulations Committee be accepted. Unanimously carried.

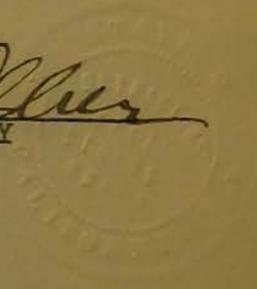
Mr. Johnson added: "We thought it might be well to send this letter to material dealers credit associations as well. If it should become too expensive to send this letter to all material dealers, perhaps we could leave it to the discretion of the Registrar to send it to those whom he thinks should be educated. We did not include that in our recommendation. We think it would be advisable to send a letter to all material dealers if the expense of obtaining the addresses of these material firms in the State is not too great. I have no idea at this time how many there are, but it might be a good thing for the Board to have a list of these firms, and if the expense involved is not too great we believe that it would be a good thing to have this list and to send a letter to these firms. We believe the material firms are the weakest sponsors and they should be advised of the responsibility to be assumed when they sign their names to the application blanks. I will leave the wording

to the Registrar. This recommendation from the Committee, if adopted by the Board, is entirely within the scope of the law 'according to such rules and regulations as the Board may adopt'."

- - - -

Motion was made by Mr. Eaton and seconded by Mr. McNulty that the special meeting of the Contractors' State License Board adjourn, to meet again at the call of the chair. Unanimously carried.

The special meeting of the Contractors' State License Board adjourned at 5:35 P.M.


Arthur Allen
EXECUTIVE SECRETARY

Reported by
Pearl Michaelson
906 Calif. State Bldg.,
Los Angeles, California

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

Held at
Tahoe Tavern
LAKE TAHOE, CALIFORNIA
July 22 & 23, 1938

- - - -

The regular meeting of the Contractors' State License Board was called to order by Roy M. Butcher, Chairman, at 10:00 A.M., July 22, 1938, at Tahoe Tavern, Lake Tahoe, California.

The roll was called and the following were present:

Roy M. Butcher, Chairman
William Nies, Member
S. G. Johnson, Member
Clarence B. Eaton, Member
Hugh W. McNulty, Member
Arthur Alber, Registrar & Executive Secretary
R. S. Bowdle, Deputy Registrar

Absent:

Stephen L. Ford, Vice Chairman
Walter Trepte, Member.

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It was moved by Mr. Eaton and seconded by Mr. Johnson that the minutes of the last meeting of the Board, held in San Diego on June 17, 1938, be approved as written and corrected. Unanimously carried.

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It was moved by Mr. Eaton and seconded by Mr. Johnson that the Secretary write a letter to Mr. Walter

Trepte, Board member from San Diego, and to the management of the U. S. Grant Hotel, in San Diego, thanking them for the cooperation and courtesies extended at the last meeting of the Board. Unanimously carried.

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The Secretary distributed to each Board member a copy of the statistical report on renewals for the present fiscal year. There followed a general discussion relative to same, and Mr. Butcher stated that Mr. Alber and whoever had anything to do with the increased efficiency should be commended.

It was moved by Mr. McNulty and seconded by Mr. Johnson that the Registrar, Miss Kuechler, and all others responsible, be complimented for their splendid cooperation and deft handling of the money and renewal of licenses for the 1938-39 fiscal year. Unanimously carried.

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A discussion was held regarding the present law which permits a contractor to renew his license within a year after the expiration date merely by paying the \$10.00 delinquent fee.

It was suggested that an attempt be made to secure legislation at the next session which would cut the renewal period down to possibly thirty days, after which an original application should be required.

Chair man Butcher instructed the Legislative Committee,

At this point the Secretary directed the attention of the Board to the publicity given it, stating that the newspapers and magazines have been very cooperative, and that the "Newscaster", a publication edited by the Painting and Decorating Contractors, printed a very nice article commending Inspector Jess Aykroyd of San Diego.

The Secretary stated that the department has not been putting out any publicity on suspensions or revocations; whereupon Mr. Butcher expressed the opinion that the system of publishing such information should again be inaugurated. A discussion was had regarding this and the Board agreed that such information should be given publicity, and that it should also be published in the quarterly bulletin "The California Licensed Contractor".

Chairman Butcher instructed the Secretary to set up some news release system on suspensions and revocations, and to include same in the quarterly bulletin.

The Secretary reported that a Mrs. Rosenberg, who writes articles for a Westwood paper on legal matters, asked permission to reprint an article by Inspector Evison which appeared in the quarterly bulletin of June, 1938, and was given such permission.

There followed a report on the activities of the Los Angeles Office for the month of June, 1938, such as number of applications dispensed, accepted, etc.

The meeting recessed at 12:10 P.M., to reconvene at 2:00 P.M., which time was set by Chairman Butcher.

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AFTERNOON SESSION
2:00 P. M.

The afternoon session of the Contractors' State License Board was called to order by Chairman Roy M. Butcher, at 2:00 P.M., at Tahoe Tavern, Lake Tahoe, California.

The following were present:

Roy M. Butcher, Chairman
William Nies, Member
S. G. Johnson, Member
Clarence B. Eaton, Member
Hugh W. McNulty, Member
Arthur Alber, Registrar & Executive Secretary
R. S. Bowdle, Deputy Registrar

Absent:

Stephen L. Ford, Vice Chairman
Walter Trepte, Member

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At this point Mr. A. I. Stewart, Director of the Department of Professional and Vocational Standards, visited the Board meeting for a few moments.

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A general discussion was entered into relative to the possibility of requiring a credit report or financial statement from an applicant applying for a license to prevent a bankrupt from securing a license. Mr. Nies cited the case of Maxwell, Inc. who secured a license on February 17, 1938. He stated that an officer of the company is Cleo C. Maxwell, who secured a license as an individual on April 8, 1932, and the other officers of the

new company consist of Mr. Maxwell's father and wife. He further stated that Mr. Maxwell was under bankruptcy at the time the license was secured.

Mr. Nies read a letter, addressed to him on July 20, 1938, from the Trade Association Service Corporation, in which they stated that some changes should be made in the application form. They enclosed with the letter some clauses and questions which they suggested be incorporated in the application form. The Board members felt that their recommendations were good and should be considered.

The Secretary read to the Board a telegram from Loy F. Johnston, President of the State Association of Master Plumbers of San Francisco, and a telegram from Louis C. Breer, of the Safety Council of the City of Los Angeles, both of which were dated July 22, 1938. Mr. Johnston stated that the Board should stop contractors, who go broke, from starting in business again with the same personnel, but under a different name; and Mr. Breer stated that it has come to his attention that certain contractors who are in bankruptcy have incorporated and secured State contractors' licenses. He stated he feels this should be given the Board's personal attention, and they should work out something to protect the legitimate contractors.

Mr. Butcher instructed the Registrar to make an investigation of the Maxwell, Inc. application, and take any action he deems necessary.

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It was moved by Mr. Nies and seconded by Mr. McNulty

that the application form for contractors' licenses be re-printed, the questions revised, and any necessary changes made to strengthen the application form. Unanimously carried.

Therefore, at this time the Board members and the Secretary revised the application form for contractors' licenses.

It was moved by Mr. McNulty and seconded by Mr. Eaton that the additions and changes made in the application form as discussed by the Board members and the Secretary be approved, and the application form rewritten. Unanimously carried.

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The Secretary was instructed to reply to the letter from the Trade Association Service Corporation, and advise them of the action taken in revising the application form.

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At this time, Mr. Fred A. Taylor, Assistant Director of the Department of Professional and Vocational Standards, arrived at the Board meeting.

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The Secretary reported on the Inspectors' School, held in Brookdale, California, on July 14, 15 and 16, 1938, stating that Mr. Glen V. Slater, Assistant Registrar, was in charge, and that all of the inspectors and deputies were in attendance, with the exception of Deputy I. L. Swearingen, who was ill. Mr. Alber stated that this was the first Inspectors' school that had been held since he became Registrar, and he thought it was a huge success, and felt that the school did a lot of good for all concerned. Mr. A. I. Stewart, Director of

the Department, was present at the school and made a splendid speech. Mr. Roy M. Butcher, Chairman of the Board, and Mr. Fred A. Taylor, Assistant Director of the Department, also were in attendance.

Mr. Bowdle expressed his opinion to the Board that it was a very good meeting, and that there was better feeling at this than at any other school held in the past. He said he got the impression that all of the men are happy in their work.

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Mr. Fred A. Taylor, Assistant Director, presented to each member of the Board and the Secretary the financial statements of the Contractors' License Board, and he then discussed the statements and explained them in detail. Mr. Butcher thanked him on behalf of the Board.

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Mr. Taylor gave to the Board a clear and detailed explanation of the new State Building that is being constructed at 10th and N Streets, Sacramento, advising them the approximate cost of the building, the various departments to be housed therein (Professional and Vocational Standards being one), the amount to be charged for rent, etc. The Board appreciated Mr. Taylor's explanation, stating it was information they were glad to have.

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The meeting recessed at 5:30 P.M., subject to the call of the Chairman.

EVENING SESSION
9:15 P.M.

The Chairman called a meeting at 9:15 P.M., July 22, 1938, for the purpose of election of officers for the ensuing year, and any other business that might come before the meeting.

The following were present:

Roy M. Butcher, Chairman
William Nies, Member
S. G. Johnson, Member
Clarence B. Eaton, Member
Hugh W. McNulty, Member
Arthur Alber, Registrar & Executive Secretary

Absent:

Stephen L. Ford, Vice Chairman
Walter Trepte, Member.

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The Chairman requested Mr. Johnson to take the chair during the election of officers.

Upon the motion of Mr. Eaton, seconded by Mr. McNulty, Mr. Roy M. Butcher was nominated to retain the office of Chairman of the Contractors' State License Board for the ensuing year, and nominations were closed. The Secretary was instructed to cast a unanimous vote for Mr. Roy M. Butcher for Chairman for the ensuing year.

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Upon the motion of Mr. Eaton, seconded by Mr. McNulty, Mr. Stephen L. Ford was nominated for Vice Chairman of the Contractors' State License Board for the ensuing year, and nominations were closed. The Secretary was instructed to cast a

unanimous vote for Mr. Stephen L. Ford for Vice Chairman for the coming year.

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There being no further business, the meeting recessed at 9:30 P.M., subject to the call of the Chairman.

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SATURDAY - JULY 23, 1938
12:15 P.M.

The regular meeting of the Contractors' State License Board was called to order by Chairman Roy M. Butcher at 12:15 P.M., Saturday, July 23, 1938, at Tahoe Tavern, Lake Tahoe, California.

The following were present:

Roy M. Butcher, Chairman
S. G. Johnson, Member
Clarence B. Eaton, Member
Hugh W. McNulty, Member
Arthur Alber, Registrar & Executive Secretary
Fred A. Taylor, Assistant Director of Department.

Absent:

Stephen L. Ford, Vice Chairman
William Nies, Member
Walter Trepte, Member.

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The necessity of employing additional inspectors was the first subject to come up for discussion.

It was moved by Mr. Eaton and seconded by Mr. McNulty that the Secretary and the Chairman investigate the matter of employing additional inspectors, and make a report to the Personnel Committee. Unanimously carried.

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The Secretary informed the Board that he has instructed the three deputies to report to him in the future if anyone is involved in an accident, in order that he may make an investigation of the matter.

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Mr. Butcher stated that he received a letter from the Long Beach Builders' Exchange, requesting that a Board meeting be held in Long Beach on August 8, 1938, at which time the Builders' Exchange will hold its annual meeting, and they would like to have the Board members present.

The Secretary was instructed to reply to this letter and advise them that it will be impossible to hold a Board meeting at that time, but, if it is possible for any of the Board members to attend, they will be glad to do so.

The Chairman suggested that Mr. Ford, Vice Chairman of the Board, who resides in Long Beach, be asked to represent the Board at the Long Beach Builders' Exchange annual meeting, and anyone else who can be present at that time.

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It was moved by Mr. Eaton and seconded by Mr. McNulty that the Chairman of the Board set the dates for the October meeting and notify the Board members as soon as said dates have been set. Unanimously carried.

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The Chairman of the Board instructed the Rules and Regulations Committee and the Legislative Committee to meet between now and the next Board meeting in order to discuss

legislation, and that they make a report to the Board at its next meeting. He suggested that if possible the two committees meet at the same time in order that they may collaborate in their discussions.

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It was moved by Mr. Johnson and seconded by Mr. McNulty that the Secretary write a letter to the management of the Tahoe Tavern, thanking them for the courtesies extended to the Board during this meeting. Unanimously carried.

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It was moved by Mr. McNulty and seconded by Mr. Eaton that the meeting adjourn, subject to the call of the Chairman. Unanimously carried.

The regular meeting of the Contractors' State License Board adjourned at 1:45 P.M.


EXECUTIVE SECRETARY

Reported by:

Edith Ebeling
423 State Office Building
Sacramento, California

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

Held at
906 CALIFORNIA STATE BUILDING
LOS ANGELES, CALIFORNIA
September 23 & 24, 1938

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The special meeting of the Contractors' State License Board was called to order by Chairman Roy M. Butcher at 10:30 A.M. on Friday, September 23, 1938, at Los Angeles, California.

The roll was called and the following were present:

Roy M. Butcher, Chairman
Stephen L. Ford, Vice Chairman
S. G. Johnson, Member
Hugh W. McNulty, Member
William Nies, Member
Clarence B. Eaton, Member
Walter Trepte, Member
Arthur Alber, Registrar & Executive Secretary
Glen V. Slater, Assistant Registrar.

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The Board immediately went into conference with the Legislative Committee and discussed matters pertaining to the Contractors' State License Law.

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Chairman Butcher called recess at 12:00 o'clock noon, to reconvene at 2:30 P.M.

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AFTERNOON SESSION
2:30 P.M.

The afternoon session of the Contractors' State License Board was called to order by Chairman Roy M. Butcher at 2:30 P.M., at Los Angeles, California, after a meeting with the Legislative Committee which commenced at 1:30 P.M.

The following were present:

Roy M. Butcher, Chairman
Stephen L. Ford, Vice Chairman
S. G. Johnson, Member
Hugh W. McNulty, Member
William Nies, Member
Clarence B. Eaton, Member
Walter Trepte, Member
Arthur Alber, Registrar & Executive Secretary
Glen V. Slater, Assistant Registrar.

Also present were:

Mr. A. I. Stewart, Director of Department of Professional & Vocational Standards,
Mr. Earl S. Anderson, Manager of Construction Industries Dept., L.A. Chamber of Commerce.

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Mr. McNulty, Chairman of the Legislative Committee, reported the receipt of a number of letters from various members of the construction industry in response to letters sent them relative to present legislation. He stated that there seemed to be no criticisms, but there were a few suggestions from Col. Evans of the Building Contractors' Association of Southern California.

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At this point Mr. Frank J. Connolly, Manager of

the Southern California Chapter of the Associated General Contractors, entered the meeting and talked on the subject of what the Legislature may do with the Contractors' License Law at the next session, and how the Contractors' License Law should be amended. He expressed the opinions of his group, and stated that they are particularly interested in not revising the law to require technical examinations.

A general discussion on the subject of legislation ensued.

Mr. Connolly stated that his group would probably favor financial pre-qualification, and a general discussion followed.

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At this time the following gentlemen entered and were introduced by Mr. Slater:

Mr. Wilbur Smith and Mr. Tanner, members of the Structural Pest Control Board, and Mr. Thomas Cunningham, Attorney, representing the people in the termite industry.

Mr. Smith stated that a problem had been brought to them which is very important to their Board, i.e., the ruling which the Attorney General handed down to the effect that Section 3 of the Contractors' Act permits a contractor

to do termite work regardless of whether or not he has a license of the Structural Pest Control Board. He further stated that prior to this ruling of the Attorney General the Structural Pest Control Board took the attitude that a contractor had a perfect right to do any type of repair work, whether it be termite work or anything else, if, in removing termite damage or fungus he would use pressure treated wood prepared and delivered to him from the lumber company. However, if he replaced it with untreated wood and used chemicals in that work, then he would come under Section 1 of the Structural Pest Control Act which defines a pest control operator who uses chemicals in the performance of his work. Mr. Smith stated that they would like to find some way whereby this thing could be worked out and there be an understanding between the two Boards whereby a termite operator using chemicals and a contractor using chemicals would come within the jurisdiction of the Structural Pest Control Law.

Mr. Tanner expressed his belief that men using arsenicals should have some knowledge of using them.

Mr. Slater asked if the Contractors' Board would go along with the Structural Pest Control Board so that a contractor who uses chemicals should have a structural pest control operator's license.

Mr. Cunningham then expressed his views on the foregoing subject and asked the cooperation of the Board, and whether the Board would oppose an amendment to Section 3 of the Contractors' License Law at the next session of the

Legislature to allow that Section to be amended in accordance with what had been brought up in this meeting.

Mr. Butcher assured Mr. Cunningham that the matter would be considered by the Board and it would cooperate to the fullest extent. A general discussion ensued.

Mr. Cunningham then asked if he could send an amendment for the consideration of the Board and was given permission to do so by Chairman Butcher.

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At this point Mr. McNulty continued with his report on letters received from the industry relative to proposed changes in legislation.

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General discussion on pre-qualification and classification.

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Chairman Butcher instructed the Secretary to write a letter to Col. Evans acknowledging receipt of his letter by the Board and informing him that it will receive due consideration along with other letters received by the Board.

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The following recommendation of the Personnel Committee was read by the Secretary:

"Your Personnel Committee wishes to recommend that the Registrar be instructed to take the necessary steps to have appointed at once an additional inspector for the San Francisco Office, also one for the Sacramento Office, and also not less than four for the Los Angeles Office.

Respectfully submitted,

PERSONNEL COMMITTEE

(Signed) William Nies, Chairman

" Clarence B. Eaton, Member

" Walter Trepte, Member "

It was moved by Mr. McNulty and seconded by Mr. Ford that the above recommendation be accepted. Unanimously carried.

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Mr. Alber read a letter from Mr. Booe relative to examination for new deputy registrar. A general discussion of same followed.

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Chairman Butcher called a recess of the meeting at 5:00 P.M. to reconvene at 10:00 A.M. on Saturday, September 24.

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FOIA Meeting Minutes

SATURDAY - SEPTEMBER 24, 1938
10:00 A.M.

The special meeting of the Contractors' State License Board reconvened at 10:00 A.M. on Saturday, September 24, 1938, at Los Angeles, California.

The roll was called and the following were present:

Roy M. Butcher, Chairman
Stephen L. Ford, Vice Chairman
S. G. Johnson, Member
Hugh W. McNulty, Member
William Nies, Member
Clarence B. Eaton, Member
Walter Trepte, Member
Arthur Alber, Registrar & Executive Secretary
Glen V. Slater, Assistant Registrar.

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It was moved by Mr. McNulty and seconded by Mr. Nies that the Registrar, with the authority of the Director, be instructed to establish not more than six offices in inspectors' districts where he deems it expedient. There was a maximum of \$20.00 per month set as rental. Unanimously carried.

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General discussion on increasing the field force and increasing the efficiency of the inspectors.

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General discussion on pre-qualification.

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Mr. Alber reported to the Board that a deal had been made with the Retail Merchants' Credit Association for

credit rating on applicants when desired.

Motion was made by Mr. Nies and seconded by Mr. Eaton that the Registrar be instructed to subscribe to the "Green Sheet" for a period not to exceed three months. Unanimously carried.

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Motion was made by Mr. Johnson and seconded by Mr. Nies that inasmuch as the Board had favored the use of the "Green Sheet" in Los Angeles for the purpose of checking applicants for licenses, it might be well to direct the Registrar to have each inspector in the field avail himself of like services, such as publications in the various sections carrying similar reports, etc. Unanimously carried.

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Report on handbook by R. S. Bowdle, Deputy Registrar.

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Motion was made by Mr. Johnson and seconded by Mr. Nies that the Board express to Mr. Bowdle its appreciation for the sincere and efficient manner in which he has filled the vacancy in the Los Angeles Office, which vacancy was due to the unavoidable absence of the former hearing officer, Mr. Swearingen. Unanimously carried.

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Secretary Alber reported that an Inspectors' Conference will be held in Los Angeles on October 13, 14 and 15, and extended an invitation to the Board members to be present and address the conference.

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Motion was made by Mr. Johnson and seconded by Mr. Nies that the Board adopt the following resolution:

"BE IT RESOLVED THAT THE Contractors' State License Board, assembled at a special meeting in Los Angeles, California, this 24th day of September, 1938, hereby wishes to express to Mr. Arthur Alber, Registrar of Contractors, its sincere appreciation for the fine and loyal service rendered the Board.

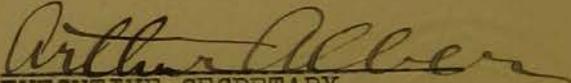
(Signed) Roy M. Butcher
Chairman, Contractors'
State License Board"

Mr. Alber expressed his appreciation.

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Motion was made by Mr. Eaton and seconded by Mr. Ford that the meeting adjourn.

The special meeting of the Contractors' State License Board adjourned at 12:30 P.M.


EXECUTIVE SECRETARY

Reported by:

Pearl Michaelson
906 Calif. State Bldg.
Los Angeles, Calif.

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

Held at
SAN FRANCISCO, CALIFORNIA
October 21, 1938

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The regular quarterly meeting of the Contractors' State License Board was called to order by Chairman Roy M. Butcher at 10:00 A.M. on Friday, October 21, 1938, at San Francisco, California.

The roll was called and the following were present:

Roy M. Butcher, Chairman
S. G. Johnson, Member
William Nies, Member
Walter Trepte, Member
Arthur Alber, Registrar & Executive Secretary
Glen V. Slater, Assistant Registrar.

Absent:

Clarence B. Eaton, Member
Stephen L. Ford, Vice Chairman
Hugh W. McNulty, Member.

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A motion was made and seconded that the Minutes of the regular Board meeting, held July 22 and 23 at Lake Tahoe, and the special Board meeting, held September 23 and 24 at Los Angeles, be approved. Unanimously carried.

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Arthur Alber, Registrar, reported that the Contractors' Directory is now off the press and ready to be mailed out.

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1412 002

Telegrams were received from both Mr. Stephen L. Ford and Mr. Hugh W. McNulty expressing regret that they could not be present at the meeting.

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The Registrar reported that he had presented the Board's request for six more inspectors to the Director, Mr. A. I. Stewart, and the Director gave permission for the immediate appointment of four new inspectors.

The Registrar also stated that he and Chairman Butcher had taken steps with the Assistant Director, Mr. Fred A. Taylor, for the necessary funds to employ these men.

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A letter dated September 22, 1938, and written by Mr. Floyd O. Booe, Secretary-Manager of the Northern Chapter of the Associated General Contractors, was read. Mr. Booe expressed the opinion therein that he felt it was extremely important, in preparing a civil service examination for a Deputy Registrar for this department, that all newly appointed hearing officers have legal training, preferably on the basis of actual admittance to the Bar.

A general discussion of this subject followed.

Secretary Alber acknowledged receipt of Mr. Booe's letter.

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Mr. Alber read the following Resolution passed by the Long Beach Builders' Exchange on October 14, 1938, which he had received from Mr. E. A. Bradbury:

1122 002

"WHEREAS, certain amendments are being sponsored to the State Contractors' License Law calling for

1. Making examinations compulsory;
2. Requiring credit investigations;
3. Providing separate license boards for northern and southern California;
4. Elimination of the agricultural exemption clause;
5. Requiring two years residence for applicants; and

"WHEREAS, we believe

1. The Contractors' License Law now contains ample provisions covering exemptions and classifications of applicants;
2. We agree that rigid credit investigations should be made and that such investigations will be far more effective than examinations that may readily be passed by irresponsible applicants;
3. We are strongly opposed to the creation of two State boards, because of the danger of many conflicting opinions, rules and regulations that might be set up;
4. We concur in the agriculture exemption clause in so far as it affects farming, dairying, agriculture, viticulture, horticulture or stock or poultry raising, and,
5. We strongly oppose a requirement for two years' residence before application for a State License can be made, and we have grave doubts as to the constitutionality of such a provision in the Act, and

"WHEREAS, we are of the opinion that

1. Further effort should be made for a reduction in the \$100.00 exemption to \$50.00, and
 2. That Sec. 7 covering renewals should be amended so as to provide that if a license is not renewed on or before June 30th of each year that it shall be ipso facto suspended and a new application required as provided in Sec. 5 of the Act.
- 1026
- Dept of Prof. and Voc. Standards
Contractors State License Law

"BE IT FURTHER RESOLVED that a copy of this Resolution be sent to Arthur Alber, State Registrar of Contractors for the consideration of the State Contractors' License Board, and if by them approved, to be released in such manner as they determine.

"ADOPTED By the Board of Directors of the Builders' Exchange of Long Beach, this 13th day of October, 1938.

(Signed) J. H. PELKEY
President

ATTEST:

(Signed) E. A. BRADBURY
Manager "

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The Secretary read a letter addressed to Governor Frank F. Merriam, copy of which was sent to the members of the Board and the Registrar, and signed by Harry R. Cayford, Secretary of the California State Builders' Exchange, regarding the enforcement of the Contractors' License Law.

General discussion ensued.

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Mr. Alber read a teletype from R. S. Bowdle, dated October 21, 1938, stating that the State Chamber of Commerce Committee on the Contractors' License Act recommended that there be no amendments to same, but that strict enforcement of the Act be continued. A general discussion followed.

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The Secretary read a letter addressed to Mr. Hugh W. McNulty, Chairman of the Legislative Committee, dated October 20, 1938, from Earl S. Anderson, Manager of Con-

struction Industries Department, Los Angeles Chamber of Commerce, stating that no constructive suggestions for the amendment of the Contractors' Act have been brought to the attention of that committee.

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Mr. Alber read a letter, dated September 28, 1938, addressed to Mr. Roy M. Butcher, Chairman of the Board, and signed by Mr. Floyd O. Booe, Secretary-Manager of the Northern Chapter of Associated General Contractors, opposing any plan which would require technical examination of applicants for a State Contractor's License.

A general discussion was then entered into by the members of the Board relative to the position it would take regarding amendments to the Law.

Mr. Johnson recommended that the Board go on record as being opposed to any amendments unless they had the unanimous support of the construction industry. He presented a Resolution, copy of which is herein set forth, and, also, the Registrar was instructed to see that this Resolution was given to all trade journals and such other meetings of publicity that he deems necessary in order that the building industry be advised as to the stand of the Board regarding the amending of the Act.

"WHEREAS the Contractors' License Board in session on October 21, 1938, has given thoughtful consideration to legislative proposals looking to the amendment of the Contractors' License Act; and

"WHEREAS there does not appear to be any general unanimity of opinion as to the type of amendments which would be of benefit to the general public and to the construction industry; and

"WHEREAS the Contractors' License Act is in our opinion at this time the most forward looking and progressive type of legislation of its kind upon the statutes of any State in the United States; and

"WHEREAS the members of the Contractors' License Board, and each of them, is of the opinion that everything is now being done by the Board and its staff to give a strict and proper enforcement of the statute as it now exists;

"THEREFORE, BE IT RESOLVED that in view of the conclusions reached by the Board, until such time as the industry as a whole does present a constructive and forward looking program, that the present statute shall not be disturbed by amendments."

Motion was made by Mr. Trepte and seconded by Mr. Johnson that the above resolution be adopted. Unanimously carried.

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Chairman Butcher next introduced Mr. Bud Gallichotte of San Jose, California, a painting contractor, who addressed the Board and assured its members that it is the desire of the painters to do everything possible to keep up the standards of the construction industry.

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Chairman Butcher called recess at 12:00 o'clock noon, to reconvene at 2:00 P.M.

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AFTERNOON SESSION
2:00 P.M.

The afternoon session of the Contractors' State License Board was called to order by Chairman Roy M. Butcher at 2:00 P.M., at San Francisco, California, on October 21, 1938.

The following were present:

Roy M. Butcher, Chairman
S. G. Johnson, Member
William Nies, Member
Walter Trepte, Member
Arthur Alber, Registrar & Executive Secretary
Glen V. Slater, Assistant Registrar.

Absent:

Clarence B. Eaton, Member
Stephen L. Ford, Vice Chairman
Hugh W. McNulty, Member.

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The Registrar reported on the Inspectors' Conference held in Los Angeles October 13, 14 and 15. He stated that both Mr. Butcher and Mr. Nies appeared at the Conference and addressed the inspectors.

After some discussion on the Inspectors' Conference it was recommended that these conferences be held every four months instead of three. Also, the Registrar informed the Board that there would be a monthly meeting of all inspectors in their respective headquarters, and matters pertaining to the administration of the Act in their particular area will be discussed, and problems relating to the enforcement of the Act will be taken under consideration.

Motion was made by Mr. Nies and seconded by Mr. Trepte that the matter of district and State meetings be left to the discretion of the Registrar of Contractors. Unanimously carried.

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At this point Mr. Fred A. Taylor, Assistant Director, entered the meeting and Chairman Butcher requested him to address the Board, whereupon he stated as follows:

"Income from July 1 to September 30, 1938 - \$178,072.1
Expenses during the same period - - - - - 41,312.1

"Not including the amount that has already been transferred to the building construction fund, there is a balance of \$209,379.27 in the license fund.

"Something like \$150,000.00 or \$200,000.00 has been transferred to the building fund.

"The financial position of the Board, notwithstanding the portion of contribution to the building being constructed, is very good. If you didn't collect any money whatever, not a nickel between now and June 30, 1939, I would still say you would have a surplus of around \$8,000.00. I estimate we will take in between now and July of next year around \$20,000.00 at the present rate of income, which will bring the income up to \$200,000.00 or \$210,000.00. There are now about 33,000 licentiates."

General discussion followed.

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Mr. Alber reported that the Board had requested him, at its previous meeting, to take such steps as necessary to obtain offices for inspectors where he deemed necessary, not to exceed six in number, and the rental price not to exceed \$20.00 per month. With reference to this he stated

that he had received permission from Mr. A. I. Stewart, the Director, to rent three offices, and he reported that steps had been taken to procure the necessary additional finances for the renting of these offices. He also stated that in addition to the three offices, one for Santa Ana, San Bernardino and Fresno, the Registrar deemed it expedient to have one in San Jose, and was instructed to take such steps as necessary to obtain funds for this office.

General discussion followed.

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Mr. Alber, Registrar, reported to the Board that he had attended the following meetings and spoke before the various groups on the Act and the activities of the department:

Aug. 4 - Long Beach Contractors' Association,
" 8 - Long Beach Builders' Exchange,
" 18 - So. Cal. Contractors' Association, L.A.,
" 24 - San Diego Merchants' Central Credit,
" 31 - Ventura - Evans' Group,
Sept. 13 - San Pedro Builders' Exchange,
" 26 - Napa Builders' Exchange,
Oct 10 - Long Beach Builders' Exchange.

He also called attention to the various trade journals that have mentioned the activities of this department.

A report was made regarding the new form of application blanks now being used. General discussion followed.

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Registrar Alber reported on the matter of building material dealers throughout the State sponsoring applicants, and there was presented to the Board a list of such sponsors and the number of applicants they have sponsored over a period

of thirty days in each of the three offices. General discussion followed.

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At this time Mr. Wm. E. Hague of the Central Chapter of Associated General Contractors was introduced by the Chairman. He stated that it would be a good idea if the Board would send out letters to all architects stating that all contractors who bid on their work should be licensed, and that this letter should also go to the engineers.

Thereupon, a motion was made by Mr. Johnson and seconded by Mr. Trepte that a letter be sent to all licensed architects and civil engineers requesting them to see that their bidders show their contractor's license number on all bids. Unanimously carried.

Mr. Hague further stated he had received a letter from an association relative to improvements for the Contractors' License Act, and said that he felt the Board was in a better position to take care of these matters than he was, and he had every confidence that it would do what was best.

Mr. Hague further stated that he felt the Board members should, in addition to their expenses, be allowed a per diem of \$25.00, as it was not fair to ask successful business men to give up their time and money in the furtherance of such a duty when there was money available to, in at least a small way, compensate them.

General discussion on this subject followed.

At this point Messrs. J. F. Lindstrom, Jack Simonds, Wm. Logue, and Nethercutt appeared before the Board and all made brief remarks. The subject matter of their talks was a desire to have an inspector for what is commonly known as the San Mateo-Palo Alto district. Mr. Butcher informed the gentlemen that steps have been taken for the appointment of a new inspector for the above area and he would be put to work there as soon as the necessary steps can be completed.

Mr. Lindstrom also spoke very highly of the efficient work done by Inspector Morrissey in that area, and also the good work that Deputy Registrar, Louis F. Erb has been doing.

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Motion was made by Mr. Trepte and seconded by Mr. Nies that the meeting adjourn. Unanimously carried.

The regular meeting of the Contractors' State License Board adjourned at 5:30 P.M.


EXECUTIVE SECRETARY

Reported by:

Agnes Tillman
515 Van Ness Ave.
San Francisco, Cal.

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

Held at
Room 109 State Office Building
Sacramento, California
January 6, 1939

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The regular meeting of the Contractors' State License Board was called to order by Mr. Roy M. Butcher, Chairman, at 10:30 A.M., Friday, January 6, 1939, in Room 109 State Office Building, Sacramento, California.

The roll was called and the following were present:

Roy M. Butcher, Chairman
Stephen L. Ford, Vice Chairman
Clarence B. Eaton, Member
S. G. Johnson, Member
William Nies, Member
Arthur Alber, Registrar & Executive Secretary.

Absent:

Hugh W. McNulty, Member
Walter Trepte, 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 San Francisco, California, on October 21, 1938, be approved as written. Unanimously carried.

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The Secretary submitted to the Board a statistical report showing the number of original licenses, renewals and delinquents issued as of January 1, 1939. He reported that the total number of licenses issued as of January 1, 1939, was

34,518, compared with 29,367 as of January 1, 1938, an increase of 17.5%.

He also reported the number of application forms given out over the counter by the three offices of the Board.

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Mr. Alber informed the Board that out of the 2500 Contractors' Reference Books, 1893 had been sold as of January 3, 1939; the San Francisco district having sold 333 copies, the Sacramento district 193 copies, the Los Angeles district 761 copies, and the Bureau of Publications 606 copies. He stated that the Reference Book has received considerable favorable publicity.

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The Secretary next reported on the Directory of Licensed Contractors, giving the total number of copies printed, the number of individuals or organizations on the paid list, and the number on the free list.

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The Secretary presented each member of the Board with a copy of a Financial Statement, which was prepared by Mr. F. A. Taylor, Assistant Director, as of September 30, 1938.

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Mr. Alber read letters from the following associations commending the Board on its assignment of Inspector Naughten to the San Mateo area:

Master Plasterers Association of San Mateo,
Peninsula Merchant Plumbers Association, Inc.,
United Brotherhood of Carpenters and Joiners
of America.

The Secretary read several letters from associations requesting that all applications be sent to various organizations for investigation before issuance of license. As a result of this a general discussion was had as to the advisability of posting, for a period of ten days, the names of all applicants who come under Section 5, subdivision 2 of our Act.

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A recess was called by Chairman Butcher at 12:30 P.M. to reconvene at 2:00 P.M.

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AFTERNOON SESSION
2:00 P.M.

The afternoon session of the Contractors' State License Board was called to order by Chairman Roy M. Butcher at 2:00 P.M., Friday, January 6, 1939, in Room 109 State Office Building, Sacramento, California.

The following were present:

Roy M. Butcher, Chairman
Stephen L. Ford, Vice Chairman
William Nies, Member
Clarence B. Eaton, Member
S. G. Johnson, Member
Hugh W. McNulty, Member
Arthur Alber, Registrar & Executive Secretary

Absent:

Walter Trepte, Member.

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As a result of the last meeting of the Board, at which time it was decided that additional inspectors should be

appointed, the Secretary reported that three had already been appointed and he was awaiting certification of a fourth one. Those appointed were Norman S. Naughten, assigned to the San Mateo district, and Buren Thorleifson and Edgar C. Westbrook, assigned to the Los Angeles area.

The Secretary further reported that Ralph S. Bowdle, Deputy Registrar, had been permanently transferred to the Los Angeles Office.

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Mr. Fred A. Taylor, Assistant Director of the Department, visited the meeting for a few moments and discussed various matters with the Board.

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A discussion was held on the existing Rules and Regulations and it was moved by Mr. Nies and seconded by Mr. Eaton that the Rules and Regulations of the Board be referred to the Rules and Regulations Committee for revision in order that they might be brought up to date, and, after such revision, that they present them to the Board for approval. Unanimously carried.

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Mr. Alber announced to the Board that on February 11, 1939, a promotional examination would be given for Deputy Registrar of Contractors to fill the vacancy caused by the resignation of I. L. Swearingen, stating that the examination will be held in Los Angeles, San Francisco and Sacramento, and that all inspectors who are qualified to take the examination will receive notice of same.

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The Secretary informed the Board that a letter had been sent to all licensed architects requesting that they advise prospective bidders for reconstruction contracts that the bid contain a statement that the bidder is a California licensed contractor. A letter addressed to both architects and engineers was printed in the December issue of the bulletin "California Licensed Contractor" containing similar information as set forth in the letter to the architects. A copy of the bulletin was sent to each licensed civil engineer, there being about 5500 in the State.

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The regular meeting of the Contractors' License Board adjourned at 5:10 P.M., to reconvene again Saturday morning at 10:00 A.M. for the purpose of taking up unfinished business.

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SATURDAY - JANUARY 7, 1939
10:30 A.M.

The regular meeting of the Contractors' State License Board was called to order by Chairman Roy M. Butcher at 10:00 A.M., Saturday, January 7, 1939, at Sacramento, California, to take up unfinished business.

The following were present:

Roy M. Butcher, Chairman
Clarence B. Eaton, Member
Stephen L. Ford, Vice Chairman
S. G. Johnson, Member
Hugh W. McNulty, Member
William Nies, Member
Arthur Alber, Registrar & Executive Secretary.

Absent:

Walter Trepte, Member.

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Due to the absence of one of the members of the Rules and Regulations Committee on the previous day, a further discussion regarding revision of the existing Rules and Regulations was entered into, following which a motion was made by Mr. Nies and seconded by Mr. McNulty that the Rules and Regulations be revised and presented to the Board at its next quarterly meeting, and that the Registrar cooperate with the Committee toward that end. Unanimously carried.

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Mr. McNulty, Chairman of the Legislative Committee, reported on the activities of his Committee, following which a long discussion was held.

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Discussion was held on the subject of increasing the renewal fee. Motion was made by Mr. Nies and seconded by Mr. Eaton that the Board be given power to increase the renewal fee at its discretion from five dollars to not to exceed ten dollars, and that the Legislative Committee take such steps as necessary to see that a bill to that effect is introduced in the Legislature.

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The Registrar was instructed by the Chairman to take such steps as necessary to see that a bill is introduced whereby the Attorney General's office would represent the members of the Board and the personnel of this Department in the event of a suit being filed for some cause arising out of their duties in connection with this department.

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A further lengthy discussion was entered into regarding the advisability of posting, for a period of ten days, the names of all applicants eligible for license in order that anyone having any objection to a license being issued to an applicant may file a written protest with the Registrar of Contractors, 423 State Office Building, Sacramento, California, within this ten-day period. It was the opinion of the Board that this would enable the industry to bring to the attention of the Registrar any applicant who could not qualify under Section 5, subdivision (2) of the Act. Also, posting these names would give each inspector an opportunity to know who had filed an application for a license in his district.

Motion was made by Mr. Nies and seconded by Mr. Eaton that beginning January 16, 1939, the names of all applicants eligible for license be posted, for a period of ten days, in the Los Angeles, San Francisco and Sacramento offices, and such other offices where inspectors have headquarters; this motion, however, not to apply to joint venture applicants. Unanimously carried.

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General discussion was had relative to the progress of the department in the past year and the work done; also a round-table discussion relative to the future of the construction industry and the problems with which the Board would have to meet in the future.

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Motion was made by Mr. Nies and seconded by Mr. Ford

that the regular meeting of the Contractors' State License Board adjourns, to reconvene at the call of the chair. Unanimously carried.

The regular quarterly meeting of the Contractors' State License Board adjourned at 1:40 P.M.

Arthur J. Miller
Executive Secretary

Reported by:

Edith Swilling
407 State Office Bldg.
Sacramento, California

Mr. A. J. Miller, Secretary
Mr. J. W. ...
Mr. ...

Mr. ...
Mr. ...
Mr. ...

A motion was made and seconded that the minutes of the regular meeting be read and approved as read. Carried. The meeting adjourned at 1:40 P.M.

Attest: Arthur J. Miller, Executive Secretary

SPECIAL MEETING
OF THE
CONTRACTORS' STATE LICENSE BOARD

Held at
SACRAMENTO, CALIFORNIA
February 10 and 11, 1939

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A special meeting of the Contractors' State License Board was called to order by Chairman Roy M. Butcher at 11:00 A.M., Friday, February 10, 1939, at Sacramento, California, for the purpose of discussing proposed legislation.

The roll was called and the following were present:

Roy M. Butcher, Chairman
Stephen L. Ford, Vice Chairman
Clarence B. Eaton, Member
S. G. Johnson, Member
Arthur Alber, Registrar & Executive Secretary.

Absent:

William Nies, Member
Hugh W. McNulty, Member
Walter Trepte, Member.

Also present were:

Glen V. Slater, Assistant Registrar
Ralph S. Bowdle, Dep. Reg., Los Angeles
Louis F. Erb, Dep. Reg., San Francisco
Henry Gray Clark, Inspector, Sacramento.

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The Secretary conveyed to the Board the regrets of Director Dwight W. Stephenson that he was unable to attend this meeting but hoped that he would be able to attend the next one.

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Members Butcher, Eaton, Ford and Johnson entered into a lengthy discussion relative to the Rules and Regulations

which had been prepared and presented to the Board. Motion was made by Mr. Ford and seconded by Mr. Eaton that the following Rules and Regulations be adopted by the Board. Unanimously carried.

SECTION I

DUTIES OF REGISTRAR AND HIS ASSISTANTS AND DEPUTIES.

1. The Registrar shall be the executive officer of the Board.
2. The Registrar shall carry into effect the general orders of the Board in accordance with its rules and policies and shall issue orders to that end.
3. The Registrar shall be responsible for the performance by the Board's personnel of its duties.
4. The Registrar shall apportion the duties of the personnel and shall delegate to his assistants and deputies such powers as are necessary to administer the Contractors' License Law under the rules and regulations of the Board.
5. The district offices of the Registrar shall be in charge of deputies, who shall act as district supervisors and hearing officers. The deputies shall be responsible in their given districts for the maintenance of records, the control of personnel, and routine operations.
6. In the conduct of his district, the deputy shall be the direct representative of the Registrar and his Assistant, and in their absence, as directed, shall act for them.
7. The deputy shall be responsible in his given district for expenses incurred on behalf of the Board, and he must approve all claims for expenses of the personnel under his jurisdiction.
8. The deputy in his given district shall supervise the work of the inspectors, and direct them in matters of policy.

9. The deputy is responsible for observation of approved Rules and Regulations by inspectors.
10. All matters in connection with procedure upon formal complaints shall be under the immediate direction of the deputy. He shall pass upon the sufficiency of pleadings and answers, shall act as hearing officer, and shall render recommendations and findings to the Registrar.
11. The deputy shall exercise direct control over the handling and examination of applications in his office.
12. Where a deficiency apparently exists in an application, the Deputy shall determine whether or not the application may be accepted.
13. The deputy shall be responsible for investigations when needed, and for the course of action taken as the result of such investigations.
14. In his given district the deputy shall be responsible for rendering to the public the services provided by the Board.

He shall see that proper relations are maintained with public officials, organizations, and individuals by his entire staff.

SECTION II

DUTIES OF INSPECTORS

1. To see that all contractors are licensed in the inspector's assigned district.
2. To gather evidence against unlicensed contractors (under the penal sections of the Contractors' License Law) and present same to a public prosecutor.
3. To investigate all licensees for compliance with the Workmen's Compensation Insurance Act.
4. To file departmental complaints of violations of the Workmen's Compensation Insurance Act.
5. Under direction and also upon own motion, to assist contractors and others with the settlement of disputes. Complaints involving losses coming within the jurisdiction of the Small Claims Court should, in the absence of fraud

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or dishonesty, be referred to the Small Claims Courts.

6. Under direction, to assist in formal complaint cases by (a) gathering and presenting of evidence; (b) preparing reports; (c) serving subpoenas.
7. To contact and maintain cooperative relations with organizations and individuals and public officials in the construction industry.
8. To advise concerning and interpret the rules of the Board relating to qualifications of applicants.
9. To refer to the District Office for handling, where possible, all matters requiring correspondence.
10. To promptly file with his District Office copies of such correspondence as must be handled by the inspector.
11. To file and keep for a reasonable length of time correspondence issued and received by an inspector relating to his work.
12. Filing of Reports:
 - A. The following routine reports must be filed immediately at the close of each month:
 - (1) Traveling expense;
 - (2) State automobile mileage;
 - (3) Monthly recapitulation of work.
 - B. Daily reports shall be made out at the close of the day's business and immediately filed or mailed to District Headquarters.
 - C. Special reports, including informal complaint and prosecution reports, and reports upon special investigations, shall be immediately filed upon conclusion of the assignment. Such reports should be carefully checked to see that all pertinent data is included.
 - D. Upon issuance of a citation and/or warrant for arrest upon complaint of an inspector, he shall at once so notify his office. Upon conclusion of the case he shall file a report upon a prosecution report form.

- E. Reports shall be typewritten or carefully written in legible hand, and shall include answers to all questions in cases of form reports.

13. Use and Care of Automobiles:

- A. Inspectors must economically plan their itineraries.
 - B. State automobiles may be used on official business only.
 - C. Mileage on permittee cars will be allowed only when car is used on official business.
 - D. Permittee cars must be insured for public liability and property damage, jointly covering the inspector and the State, in accordance with the rules of the Board of Control.
 - E. Emergency repairs of a minor nature for State automobiles may be secured without authorization; major repairs must be handled through district office.
 - F. Where possible, State cars shall be serviced and gas and oil shall be purchased at State public works depots.
 - G. Inspectors are responsible for maintaining State cars in good condition.
 - H. Tires, batteries, spark-plugs, etc., except in emergency cases, must be purchased through the district office. Emergency purchases shall be billed to the Department in triplicate and the inspector must file a statement showing the necessity.
 - I. Inspectors must operate cars in conformity with local and State traffic laws and with reasonable care.
14. Hours of State employees are set by statute. Inspectors must devote not less than the minimum statutory time.
15. Improper political activity must be avoided.
16. Inspectors must at all times be courteous, care-

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ful of their personal appearance, prompt on their appointments, and conduct themselves in a manner to bring credit to the Department.

SECTION III

REQUIREMENTS OF APPLICANTS

1. The word "Personnel" as used in this Section shall include all members of any copartnership and all officers of any corporation applying for a license. It shall also include a responsible managing officer.
2. Applications must be filed upon forms prescribed by the Registrar.
3. Every applicant shall include in the application certifications of good character and integrity. Persons making such certifications shall be:
 - (1) Licensed civil or structural engineers or licensed architects or licensed contractors;
 - (2) Owners for whom applicant has performed construction work as a contractor, superintendent or foreman, or in a responsible capacity;
 - (3) Building supply firms;
 - (4) Banking or Building and Loan institutions.

If applicant is an individual he must secure certifications as follows: two in groups 1, 2, 3, and one in group 4.

If applicant is a copartnership or corporation each member or officer must personally secure certifications as follows: one in each group (1, 2, 3, and 4.)
4. The requirements of Rule 3 of this Section shall not apply in the case of a combination of duly licensed individuals or firms making application for a joint-venture license.
5. If applicant or its personnel have had no previous experience in a responsible capacity in the construction business, such applicant or

member or officer may substitute as signatories, persons of recognized standing and character in groups 1, 2, and 3 only. Such substitute signatories must state the nature of their business, their status in their particular firms, the years they have known the applicant, and a statement of the volume and nature of their business relations with the parties for whom they are signing.

6. The Registrar may, at his discretion, waive such references which must ordinarily accompany an application in the case of an applicant or the personnel of an applicant who has, during his experience in construction work, lived and operated under conditions which make it impractical to furnish the references herein required.

In such cases the Registrar must satisfy himself by other means that the applicant is qualified, both as to character and integrity.

7. If space for certifications or for information required of signatories on application forms is insufficient, applicants shall either attach to the application form a facsimile of Section II of the application form or shall attach a document setting forth the omitted information.
8. Signatories shall, in ordinary cases, have known the applicant for at least a year and shall have either enjoyed business relations of consequence with the applicant, or shall have been in a favorable position to actually know of the applicant's reputation.
9. Upon all applications the name of the individual for whom certification is made must be written or typed prior to the time the signatory actually signs the application.
10. All signatures of individual applicants, or members of copartnerships, or officers of corporations, to an application form must be acknowledged before a notary public or the Registrar or such other member of the personnel as designated by the Registrar.
11. Rules numbered 3, 8 and 9 above shall be prominently printed upon each application form.
12. Application forms shall be retained by the Registrar.

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All documents filed in support of an application will be kept by the Registrar; provided, however, that he may in his discretion permit such documents to be withdrawn upon substitution of a copy.

13. Applications must be filed at an office of the Registrar upon a form issued by the Registrar, and must comply with every requirement shown thereon.
14. An application fee of \$10.00 must accompany every application form. Fees tendered in the form of personal checks will be accepted but license not issued until check has cleared.
15. Checks shall be made payable to the "Registrar of Contractors".
16. The applicant shall clearly state the name style in which the license is to be issued.
17. The applicant, or its personnel, shall report any other name style, real or assumed, under which applicant has been or is now known, and a detailed statement of the circumstances if any such other name is reported.
18. Applications for a license under a fictitious name or name style described by Section 2466 of the Civil Code of the State of California, will be rejected if the applicant has not published the Certificate and filed the affidavit of publication thereof as required by said Section.
19. The applicant shall state his or its business address and mailing address. An "R.F.D." address must also show the name of the road, highway or district.
20. The name of every individual applicant or of the personnel of the applicant must be given in full for purposes of identification.
21. An applicant or the personnel of an applicant must state each individual's age and sex.
22. The applicant shall state whether it is doing business as an individual, copartnership, joint-venture, or corporation.

23. The applicant or its personnel shall indicate his or their previous professional or vocational license record.
24. The applicant or its personnel shall state such persons with whom it or they have been associated in the contracting business as partners within the five years immediately preceding the date of application.
25. The applicant or the members of its personnel shall state whether or not it or they have had a license refused, suspended, or revoked. If so, an explanatory statement must be appended to the application.
26. The applicant or its personnel shall state whether or not it or they have been connected with any person or firm whose license was refused, suspended, or revoked. If so, an explanatory statement must be appended to the application.
27. The applicant or its personnel shall state whether or not it or they have been previously convicted of a felony. If so, an explanatory statement must be appended to the application.
28. The applicant or its personnel shall state whether or not it or they have, within a period of three years, been guilty of any violation of Section 9 of the Contractors' License Law. If so, an explanatory statement must be appended to the application.
29. The applicant or its personnel shall state whether or not any bonding company or surety ever completed any contract in which it or any of them were interested. If so, an explanatory statement must be appended to the application.
30. The applicant or its personnel shall state whether or not there are any unpaid past due bills for either materials or services rendered, liens, suits, judgments, or compensation or labor claims pending or recorded against it or them or against any property as the result of the actions of it or of them arising out of its or their operations as a contractor. If so, an explanatory statement must be appended to the application.

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- 31. The applicant or its personnel shall report any voluntary or involuntary bankruptcy proceeding.
- 32. The applicant must give the name of his or its Workmen's Compensation Insurance carrier and the number and expiration date of the policy, and a statement showing whether or not the premium deposit or any payroll audit claims are in arrears. If the applicant has no compensation insurance, a legal reason must be given.
- 33. The applicant shall indicate on the application form the general nature of his contracting operations.
- 34. An application must be signed as follows: If applicant is an individual, by that individual; if applicant is a copartnership, by each member of the copartnership; if applicant is a corporation, by any officer of the corporation.

A responsible managing officer who desires to qualify on behalf of an applicant must also sign the application form.

- 35. The names of applicants who have filed a satisfactory application form shall be immediately posted for a period of ten days in the district and branch offices and the license shall not be issued until said ten days have elapsed. Licenses shall be dated not earlier than the day following the close of the ten day period.

Such investigation of an applicant as the Registrar shall deem necessary shall be made.

This rule shall not apply to joint venture applicants.

- 36. The facilities of organizations supplying information available in investigating applicants may be used by the Registrar when advisable.

SECTION IV

RESPONSIBILITIES OF LICENSEES

- 1. Licensees shall comply with all of the provisions of the Contractors' License Law.
- 2. Licensees shall comply with all rules and regulations of the Contractors' License Board and of its executive officer, the Registrar of Contractors.
- 3. Licensees shall display their permanent certi-

ificate in their main office or chief place of business.

4. Upon demand licensees shall exhibit satisfactory evidence of the possession of an unexpired license.
5. A surviving member or members of a licensed co-partnership by reason of death shall be entitled to continue in business under such license until the expiration date (June 30th) of such license, provided due application therefor is made to the Registrar within thirty days after death of the member, and same is approved by the Registrar in accordance with such rules and regulations as he may adopt.
6. Licensees shall make application for renewal of their licenses not later than June 30th of each year. Upon failure to do so, such licenses will be ipso facto suspended and shall be reinstated only upon the payment of \$5.00 in addition to the current renewal fee of \$5.00. Application for renewal must be made upon a form provided by the Registrar, accompanied by a current renewal fee of \$5.00. Personal checks will delay renewal of the license.
7. Certified copies of licenses will be issued by the Registrar upon payment of a fee of 50¢.
8. Licensees may not renew a license which has remained suspended for non-payment of fee for a period exceeding one year.
9. Licensees shall report changes of address within thirty days.
10. Licensees shall report changes of personnel within thirty days. (Except as provided in Rule 5 above, a change of personnel is allowable only among the officers of a corporation, or by the substitution of a qualified construction manager.)
11. Licensees shall not abandon the physical construction of any project or operation except with legal excuse. Financial inability or similar conditions shall not be construed as legal excuse.
12. Licensees shall not use contract payments for any purposes other than the payment of claims

for which liens may be filed, until all such claims have been discharged.

13. Licensees shall not separate their profits and wages paid to themselves for work actually performed, but must consider both as profits. Therefore, licensees must care for all claims for which liens may be filed before any portions of contract payments may be appropriated to their own use, as wages or profit or otherwise.
14. Licensees shall carry out all contracts in strict accordance with plans and specifications as far as physically possible.
15. Licensees shall not depart from plans or specifications without having secured the consent of all parties having an interest.
16. Licensees must abide by the building laws of the State, or of any of its subdivisions. (State Housing Act, City or County building ordinances, etc., relating to matters of physical construction).
17. Licensees must observe the safety laws of the State. (Laws regulating scaffolding, temporary floors, etc.)
18. Licensees must observe the labor laws of the State. (Workmen's Compensation Insurance and Safety Act, Semi-Monthly Payday Law, etc.)
19. Licensees shall make and preserve for three years all contracts, documents, and receipts, including a record of disbursements for each contract or undertaking. These records shall be kept up to date and must be kept open for inspection by the Registrar or his duly authorized subordinates.
20. Licensees must complete all construction projects or operations for the price set in the contract, due consideration being given to any modifications or of additions to such contracts.
21. Licensees shall in no way aid or abet an unlicensed person to evade any of the provisions of the Contractors' License Law.
22. Licensees shall not knowingly combine or conspire with an unlicensed person to accomplish an evasion of any portion of the Contractors' License Law.
23. Licensees shall not allow their licenses to be used by any other person.

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24. Licensees shall not substantially injure a person by the doing of any wilful or fraudulent act.
25. Licensees shall not act in the capacity of a contractor except in the name of the licensee as set forth upon the license.
26. Licensees shall not act in the capacity of a contractor unless the personnel thereof is in accordance with the personnel of the licensee as recorded with the Registrar.
27. Licensees shall not knowingly enter into contracts with unlicensed contractors.
28. Licensees shall not, except with legal excuse, fail or refuse to prosecute construction projects or operations with reasonable diligence.
29. Licensees shall, when having the ability, pay any moneys due for any materials or service rendered to them as contractors.
30. Licensees shall not falsely deny any amount due in order to secure a discount.
31. Licensees shall not falsely deny any amount due in order to hinder, delay, or defraud a creditor.

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Recess was called by Chairman Butcher at 1:30 P.M.
to reconvene at 3:00 P.M.

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AFTERNOON SESSION
3:00 P.M.

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The afternoon session of the Contractors' State License Board was called to order by Chairman Roy M. Butcher at 3:00 P.M., February 10, 1939, at Sacramento, California.

The roll was called and the following were present:

Roy M. Butcher, Chairman
Stephen L. Ford, Vice Chairman
Clarence B. Eaton, Member
S. G. Johnson, Member
Hugh W. McNulty, Member
Arthur Alber, Registrar & Executive Secretary.

Absent:

William Nies, Member
Walter Trepte, Member.

Also present were:

Glen V. Slater, Assistant Registrar
Ralph S. Bowdle, Dep. Reg., Los Angeles
Louis F. Erb, Dep. Reg., San Francisco
Henry Gray Clark, Inspector, Sacramento.

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Motion was made by Mr. Eaton and seconded by Mr. McNulty that the report of the Board's transactions and proceedings during the preceding biennium, which report was submitted to the Governor as set forth in subsection (h) of Section 4 of the Contractors' License Law, be incorporated in these Minutes. Unanimously carried.

"Pursuant to the provisions of Section 4, subdivision (h) of the Contractors' License Law, the Contractors' State License Board submits the following as a general report of its activities since the date of the last report, December 1, 1936.

"Board Membership. The present membership of the Board consists of Roy M. Butcher, Chairman, Electrical Contractor; Stephen L. Ford, Vice Chairman, Plastering Contractor; Clarence B. Eaton, General Engineering Contractor; William Nies, Plumbing Contractor; S. G. Johnson, Hugh McNulty, and Walter Trepte, General Building Contractors.

"Appointments. William Nies and S. G. Johnson were reappointed in 1937, Roy M. Butcher was reappointed in 1938, and Walter Trepte was appointed in 1938.

"Committees. The following standing committees were appointed by Chairman Butcher, and are still serving at this date:

Legislative:

Hugh W. McNulty, Chairman
William Nies
S. G. Johnson

Rules and Regulations:

S. G. Johnson, Chairman
Hugh W. McNulty
Stephen L. Ford

Finance and Budget:

Clarence B. Eaton, Chairman
Walter Trepte
Stephen L. Ford

Personnel:

William Nies, Chairman
Clarence B. Eaton
Walter Trepte.

"Registrar. At the January, 1938, meeting of the Board, Mr. Earl S. Anderson, Registrar and Executive Secretary for the Board, presented his resignation to take effect January 31, 1938. Mr. Anderson stated that he was desirous of accepting a position as Manager of the Construction Industries Department of the Los Angeles Chamber of Commerce. The Board accepted the resignation, with regrets, feeling that they should not stand in the way of Mr. Anderson's advancement.

"Upon the recommendation of the Personnel Committee and many trade groups and individual members of the industry, and by the approval of the Director, William G. Bonelli, the Board unanimously approved the appointment, effective February 1, 1938, of Mr. Arthur Alber as Registrar and Executive Secretary to succeed Mr. Anderson. Mr. Alber is an attorney, whose practice, association and familiarity with the construction business particularly qualifies him to fill the position. He has filled the position with credit to the Board, the Department, and your administration.

"Board Meetings. The Board met in different districts of the State so that contact could be made with as many members of the industry as possible. Publicity was usually given the meetings so that trade association representatives and individual members of the industry could appear before the Board and present their ideas or constructive criticisms. Meetings were held since December 1, 1936 on

the following dates; January 15 and 16, March 19 and 20, July 23 and 24, and October 1 and 2, in 1937; January 28 and 29, April 1 and 2, June 18, July 22 and 23, and October 21, in 1938. In addition, committee meetings were held in many parts of the State with representatives of the industry, where various problems were discussed.

"Rules and Regulations. During this period, the Board set up new rules and regulations, better defining duties of the Registrar, Assistant Registrar, Deputies and Inspectors. Application forms were changed and revised and requirements of applicants strengthened. Uniform procedure in field investigations and district administration were better coordinated. Inspectors' training conferences were held more often, and district training conferences inaugurated.

"Board Offices. The Board maintains three district offices, the main office being in Sacramento, and branch offices in San Francisco and Los Angeles. Each district office is in charge of a Deputy Registrar.

"Headquarters for Inspectors in outlying districts are located in San Diego, Long Beach, Santa Ana, Santa Monica, Inglewood, San Bernardino, Fresno, San Jose, Oakland, Santa Rosa, and Chico. The majority of these headquarters are located with trade association groups and are generally provided rent free. However, due to the greatly increased volume of work, the Board believes it necessary to secure independent headquarters in a number of the districts. This has been taken care of in the budget.

"Inspectors. Increased activities in the construction industry in all parts of the State required additions to the field forces. Due to the insistent demands of contractors and contractors' trade groups and associations, the Board instructed the Registrar to secure the appointment from the Civil Service eligible list of six new Inspectors. This assignment has been practically completed and is covered in the budget.

"Publications. The Board, in accordance with the law, publishes annually a Directory of Licensed Contractors. Alphabetical and geographical editions are issued, and supplements are printed as occasion demands.

"A quarterly bulletin titled "The California Licensed Contractor" is published and distributed to all licensed contractors, and others associated with the construction industry.

"Due to the expressed demand of the industry, the

*Pokerfield
Stockton
Riverdale*

Board recently published a "Contractors' License Law and Reference Book." This reference book not only contains the Contractors' License Law and the State Housing Act in their entirety, but includes synopses and digests of other California laws pertaining to the construction industry. The edition is now practically sold out, and the demand continues.

"License Data

The following table shows the number of original and renewal licenses issued during the 88th and 89th fiscal years. Also that portion of the 90th fiscal year for the period July 1, 1938 to November 25, 1938.

	88th Fiscal Year	89th Fiscal Year	90th Fiscal Year (7/1/38 to 11/25/38)
Originals	6,886	7,665	4,055
Renewals	<u>22,537</u>	<u>25,500</u>	<u>29,143</u>
	29,423	33,165	33,198

"From the foregoing you will see that there has been a marked increase in licenses issued. This, of course, requires additional work by the personnel, which has reached such proportions that the Board deemed it necessary to employ additional office help and field inspectors. You will please note that licenses issued during the first five months of the 90th fiscal year have already exceeded those issued during the 89th fiscal year. It is estimated that we will receive at least 2,500 more applications during the 90th fiscal year.

"Revenue. The revenue of the Board, derived mostly from license fees, is shown in the following tables:

License Revenue:

	88th Fiscal Year	89th Fiscal Year	90th Fiscal Year (7/1/38 to 11/25/38)
Original License Fees	\$69,020.00	\$76,720.00	\$40,050.00
Delinquent License Fees	12,160.00	9,890.00	8,570.00
Renewal License Fees	<u>106,640.00</u>	<u>122,630.00</u>	<u>141,430.00</u>
TOTAL	\$187,820.00	\$209,240.00	\$190,050.00 *

*Please note that less than five months revenue is shown in the 90th Fiscal Year in foregoing table.

Miscellaneous Revenue:

	88th Fiscal Year	89th Fiscal Year	90th Fiscal Year (7/1/38 to 11/25/38)
Directory Sales (Net)	\$1,304.60	\$1,586.92	\$ 958.36
Certified Copies	23.50	24.00	15.00
Interest S.F.Bldg.	3,420.30	428.02	- - -
Misc. Income	10.07	14.51	7.65
TOTAL	\$4,758.47	\$2,053.45	\$ 981.01

"Expenditures. The following table shows the gross expenditures of the Board, including monies paid to the State Retirement System. For a detailed report of the expenditures of the Board, you are respectfully referred to the records and report of the Department of Professional and Vocational Standards, of which this Board is a division. In the Department report, you will find an accurate record of all expenditures by the Board under the provisions of the Contractors' State License Law, all of which have been approved by the Honorable A. I. Stewart, Director of the Department, and his administrative staff, and the State Controller as coming within the purposes of enforcement of the Contractors' State License Law.

EXPENDITURES:

	88th Fiscal Year	89th Fiscal Year	90th Fiscal Year (7/1/38 to 11/1/38)
Expenditures	\$149,866.09	\$170,193.91	\$58,216.19

(Note: See Department report for details)

"Formal Complaints. During the 88th, 89th and 90th Fiscal Years, almost 1,000 formal complaints were filed with the Registrar, and hearings subsequently held by the Deputy Registrars. These formal complaint cases were disposed of with the following punitive actions resulting:

	88th Fiscal Year	89th Fiscal Year	90th Fiscal Year (7/1/38 to 11/1/38)
Formal Complaints Filed	373	456	163
Suspensions	100	107	48
Revocations	16	25	5
Reinstatements	23	44	11
Settled or pending	234	280	99

"In conclusion, the Contractors' State License Board desires to state that this division of State Government has carried on its operations for the benefit of the general public and the construction industry as a whole, and not for the benefit of any particular individual or group. Close cooperation with the Federal Government, and the State and its political subdivision regulatory bodies and law enforcement officials will be continued, so that a maximum of service will be rendered to all concerned."

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A lengthy discussion was held relative to Bills which have been introduced in the Legislature affecting the Contractors' License Law, and the Board members and the personnel of the Department present entered into this discussion.

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Recess was called by Chairman Butcher at 6:00 P.M. to reconvene Saturday morning at 9:30.

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SATURDAY, FEBRUARY 11, 1939
9:30 A.M.

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The special meeting of the Contractors' State License Board was called to order by Chairman Roy M. Butcher at 9:30 A.M., Saturday, February 11, 1939, at Sacramento, California, to resume the subject of legislation. The roll was called and the following were present:

Roy M. Butcher, Chairman
Clarence B. Eaton, Member
S. G. Johnson, Member
Hugh W. McNulty, Member
William Nies, Member
Arthur Alber, Registrar & Executive Secretary.

Also present were:

Glen V. Slater, Assistant Registrar
Ralph S. Bowdle, Dep. Reg., Los Angeles
Louis F. Erb, Dep. Reg., San Francisco.

- - - -

A discussion was participated in by all present relative to a portion of the bills affecting the Contractors' License Law which had been introduced in the Legislature.

It was moved by Mr. McNulty and seconded by Mr. Eaton that the following Resolution be adopted. Unanimously carried.

"RESOLVED: That this Board goes on record as being opposed to any legislation that is sponsored by any organization or individual detrimental to the building construction industry."

It was further moved by Mr. McNulty and seconded by Mr. Eaton that a copy of this Resolution be sent to all Associations and organizations of the construction industry.

It was also moved by Mr. McNulty and seconded by Mr. Nies that a copy of this Resolution be printed in the Contractors' License bulletin.

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A further discussion was had relative to the various bills that were introduced into the Legislature.

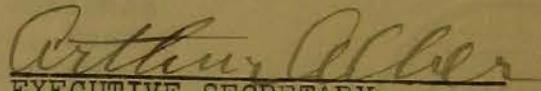
It was moved by Mr. Johnson and seconded by Mr. Eaton that Registrar Alber and Assistant Registrar Slater,

and whoever they might designate out of the Department, represent the Board before committee meetings during the coming session of the Legislature. Unanimously carried.

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It was moved by Mr. Johnson and seconded by Mr. Eaton that the meeting adjourn, to reconvene at the call of the chair. Unanimously carried.

The special meeting of the Contractors' State License Board adjourned at 12:20 P.M.


EXECUTIVE SECRETARY

PM

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

Held at
SAN FRANCISCO, CALIFORNIA
APRIL 28 and 29, 1939

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The regular quarterly meeting of the Contractors' State License Board was called to order by Chairman Roy M. Butcher at 10:00 A.M., Friday, April 28, 1939, at San Francisco, California.

The roll was called and the following were present:

Roy M. Butcher, Chairman
Clarence B. Eaton, Member
S. G. Johnson, Member
Hugh W. McNulty, Member
William Nies, Member
Walter Trepte, Member
Arthur Alber, Executive Secretary.

Absent:

Stephen L. Ford, Vice Chairman.

Also present were:

Glen V. Slater, Assistant Registrar
Allen Miller.

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It was moved by Mr. William Nies and seconded by Mr. Walter Trepte that the minutes of the meeting of the Board, held in Sacramento, California, on January 6 and 7, 1939, be approved as written. Unanimously carried.

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It was moved by Mr. Hugh McNulty and seconded by Mr. William Nies that the minutes of the special meeting of

the Board, held in Sacramento, California, on February 10 and 11, 1939, be approved as written. Unanimously carried.

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Chairman Butcher then announced that Colonel William H. Evans, representing an organization known as the Building Contractors' Association of Southern California, had requested that he might appear before the Board, and at this time Col. Evans was introduced. He spoke at length regarding the enforcement of the Contractors' License Law and expressed his opinions relative to the necessity of prequalifying and examining prospective contractors.

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Recess was called by Chairman Butcher at 12:30 P.M. to reconvene at 2:30 P.M.

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AFTERNOON SESSION
2:30 P.M.

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The afternoon session of the Contractors' State License Board was called to order by Chairman Roy M. Butcher at 2:30 P.M., April 28, 1939, at San Francisco, California.

The roll was called and the following were present:

Roy M. Butcher, Chairman
Clarence B. Eaton, Member
S. G. Johnson, Member
Hugh W. McNulty, Member
William Nies, Member
Walter Trepte, Member
Arthur Alber, Executive Secretary.

Absent:

Stephen L. Ford, Vice Chairman.

Also present were:

Glen V. Slater, Assistant Registrar
Allen Miller.

- - - -

Mr. William H. George, President of the State Builders' Exchange, had requested that he and the Legislative Committee of his organization be given an opportunity to appear before the Board to discuss the problems confronting the enforcement of the Contractors' License Law, and said appointment having been set for 2:30 P.M. Friday, April 28, Chairman Butcher introduced Mr. George and the members of his Committee, Messrs. Charles W. Pettifer of Long Beach, Sam Cohn of San Francisco, Harry Cayford of Fresno, and P. M. Sanford of Richmond, California.

Thereafter a lengthy discussion was had between said Committee and the Board.

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Mr. Fred A. Taylor, Assistant Director of the Department, was present and gave a financial report of the Department from its inception to the present date.

- - - -

Arthur Alber, Registrar of Contractors, gave a report relative to his activities since the preceding meeting and same was accepted and ordered filed.

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At 5:20 P.M. Chairman Butcher announced that the Board would go into an executive session immediately, which session adjourned at 6:30 P.M.

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SATURDAY, APRIL 29, 1939
9:45 A.M.

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The regular meeting of the Contractors' State License Board was called to order by Chairman Roy M. Butcher at 9:45 A.M., Saturday, April 29, 1939, at San Francisco, California, to take up unfinished business.

The roll was called and the following were present:

Roy M. Butcher, Chairman
Clarence B. Eaton, Member
S. G. Johnson, Member
Hugh W. McNulty, Member
William Nies, Member
Walter Trepte, Member
Arthur Alber, Executive Secretary.

Absent:

Stephen L. Ford, Vice Chairman.

Also present were:

Glen V. Slater, Assistant Registrar
Allen Miller.

- - - -

Secretary Alber presented the petition of Elmer Brousseau, dba Capital Construction Company, requesting that the decision heretofore rendered by the Registrar revoking the license of said Elmer Brousseau be reversed.

After some discussion motion was made by Mr. Eaton and seconded by Mr. Nies that the Board instruct the Registrar to reverse this decision and to reinstate Elmer Brousseau forthwith. Unanimously carried.

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A round table discussion was held regarding proposed cut in the budget.

- - - -

Mr. L. F. Erb, Deputy Registrar, appeared before the Board and made a report concerning the status of bills pending before the Legislature at Sacramento which tend to affect the Contractors' License Law. A detailed discussion of the bills followed.

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The Secretary read a telegram received from Colonel William H. Evans, who had spoken the previous day, and the Chairman directed the Secretary to have copies of the telegram made and delivered to each Board member. Said telegram was referred to the Rules and Regulations Committee, S. G. Johnson, Chairman.

Chairman Butcher also instructed the Secretary to make copies of letters presented to the Board by Mr. William George, President of the State Builders Exchange, and that these copies be mailed to the Board members. These letters also were referred to the Rules and Regulations Committee.

Chairman Butcher also directed the Registrar to confer with the Deputy Registrars relative to plans made relative to enforcement of the Law in Alameda and Contra Costa Counties, and also the matters referred to in the letters filed with the Board by Mr. George.

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At this time Chairman Roy M. Butcher presented the

minutes of the Executive Session, held Friday, April 28, 1939, at 5:20 P.M., reading as follows:

EXECUTIVE SESSION

Upon the order of Chairman Roy M. Butcher, an executive meeting was called to order at 5:20 P.M., April 28, 1939:

Members present were:

Roy M. Butcher, Chairman
Clarence B. Eaton
S. G. Johnson
Hugh W. McNulty
William Nies
Walter Trepte

William Nies, chairman of the Personnel Committee, was called on for his report, and thereupon submitted the resignation of Mr. Arthur Alber, as Registrar of Contractors, to take effect at the close of the working day May 15, 1939.

After a lengthy discussion, a motion was made and seconded that the resignation of Mr. Alber be accepted with regrets and that a proper resolution be drawn in appreciation of his services rendered. The motion was carried.

Mr. Nies then presented the application of Mr. Allen Miller for appointment to the position of Registrar of Contractors. At the request of the chairman, it was stated that there were no other applications filed for the position.

After due consideration the following motion was made and seconded:

That Mr. Allen Miller be appointed to the position of Registrar of Contractors as of May 15, 1939 at a salary of \$400.00 per

month. The foregoing appointment being subject to the approval of the Director of the Department of Professional and Vocational Standards.

The motion was carried.

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The Executive meeting of the Contractors' State License Board adjourned at 6:30 P.M.

CHAIRMAN
CONTRACTORS' STATE LICENSE
BOARD

- - - -

Motion was made and seconded that the minutes as above set forth be approved. Unanimously carried.

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Mr. Arthur Alber was called into the meeting and was presented the resolution drawn up by the Board expressing their appreciation of his efficient and loyal services rendered to the Board, reading as follows:

"WHEREAS Mr. Arthur Alber has resigned as Registrar of Contractors and Executive Secretary of the Contractors' State License Board; and

"WHEREAS Mr. Alber during his time of service has evidenced a broad and intelligent interpretation of the Contractors' License Law, and has executed the most able and efficient enforcement possible within the province of the Act;

"BE IT RESOLVED that the Contractors' State License Board, in open meeting this 29th day of April, 1939, extend to Mr. Alber

its deep and sincere appreciation of the services he has so efficiently and loyally rendered; and

"BE IT FURTHER RESOLVED that it is the sincere wish of the members of the Board that he shall continue to enjoy success and much happiness."

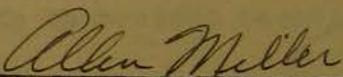
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At this time Mr. Allen Miller was notified of the Board's acceptance of his application for the position of Registrar of Contractors, subject to the approval of the Director of the Department of Professional and Vocational Standards, to take effect May 16, 1939.

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There being no further business, motion was made and seconded that the meeting adjourn, to reconvene at the call of the chair. Unanimously carried.

The regular quarterly meeting of the Contractors' State License Board adjourned at 1:00 P.M.


EXECUTIVE SECRETARY

Reported by

Agnes Tillman
207 California Bldg.
San Francisco, Calif.

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

Held at
MONTEREY, CALIFORNIA
JULY 21 & 22, 1939

- - -

The regular quarterly meeting of the Contractors' State License Board was called to order by Chairman Roy M. Butcher at 10:30 A.M., Friday, July 21, 1939, in the San Carlos Hotel at Monterey, California.

Those present were:

Roy M. Butcher, Chairman
Stephen L. Ford, Vice Chairman
Clarence B. Eaton, Member
S. G. Johnson, Member
Hugh W. McNulty, Member
William Nies, Member
Allen Miller, Executive Secretary.

Absent:

Walter Trepte, Member.

Also present was Glen V. Slater, Assistant Registrar.

Chairman Butcher read a telegram from Mr. Trepte informing the Board of his inability to be present because of illness.

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It was moved by Mr. Nies and seconded by Mr. Ford that the minutes of the meeting of the Board, held in San Francisco, California, on April 28 and 29, 1939, be approved as written. Unanimously carried.

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Mr. Slater, Assistant Registrar, distributed to all

the Board members binders containing copies of the Rules and Regulations of the Board, together with opinions rendered by the Attorney General. A general discussion of same ensued.

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The question of the renting of an office in the Builders' Exchange Building at Santa Monica was discussed and motion made by Mr. Nies and seconded by Mr. Ford that the Registrar be authorized to rent such an office for a rental not to exceed \$15.00 per month. Unanimously carried.

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A discussion was held relative to publishing the names of licensees whose licenses have been suspended or revoked, and also the names of applicants who have been granted or denied licenses.

Motion was made by Mr. Nies and seconded by Mr. Eaton that the Registrar be authorized to publish, in any way he may see fit, monthly lists of the names of licensees whose licenses have been suspended or revoked, and also the names of those whose applications for licenses have been denied or granted, and send such monthly bulletin to the trade associations, together with the posting lists of the names of applicants for licenses. Unanimously carried.

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The Registrar inquired as to the policy of the Board with regard to the publishing of its activities and was informed by Chairman Butcher that it has been the policy to have general publicity and believed that the Registrar should proceed to execute that policy.

A general discussion was held relative to obtaining credit reports on applicants and Mr. Johnson called attention to the fact that it had been discussed at great length during the January, 1938 meeting in Bakersfield.

Motion was made by Mr. Nies and seconded by Mr. Eaton that the Registrar be given authority to secure and pay for out of the funds of the Board, at his discretion and for a trial period of thirty days, credit and personal reports on applicants. Unanimously carried.

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A general discussion was held on the policy of inviting secretaries of trade associations to attend the inspectors' conferences. It was the conclusion of the Board that the secretaries of the trade associations should be invited to attend at a certain hour and place, and that they should be invited to act as observers only and not as participants in the conference. Chairman Butcher suggested that such an invitation be printed in the bulletin "The California Licensed Contractor".

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A general discussion was held on the policy of the Board to invite trade groups and associations to Board meetings, with the recommendation by Mr. Miller that any matters which said organizations might wish to submit to the Board be submitted in written form, and personal appearances be limited to suit the calendar of the Board. Mr. Miller's recommendation was accepted by the Board.

Mr. Johnson suggested that announcement of regular

meetings of the Board be made in the trade papers, with an invitation to submit in writing any matters they wish to present to the Board, which suggestion had the approval of the other Board members.

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A general discussion was held on the By-Laws of the Board and it was recommended that the Registrar present the existing By-Laws to the Director for his approval.

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Mr. Fred A. Taylor, Assistant Director, entered the meeting at this time.

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Mr. Miller, Registrar, presented to the Board the following resolution received from Mr. Arthur Alber, former Registrar:

"RESOLVED that whereas Arthur Alber was appointed Registrar of Contractors of the State of California and Executive Secretary of the Contractors' License Board of said State on February 1, 1938, and continued in such employment until May 15, 1939, when he resigned, and

"WHEREAS said Arthur Alber did not take any vacation during his time of employment, and

"WHEREAS subdivision four (4) of Rule Thirteen (13) of the Laws & Rules governing California State Civil Service read as follows:

'Rule 13 - Section 4':

'When an employee is separated from service and has not been granted his vacation, he shall be entitled to unused portions of vacation accumulated from the previous year and to vacation on the basis of one and one-quarter days for each month or major portion of a month of service from the first day of the calendar year until the day of his separa-

tion, but not to exceed thirty working days.'

"NOW, THEREFORE, BE IT RESOLVED that the Contractors' State License Board at its regular quarterly meeting does hereby approve the request of Arthur Alber attached hereto and further requests that the Director of the Department of Professional and Vocational Standards of said State, the Honorable Dwight W. Stephenson, approve said request and direct that a check be drawn on the proper fund of this Department in favor of Arthur Alber in accordance with said subdivision four of Rule Thirteen as set forth above."

It was moved by Mr. Johnson and seconded by Mr. Eaton that the resolution be adopted as written. Unanimously carried.

(Substantive)

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Recess was called by Chairman Butcher at 12:00 M. until 2:00 P.M.

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AFTERNOON SESSION
2:00 P. M.

The afternoon session of the Contractors' State License Board was called to order by Chairman Roy M. Butcher at 2:00 P. M., July 21, 1939, those present being:

Roy M. Butcher, Chairman
Stephen L. Ford, Vice Chairman
Clarence B. Eaton, Member
S. G. Johnson, Member
Hugh W. McNulty, Member
William Nies, Member
Allen Miller, Executive Secretary.

Absent:

Walter Trepte, Member

Also present were:

Fred A. Taylor, Assistant Director
Glen V. Slater, Assistant Registrar.

- - -

Mr. Miller submitted a report of his activities from May 15, 1939 to July 21, 1939, (which report was ordered as exhibit 2 filed/in the "Minutes Documentary File") and the various subjects embodied therein were taken up and discussed.

A general discussion was held on the form letter sent out to contractors engaged in the roofing and siding business in the southern district, and Mr. Miller explained the purpose of the letter. (Exhibit 3, Minutes Documentary File)

(Exhibit No. 4 - Register of meeting)

A statistical report of the activities of the Department was distributed to the Board members by the Registrar and a general discussion of same ensued. The report was ordered filed in the "Minutes Documentary File", as exhibit 5.

Mr. Taylor, Assistant Director, handed each member of the Board a copy of the financial report of the Contractors' License Board covering the period July 1, 1938 to June 30, 1939. He explained each item embodied therein, and a lengthy discussion followed. This financial report was ordered filed in the "Minutes Documentary File", as exhibit 6.

Mr. Taylor informed the Board that \$172,720.89 had been collected since the 1st of July, and that there was an investment of \$289,050.95 of the funds of the Board in the new building at Sacramento. He also reported that the renewal situation had been handled very smoothly this year.

A discussion was held on "N.S.F." checks received in payment of renewal fees, and the advisability of charging a

delinquent penalty fee in all such cases, but a final conclusion was reached that the number of such instances this year was very small and that no action be taken at the present time, but that a notice be issued prior to next renewal period that anyone who sends in a bad check will be penalized.

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Mr. Taylor submitted the proposed budget for the next biennium, explaining that it had been prepared and submitted to the Governor but that there had not been sufficient time to submit it to the Board first for its approval. This document was ordered filed in the "Minutes Documentary File". - *Exhibit 6-a*

Motion was made by Mr. Eaton, as Chairman of the Finance Committee, and seconded by Mr. McNulty, that the budget as presented by the Director be accepted. Unanimously carried.

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A general discussion was held relative to publishing another edition of the Contractors' Reference Book. Mr. Miller recommended that 5000 be published in view of the success of the first publication. Motion was made by Mr. Nies and seconded by Mr. McNulty that a revised edition of the reference book be published, and that the number to be printed be left to the discretion of the Registrar. The motion was unanimously carried.

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A general discussion was held on elimination of the geographical edition of the directory of licensed contractors. Mr. Miller reported that the geographical edition was not of sufficient value to warrant the expense of printing same, and

recommended its discontinuance, which recommendation was approved by the Board without formal action.

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A general discussion was held on the subject of hiring a man to take care of publicity work, including the publication of "The California Licensed Contractor", and any other general work of the Board which might be assigned to him by the Registrar. The Registrar recommended the creation of such a position.

Motion was made by Mr. McNulty and seconded by Mr. Ford that a man be put on to handle publicity work and such other duties as the Registrar and the Board may assign to him, with a starting salary not to exceed the present starting salary of a Deputy Registrar; the selection of such a man to be left to the discretion of the Registrar.

A lengthy discussion followed this motion and vote upon same was deferred until Saturday morning so that further discussion could be held.

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Mr. Miller called the Board's attention to the opinion rendered by the Attorney General relative to examination of applicants being mandatory. General discussion ensued. Mr. Miller submitted the following resolution for consideration and recommended its adoption:

"WHEREAS this Board has power under Section 7065 of the Business and Professions Code (Section 5 of Statutes of 1929, Page 791) to adopt rules and regulations for the qualification of applicants for contractors' licenses, and

"WHEREAS Section 7068 of the Business and Pro-

Professions Code provides in part: 'The Board shall require an applicant to show such degree of experience, and such general knowledge of the building, safety, health and lien laws of the State and of the rudimentary administrative principles of the contracting business as the Board deems necessary for the safety and protection of the public.', and

"WHEREAS on June 15, 1939 the Attorney General of the State of California did render an opinion (# NS1771) to the effect that 'giving an examination of some kind to an applicant for a contractor's license is mandatory', but in his opinion refused to make any general statement as to the minimum requirements of such an examination, and

"WHEREAS it is the opinion of Allen Miller, Registrar of Contractors, and Dwight W. Stephenson, Director of Department of Professional and Vocational Standards, that an examination procedure whereby the applicant is furnished a printed set of questions pertaining to his general knowledge of the building, safety, health and lien laws of the State, and to the rudimentary administrative principles of the contracting business, which questionnaire the applicant, without assistance, must answer at any time or place he may choose, and file and submit the same with his completed application form, will constitute a compliance with the mandatory features of the law;

"NOW THEREFORE BE IT RESOLVED:

"1. That it is the policy of this Board that an examination testing the applicant's general knowledge of the building, safety, health and lien laws of this State and of the rudimentary administrative principles of the contracting business be given to each applicant for a contractor's license.

"2. That the Registrar is hereby given the power and authority to, and he shall, in compliance with the rules and regulations heretofore and hereafter adopted by this Board and with the provisions of the Business and Professions Code, and commencing on or before September 15, 1939, conduct a written examination of each and every applicant for a contractor's license, testing the applicant's general knowledge of the building, safety, health and lien laws of this State and of the rudimentary administrative principles of the contracting business. The Registrar shall have and shall use the power and authority to correct, grade and mark the examination papers filed and submitted by applicants, and to refuse a license to those applicants who fail to maintain a passing grade in any examination conducted in compliance herewith.

"3. That the rules and regulations of this Board be amended in the following particulars:

(a) By adding a new rule to be designated as Rule 15 of Section I as follows: 'The deputies shall mark and grade examination papers and orally question and examine applicants as directed by the Registrar';

(b) By adding a new section designated as Rule 8a of Section II, reading as follows: 'Inspectors shall mark and grade examination papers and orally examine applicants as directed by the Registrar';

(c) By adding a new rule to be designated as Rule 37 of Section III, reading as follows: 'All applicants must qualify by a written examination designed to test his general knowledge of the building, safety, health and lien laws of the State and of the rudimentary administrative principles of the contracting business; provided, however, that this examination may not be required of an applicant or of a responsible managing officer of an applicant who is at the time of application the holder of an unexpired individual license, or who is the responsible member or officer of a licensed copartnership or corporation; provided, further, that an additional examination shall not be required of a person who has, within a period of two years after September 15, 1939, been qualified by examination';

amended

(d) By adding a new rule designated as Rule 38 of Section III, reading as follows: 'The written examination to be given by the Registrar shall consist of ---20--- questions to be answered either 'true' or 'false'; -10--- of such questions shall be of such a nature as to test the applicant's general knowledge of the building, safety, health and lien laws of the State, and -10--- questions to test his knowledge of the rudimentary administrative principles of the contracting business; all of such questions and the space opposite each where an answer may be indicated, together with proper instructions to the examinee, shall be printed upon a sheet or pamphlet separate and apart from the application form; said questionnaire shall be delivered to each applicant requesting an application form, and shall be answered in writing and filed and submitted to a member of the personnel of this Department by the examinee in person at the same time he submits his application for approval. The questions contained in said questionnaire may be answered by the applicant at any time or place that he may choose, provided, however, that applicant shall receive no assistance from any person or persons in answering said questions or marking said questionnaire, and shall certify to that fact under oath at a proper place upon said questionnaire.) Applicants unable to read or write may, in lieu of filling out the

amended see letter

written questionnaire, be examined orally by a deputy or inspector, his answers to the questions to be inserted on a regular examination form by the examining officer. Failure to answer one or more questions shall be equivalent to a wrong answer to said question or questions. Members of the personnel of this Board may orally examine the applicant concerning the questions contained in said questionnaire, and if said oral answers are different from the answers to said questions on said questionnaire, he may change the answers on the questionnaire and initial said change or changes in the presence of the applicant who likewise shall initial said change or changes. In such a case the questionnaire is to be graded after such changes, if any, are noted upon it. No license shall be issued to an applicant who fails to file said questionnaire or who fails to maintain a minimum grade of 70% in answering the questions. This requirement is in addition to other requirements provided in the Statute and to the rules and regulations for qualifying of applicants.';

(e) By adding a new rule to be designated as Rule 39 of Section III, to read as follows: 'An applicant who has failed to attain a passing grade upon a written examination may apply for and be re-examined as many times and as often as he may choose, provided, however, that each application for re-examination made within six months after the applicant has received notice of his failure to pass a previous examination must be accompanied by an additional application fee of \$10.00 and a statement showing the approximate date of his last request for an examination or re-examination.';

(f) By adding a new rule to be designated as Rule 40 of Section III, to read as follows: 'If a request for re-examination is made within six months from date of notification of failure to pass a previous examination, the Registrar may in his discretion waive the requirement that a new application form be filed; if longer than six months, a new application form must be filed.';

(g) By adding a new rule to be designated as Rule 41 of Section III, to read as follows: 'All examination papers filed by an applicant shall be the property of and retained by the Registrar, but the same may be examined by the applicant in the office of the Registrar during regular office hours.'

(h) By amending Rule 3 of Section III to read as follows: 'Every applicant and examinee shall include in the application certifications of good character and integrity. Persons making such certifications shall be:

- (1) Licensed civil or structural engineers or licensed architects or licensed contractors;
- (2) Owners for whom applicant has performed construction work as a contractor, superintendent or foreman, or in a responsible capacity;
- (3) Building supply firms;
- (4) Banking or Building and Loan institutions.

If applicant is an individual he must secure certifications as follows; two in groups 1, 2, 3 and one in group 4.

If applicant is a copartnership or corporation each member or officer must personally secure certifications as follows: one in each group (1, 2, 3, and 4).

An examinee who is not the individual applicant, or a member or officer if applicant is a copartnership or corporation, must personally secure certifications as follows: one in each group (1, 2, 3, and 4).'

(1) By amending Rule 5 of Section III to read as follows: 'If an individual, copartnership or corporation is qualifying by examination in the person of a responsible managing officer, and the applicant or his personnel have had no previous experience in a responsible capacity in the construction business, said applicant or member or officer may substitute as signatories persons of recognized standing and character in groups 1, 2 and 3 only.'

A vote upon the above resolution was deferred until Saturday so that it could be discussed further.

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Motion was made by Mr. Ford and seconded by Mr. McNulty that the meeting adjourn until 10:00 A.M. Saturday, July 22. Unanimously carried.

Meeting adjourned at 5:00 P. M.

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SATURDAY, JULY 22, 1939
10:00 A.M.

The regular meeting of the Contractors' State License Board reconvened at 10:00 A.M. Saturday, July 22, 1939, at Monterey, California, to take up unfinished business.

The following were present:

Roy M. Butcher, Chairman
Stephen L. Ford, Vice Chairman
Clarence B. Eaton, Member
S. G. Johnson, Member
Hugh W. McNulty, Member
William Nies, Member
Allen Miller, Executive Secretary.

Absent:

Walter Trepte, Member.

Also present was Glen V. Slater, Assistant Registrar.

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After a further discussion upon the motion made by Mr. McNulty and seconded by Mr. Ford just prior to the adjournment of Friday's session relative to the creation of a new position for the handling of publicity work, a vote was taken and the motion was unanimously carried.

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The discussion on the subject of examination was again opened, and it was called to the attention of the Board that the wording of the Contractors' License Law had been changed in the process of codification. Chairman Butcher instructed the Registrar to check to see if the change in the wording of the law was made before or after it went to print and report on same at the next meeting.

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Mr. Johnson, Chairman of the Rules & Regulations Committee, reported that his committee had come to the conclusion that it was necessary to accept the recommendation that was submitted by the Registrar relative to examinations, but that in doing so a few things should be considered in developing an examination program, such as the fact that there will be applicants who qualify in every respect from a practical point of view, but who may not be familiar with the health, safety and lien laws of the State, and the Contractors' License Law, and may, therefore, fail to pass the standard test. It was the recommendation of the committee that in order to simplify the examination procedure certain questions should be incorporated, such as ten questions that bear on the applicant's knowledge with reference to the above mentioned laws, and ten questions that bear relation to his experience in his particular vocation.

Mr. Johnson stated that his committee was looking over the first application form that was printed after the Board was organized; that this form was prepared upon the recommendation of the Board; that on the third page of that form were about nine or ten very pertinent questions which, when answered, would give the Board a pretty good idea of what sort of an individual the applicant was, and it was the opinion of the committee that it might be advisable, and make the examination far more effective and much more just and fair, if those questions were incorporated in the new application form.

The application form printed in 1936 and used during 1936 and 1937 was referred to with regard to questions relative

to applicant's experience. Mr. Johnson recommended that those questions be incorporated in the examination as it would give the man who cannot answer the other questions, but who has the experience, a chance to qualify. He also recommended that when it comes to rating a man according to his previous experience he should answer the question as to how long he has served his apprenticeship. Mr. Johnson further recommended that the number of questions should be left to the discretion of the Registrar, suggesting that there be twenty questions to be answered "true" or "false", ten of such questions to be of such a nature as to test the applicant's general knowledge of the building, safety, health and lien laws of the State, and ten questions to test his knowledge of the rudimentary principles of the contracting business.

Motion was made by Mr. Johnson and seconded by Mr. Nies that the Board accept the Registrar's resolution as written and presented; that the Registrar make out a questionnaire consisting of twenty questions, and that the Board hold a special meeting on August 12, ^{including No 7.} and in Long Beach to go over same. The motion was unanimously carried.

The Registrar was also instructed to submit at the special meeting to be held in August a new application form amended with the questions suggested.

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The Registrar read a telegram from Mr. Floyd Booe of San Francisco expressing regret of his inability to be present.

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Mr. McNulty read a letter from Mr. Harry Cayford,

Secretary of the Fresno State Builders' Exchange at Fresno, California, relative to the Board transferring its office from the Mason Building to the Builders' Exchange at a monthly rental of \$20.00 per month.

It was moved by Mr. McNulty and seconded by Mr. Eaton that the transfer be made at the rental quoted. The motion carried unanimously.

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The Registrar informed the Board that he had asked the Attorney General for an opinion relative to the taking of stenographic notes of the proceedings at hearings, and the opinion rendered by the Attorney General was that it is not mandatory that such notes be taken except possibly in cases that might be appealed, and Mr. Miller advised the Board that he would give the matter further consideration before determining whether or not such a procedure should be discontinued.

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Mr. Miller informed the Board that it had been the practice in the Los Angeles Office to have inspectors called in to do counter work because of the great volume of work in that branch office; that he felt that such type of work could be performed by a man less experienced and drawing less salary than the inspectors; that this work should be performed by a man rather than by a woman because complainants would rather discuss their construction griefs with a man rather than with a woman, and he recommended the creation of a new position in the Department to handle this type of work, and suggested that the title of such position be left to his discretion, but that

the salary of such new position should be below that of an inspector. It was moved by Mr. Eaton and seconded by Mr. Ford that the Registrar's recommendation be accepted. This motion was carried unanimously.

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At 12:15 P.M. Chairman Butcher announced that the Board would go into an executive session immediately.

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EXECUTIVE SESSION

At 12:15 P. M. Saturday, July 22, 1939, the Chairman called an executive meeting for the purpose of election of officers for the ensuing year, and the appointment of various committees.

Upon the motion of Mr. Nies, seconded by Mr. Eaton, Mr. Roy M. Butcher was nominated to retain the office of Chairman of the Contractors' State License Board for the ensuing year, and nominations were closed. The Secretary was instructed to cast a unanimous vote for Mr. Roy M. Butcher for Chairman for the ensuing year.

Upon the motion of Mr. McNulty, seconded by Mr. Johnson, Mr. Stephen L. Ford was nominated for Vice Chairman of the Contractors' State License Board for the ensuing year, and nominations were closed. The Secretary was instructed to cast a unanimous vote for Mr. Stephen L. Ford for Vice Chairman for the ensuing year.

The following committees were reappointed for the fiscal year 1939-40:

LEGISLATIVE COMMITTEE

Hugh W. McNulty, Chairman
William Nies
S. G. Johnson

RULES AND REGULATIONS COMMITTEE

S. G. Johnson, Chairman
Hugh W. McNulty
Stephen L. Ford

FINANCE AND BUDGET COMMITTEE

Clarence B. Eaton, Chairman
Walter Trepte
Stephen L. Ford

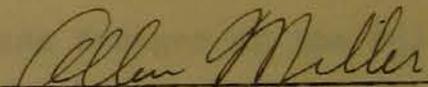
PERSONNEL COMMITTEE

William Nies, Chairman
Clarence B. Eaton
Walter Trepte.

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There being no further business, motion was made and seconded that the meeting adjourn, to reconvene on August 12 ~~and~~ 1939, at Long Beach. Unanimously carried.

The regular quarterly meeting of the Contractors' State License Board adjourned at 12:45 P. M.


EXECUTIVE SECRETARY

Recorded by
P. Michaelson
906 Calif. State Bldg.,
Los Angeles, Cal.

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

Held at
LONG BEACH, CALIFORNIA
August 12, 1939

The special meeting of the Contractors' State License Board was called to order at 9:30 A.M., August 12, 1939, in the Civic Auditorium at Long Beach, California.

Those present were:

S. G. Johnson, Member
William Nies, Member
Walter Trepte, Member
Allen Miller, Executive Secretary.

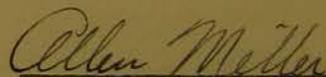
Absent:

Roy M. Butcher, Chairman
Stephen L. Ford, Vice Chairman
Clarence B. Eaton, Member
Hugh W. McNulty, Member

Those present entered into an informal general discussion relative to examinations and the Fair Trades Practice Act, but due to the lack of a quorum no action was taken.

At the suggestion of the Executive Secretary, and with the approval of those members present, a special meeting was called for 10:00 A.M., Tuesday, August 29, 1939, at 906 California State Building, Los Angeles, California, to take up the matters which were to have been discussed at this meeting.

The special meeting adjourned at 11:30 A.M.


EXECUTIVE SECRETARY

Reported by
P. Michaelson

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

Held at
SAN FRANCISCO, CALIFORNIA
September 8, 1939

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A special meeting of the Contractors' State License Board was called to order by Chairman Roy M. Butcher at 10:00 A. M., Friday, September 8, 1939.

Those present were:

Roy M. Butcher, Chairman
Stephen L. Ford, Vice Chairman
Clarence B. Eaton
S. G. Johnson
Hugh W. McNulty
William Nies
Allen Miller, Executive Secretary.

Absent:

Walter Trepte.

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It was moved and seconded that the minutes of the regular meeting of the Board, held in Monterey, California on July 21 and 22, 1939, be approved as written and submitted. The motion was unanimously carried.

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A discussion was had upon the subject of having the minutes of the meetings of the Board approved and made effective prior to the next meeting of the Board. It was unanimously agreed that in the future the minutes of any regular or special meeting of the Board, after being written up and submitted to the Board members by the Executive Secretary, should be deemed

to be approved and should be immediately effective unless an objection to them was raised by some Board member within one week after the mailing of the minutes.

There ensued a discussion concerning the addition of certain questions to the application form. Motion was made and seconded and unanimously carried that the questions (exhibit No. 9 in the Minutes Documentary File) be approved and inserted in the new application form, and the Registrar directed to have same printed and use them in the examination procedure in compliance with the resolution concerning that subject and adopted at the last regular meeting.

Mr. S. M. Shapiro, a general contractor from Oakland and Board member of the General Contractors' and Builders' Association of the East Bay, was introduced to the Board members by Mr. Johnson, and he stated that his organization was keen about having some adequate examination for prospective contractors, and expressed confidence that the Board would solve the problem.

Recess was called by Chairman Butcher at 12:00 M. until 2:00 P.M.

The special meeting of the Contractors' License Board was called to order at 2:30 P.M., the attendance being the same as at the morning session.

A general discussion was had on the examination

questions and a final draft written up (exhibit 10 in the Minutes Documentary File). Mr. McNulty suggested that the questions approved should be put on a supplemental sheet and not be included in the application form for the reason that great savings could be made in stationery bills if the Board should decide to make changes in the questions. After amendments and additions to questions submitted, they were unanimously approved in the form they appear as Exhibit 10 of the Minutes Documentary File.

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It was moved by Mr. Ford and seconded by Mr. Eaton that the chairman instruct the Rules and Regulations Committee to consider the problem of classification, and to report at the next regular meeting the result of its study. Unanimously carried, and the Committee was so instructed by the Chairman.

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The Executive Secretary, Mr. Miller, made a report concerning the success of the Inspectors' Conference held in Long Beach on August 10 and 11. He also reported that a form letter had been sent to all secretaries of the trade associations that the Department would mail them daily reports of applicants upon remittance of a fee of five dollars to cover postage; that this was done in pursuance to the resolution adopted at the last regular Board meeting.

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The Executive Secretary also reported that he had not as yet hired a "public relations" man or coordinator, or the

MINUTES OF THE SPECIAL MEETING
CONTRACTORS' STATE LICENSE BOARD
LONG BEACH, CALIFORNIA

counter man which the Board authorized him to hire at its last regular meeting. He stated that he was having difficulty with the Personnel Board in setting up a classification for these two positions, but felt that eventually he would be successful in doing so.

The special meeting of the Contractors' State License Board was called to order at 9:30 A.M., August 12, 1939, in the Civic Auditorium at Long Beach, California.

Discussion was held regarding the matter of engaging hearing officers with legal experience. It was decided that such discussion should be postponed until the next regular meeting.

- S. G. Johnson, Member
- William Niss, Member
- Walter Trapp, Member
- Allen Miller, Executive Secretary.

Upon motion duly made and seconded, the special meeting of the Contractors' License Board adjourned at 5:00 P.M., to reconvene at 10:00 A. M., Saturday, September 9.

Those present entered into an informal general discussion relative to the Fair Trades Practices Act, but due to the lack of a quorum no action was taken.

SATURDAY

SEPTEMBER 9, 1939

Lacking a quorum, no official business was conducted at the Saturday meeting, although a general discussion of the problems of the Board was held by those present.

Allen Miller
EXECUTIVE SECRETARY

Reported by:
Agnes Tillman
515 Van Ness Ave.
San Francisco, Calif.

Allen Miller
EXECUTIVE SECRETARY

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

Held at
OAKLAND, CALIFORNIA
OCTOBER 27 & 28, 1939

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The regular quarterly meeting of the Contractors' State License Board was called to order by Chairman Roy M. Butcher at 10:00 A.M., Friday, October 27, 1939.

Those present were:

Roy M. Butcher, Chairman
S. G. Johnson, Member
William Nies, Member
Walter Trepte, Member
Allen Miller, Executive Secretary.

Absent:

Stephen L. Ford, Vice Chairman
Clarence B. Eaton, Member
Hugh W. McNulty, Member.

Also present was:

Glen V. Slater, Assistant Registrar.

Mr. E. F. Raeside, Business Manager of the Painting and Decorating Contractors' Association of Alameda County, Inc., appeared before the Board and stated that he had gone before the Examining Board for electricians in Portland, Oregon which was giving oral examinations to applicants. Mr. Raeside suggested that a copy of their examination procedure be secured from them.

The minutes of the Special Meeting held on September 8, 1939 were read by the Executive Secretary. Upon motion of Mr. Johnson, seconded by Mr. Trepte, the minutes were unanimously approved.

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The subject of the letter written by Mr. Miller on September 15, 1939, concerning amendments to the Rules of the Board, was brought up. It was thereupon moved by Mr. Johnson and seconded by Mr. Nies that the amendments to the Rules and Regulations concerning examination procedure suggested in that letter be adopted. (A copy of which letter is filed as exhibit 13 in Minutes Documentary File) Motion was unanimously carried.

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A letter written by the Stockton Builders' Exchange to Mr. Miller offering office space and telephone service, including listing in the telephone directory, for the sum of \$21.50 per month, effective October 1, 1939, was read by the Executive Secretary. After a general discussion relative to office space rented in other districts throughout the State it was moved by Mr. Johnson and seconded by Mr. Nies that the offer be accepted, at a rental of \$20.00 per month, which would exclude the listing in the telephone directory. The motion was unanimously carried.

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Mr. Johnson suggested that our Oakland office be moved to the Builders' Exchange, if such an arrangement would be satisfactory to the Oakland Builders' Exchange, as he believes the

service given by the telephone operator at the Bank of Commerce Building, Oakland, is unsatisfactory and feels that the public and the contractors of the East Bay area are entitled to more adequate information when the office is contacted during Mr. Ford's absence.

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The Executive Secretary read set No. 2 of the examination questions which had been prepared since the last meeting of the Board. Upon motion of Mr. Nies, seconded by Mr. Trepte, they were unanimously approved in the form they appear as Exhibit No. 11 of the Minutes Documentary File.

It was suggested by Mr. Nies that a third set of examination questions be prepared.

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Chairman Roy Butcher brought up the subject of printing an additional supply of the CALIFORNIA CONTRACTORS' LICENSE LAW and the REFERENCE BOOK. The Executive Secretary stated that authorization had been given at the Board meeting in Monterey to print additional copies, and when this is done the examination questions (except technical ones) will be taken from that book, giving the examinee an opportunity to read the handbook before the examination is given to him.

Mr. Miller reports - - - the new form of application

Recess was called by Chairman Butcher at 11:45 until 1:30 P.M.

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The meeting was called to order at 2:00 P.M., the attendance being as follows:

Present:

Roy M. Butcher, Chairman
Clarence B. Eaton, Member
S. G. Johnson, Member
Hugh W. McNulty, Member
William Nies, Member
Walter Trepte, Member
Allen Miller, Executive Secretary.

Absent:

Stephen L. Ford, Vice Chairman.

Also present were:

Dwight W. Stephenson, Director
Glen V. Slater, Assistant Registrar
R. S. Bowdle, Deputy Registrar
L. F. Erb, Deputy Registrar.

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The new form of Application for Contractor's License was presented to the Board, showing the additional questions Nos. 15 to 24.

The Executive Secretary stated that the matter of making these questions binding upon the applicant was so tied up with the classification problem it should not be taken up separately but be postponed until the next day to refer to the Rules and Regulations Committee.

Mr. Miller reported that the new form of application would be used the following week regardless of the action of the Rules and Regulations Committee to make the application form effective.

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A discussion was had concerning the general policy of the Board of sponsoring amendments to the Fair Trades Practice Act, so as to make violation of said act grounds for suspension or revocation of a license. The Board did not wish to go on record as being in favor of such a policy and the general opinion was that the industry itself should sponsor any amendments to the Act. The Board raised no objection to Mr. Miller's telling the various building trade associations of the acts of the Board from his personal standpoint, but disapproved the conveying of any thought to the industries that the Board would sponsor any amendments to the Act. No action was taken upon Mr. Johnson's recommendation that this subject be referred to the Legislative Committee of the Board for their consideration.

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Director Dwight W. Stephenson, with Mr. Erb, left the meeting at 2:50 P.M.

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There ensued a discussion concerning the examination procedure which was put into effect on October 9, 1939, and the Executive Secretary explained in detail the method of filing the application, taking the examination, and the ten-day posting period. It was the consensus of the Board that eventually the examination papers should be marked at a central point and the responsibility of grading the papers should be taken from the inspectors. It was agreed that there was no need of haste in making this suggested change, and that the matter should be left to the discretion of the Registrar.

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A discussion was had upon the subject of a long range program of the Board which would involve an attempt to (a) get the construction industry organized; (b) sponsor conferences of the industrial groups; (c) foster legislation and lay a foundation now for the enactment of legislation at the next session. The question arose as to what part the Registrar and the personnel of the Department should take in such a program.

The opinion of the Board was that (a) we now have a huge problem in studying the possibility of re-classification of our crafts with a view of putting into operation the practical examinations; (b) our main duty is to defend the act as it now exists because there are men trying to tear it down and others contemplating its repeal; (c) the Registrar should keep in contact with the industry, try to promote satisfaction with the examinations we have at the present time, sponsor conferences, ask the industry to suggest ideas with reference to legislation, to which the Board will lend its services but will not sponsor legislation or put forth any program of its own; and (d) impress upon the minds of the industry the limitations of the Board under the law as it now exists.

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The Executive Secretary reported that he had not as yet hired a "public relations" man, or the counter man which the Board had authorized him to hire, but that the latter situation was being taken care of temporarily by the transfer of Gertrude Cooley, Senior Information Clerk, of San Francisco, to the Los Angeles office, who has a higher rating than the counter man but is performing the duties

of counter clerk to the satisfaction of the Registrar. The Executive Secretary reported that having obtained waivers of the two available deputy registrars, he contemplated the temporary appointment of an attorney, Mr. McGovern, as an additional deputy registrar for the Los Angeles office. There ensued a discussion of the need of additional help because of the increase of work in the Los Angeles office.

Mr. S. G. Johnson, Chairman of the Rules and Regulations Committee, Upon motion duly made and seconded, the meeting of the Contractors' State License Board adjourned at 5:30 P.M., to reconvene at 10:00 A.M. Saturday, October 28, 1939.

Executive Secretary, the General be consulted before too much time and work were given to the study of this matter. Mr. Miller read a tentative letter and, after a few minor changes, the letter was adopted.

SATURDAY
OCTOBER 28, 1939.

The regular meeting of the Contractors' State License Board was called to order at 10:30 A.M. Saturday, October 28, 1939, the attendance being the same as at the afternoon session on Friday, October 27, 1939.

A further discussion ensued concerning the hearing officer for the Los Angeles office. It was suggested by the Board that further time be given to consider the matter of the appointment of an additional deputy for the Los Angeles office, and that Mr. Miller's recommendation that a man with legal training be engaged should not be ignored, but the matter should be thought over and studied very carefully before Mr. McGovern was engaged for the position. The opinion was expressed that the

additional deputy registrar and hearing officer should come from the ranks of men now employed in the Department if there were such men sufficiently qualified to perform such duties. The matter was referred by the Chairman to the Personnel Committee, consisting of Clarence Eaton, William Nies, and Walter Trepte, for study and investigation, as well as the matter of additional help in the Los Angeles office.

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Mr. S. G. Johnson, Chairman of the Rules and Regulations Committee, was called upon for a report concerning the problem of the re-classification of contractors into from twelve to sixteen groups. Mr. Johnson stated that, following the suggestion of the Executive Secretary, the Attorney General be consulted before too much time and work were given to the study of this matter. Mr. Miller read a tentative draft of such letter and, after a few minor changes were suggested, was instructed to send it to the Attorney General. Mr. Johnson recommended that the letter, as drawn up and read to the Board by Mr. Miller, be sent to the Attorney General before the Committee proceeded with any further consideration or study of the problem of re-classification.

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A further general discussion was had upon the application forms.

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Mr. George Windsor, President of the General Contractors' and Builders' Association of the East Bay, Builders' Exchange Building, 345 Hobart Street, Oakland, was introduced to the Board

members by Mr. S. G. Johnson, and he stated he realized the problems with which the Board is confronted and extended his good wishes for their success in accomplishing their objectives.

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Mr. Miller referred to his written report rendered to the Board, filed as Exhibit No. 12 of the Minutes Documentary File, to which he said he wished to add a report made by Mr. Slater of his activities during the month.

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Upon motion made by Mr. McNulty, seconded by Mr. Eaton, and unanimously carried, the meeting adjourned.

S. G. Johnson
Eugene V. McNulty
William H. Eaton
Allen Miller, Secy

Allen Miller
EXECUTIVE SECRETARY



Recorded by:

Walter Treppe
Agnes Tillman
515 Van Ness Ave.
San Francisco, Calif.

and reported that the minutes of the regular meeting of the Board, held in Monterey, California on July 21 and 22, 1939, be approved as written and published. The motion was unanimously carried.

A discussion was had upon the subject of meeting the