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ACCOMPLISHMENTS & ACTIVITIES





AGUSTIN “AUGIE” BELTRAN, *Public Member, Chair*
KEVIN J. ALBANESE, *Contractor Member, Vice Chair*
MARLO RICHARDSON, *Public Member, Secretary*

LINDA CLIFFORD, *Contractor Member*
DAVID DE LA TORRE, *Public Member*
DAVID DIAS, *Labor Member*
SUSAN GRANZELLA, *Public Member*
JOAN HANCOCK, *Contractor Member*
PASTOR HERRERA JR., *Public Member*
ED LANG, *Public Member*
MICHAEL A. LAYTON, *Public Member*
FRANK SCHETTER, *Contractor Member*
PAUL SCHIFINO, *Contractor Member*
JOHNNY SIMPSON, *Public Member*
NANCY SPRINGER, *Public Member*

EDMUND G. BROWN JR.
Governor

ALEXIS PODESTA
Secretary
Business, Consumer Services, and Housing Agency

DEAN GRAFILO
Director
Department of Consumer Affairs

CINDI A. CHRISTENSON
Registrar
Contractors State License Board

2016: A Year of Industry Recovery and CSLB Progress



It is with pleasure that we present the Contractors State License Board's 2016 *Accomplishments and Activities Report*.

California's construction industry continues to show signs of recovery from the economic downturn that began in 2008. While the overall number of licensed contractors did decline slightly in 2016, as it has for the past eight years, CSLB saw its third straight year of steady growth in the number of applications received—up 4 percent from the previous year—and 2,000 contractors reactivated their licenses. California currently boasts over 282,000 licensed contractors.

In 2016, CSLB continued its Military Application Assistance Program, offering help and expedited application processing for past and present military personnel and their spouses/domestic partners. Staff also works with veterans to determine how their military experience might help them to qualify for a license.

Throughout the year, CSLB strengthened its collaboration with state, local, and industry partners to address deceptive practices within the growing solar industry, workers' compensation insurance compliance, and ongoing enforcement of state contractors' license law. In fiscal year 2015-16, CSLB helped recover approximately \$41 million in ordered restitution for consumers.

Staff continued to provide important information to victims of drought-driven wildfires that destroyed hundreds of homes throughout the state in 2016. CSLB joined other state agencies at Local Assistance Centers to provide property owners with recovery information and to answer questions. Staff also conducted compliance sweeps of the affected areas to warn off unlicensed operators and to prevent those that suffered losses from being further victimized.

As part of its ongoing commitment to education and outreach, staff from CSLB and the Department of Consumer Affairs joined with the Consulate General of Mexico in Los Angeles to present a well-received Spanish-language workshop at the Consulate. CSLB staff provided an overview of the licensing application process and answered questions from the over 150 attendees.

CSLB sponsored two pieces of legislation in the 2015-16 Legislative session, both of which Governor Brown signed into law. Senate Bill 1209 (Morrell) provides for enhanced complaint disclosure of legal actions taken against licensees, and Senate Bill 1039 (Hill) authorized the increase of many CSLB license and renewal fees. Most

A MESSAGE FROM THE BOARD CHAIR

fees will increase by 11 percent, generating approximately \$6 million in additional annual revenue, which will help keep CSLB's fund healthy.

This last year we congratulated long-serving Board member Robert J. Lamb II as his final term ended, and welcomed Michael A. Layton. In addition, four members—David De La Torre, David Dias, Susan Granzella, and Marlo Richardson—were reappointed. The 15 members of the Board bring a wealth of experience, knowledge, and dedication to their roles in guiding CSLB policy.

As we look ahead to 2017, it is important to note transitions that took place during the past year. Registrar of Contractors Cindi A. Christenson announced her upcoming retirement, effective May 2017, and Chief Deputy Registrar Cindy Kanemoto retired at the end of 2016.

As CSLB transitions to new executive leadership, Board members and staff will continue to work diligently to fairly regulate the state's construction industry and protect California consumers.

Thanks to all of those who assisted and supported our efforts in 2016.

A handwritten signature in black ink, appearing to be 'Augie Beltran', written in a cursive style.

Augie Beltran, Board Chair



2016 CSLB BY THE NUMBERS



CALLS ANSWERED
BY LICENSING INFO CENTER
WITHIN 3 MINUTES



COMPLAINTS CLOSED
WITHIN 90 DAYS



INCREASE IN LICENSE
APPLICATIONS SINCE 2015



\$2,585,827

RESTITUTION ORDERED TO THE PUBLIC

\$65,161,000

CSLB'S 2016-17 FISCAL YEAR **BUDGET**



02 CSLB-SPONSORED
BILLS SIGNED INTO LAW BY
GOVERNOR JERRY BROWN



03 NEW **INTERACTIVE**
FORMS CREATED TO SPEED
UP HIS REGISTRATION



07 **EMPLOYMENT**
EXAMS ADMINISTERED BY
DCA/CSLB



46 **LICENSING**
EXAMS MAINTAINED



10 **BOARD AND**
COMMITTEE MEETING
WEBCASTS PRODUCED



09 NEW **LICENSING**
EXAMS COMPLETED BY
EXAM DEVELOPMENT UNIT



179 **APPLICATIONS EXPEDITED & LICENSES ISSUED**
THROUGH VETERANS APPLICATION ASSISTANCE PROGRAM

20 CSLB EMPLOYEES
RETIRED



2,989
FACEBOOK FOLLOWERS

26,281
SIGN-UPS FOR CSLB
EMAIL ALERTS



2,610,391
CSLB **WEBSITE USERS**

3,712
LEGAL ACTIONS BROUGHT
AGAINST VIOLATORS FROM
CSLB INVESTIGATIONS

158,778
CALLS ANSWERED BY
LICENSING INFORMATION
CENTER STAFF

14,174,029
LICENSE CHECKS
CONDUCTED ON
CSLB WEBSITE

26,804
CSLB LICENSE
APPLICATIONS RECEIVED

19,991
COMPLAINTS CLOSED BY
INTAKE MEDIATION CENTER

43,221
EXAMINATIONS SCHEDULED

282,747 **LICENSED**
CONTACTORS

CSLB MISSION

CSLB protects consumers by regulating the construction industry through licensure, enforcement, and education.



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CSLB V I S I O N

CSLB is a model consumer protection agency, integrating regulatory oversight of the construction industry as necessary for the protection of consumers and licensed contractors.



LEADERSHIP

CSLB Board Members and Registrar

CSLB's 15-member Board appoints the executive officer, or Registrar of Contractors, and directs administrative policy for CSLB operations. The Board is comprised of five contractor members and 10 public members (including one labor representative, one local building official, and one representative of a statewide senior citizen organization). Appointments are made by the governor and the state legislature.

AGUSTIN "AUGIE" BELTRAN, Chair

Senate Appointee Public Member



Augie Beltran, of Oakdale, was appointed by the Senate Rules Committee in January 2014. Mr. Beltran served in the United States Marine Corps Reserve from 1985-1993. Since beginning his career as a carpenter apprentice in 1989, Mr. Beltran has worked in various facets of the construction industry. Mr. Beltran has served on several government boards since 1997, including the Lathrop City Council from 2000-2004, and the Delta Protection Commission from 2002-2004. He currently serves as the President and Director of Public and Governmental Relations for the Northern California

Carpenters Regional Council. Mr. Beltran's term continues through June 1, 2017.

KEVIN J. ALBANESE, Vice Chair

Governor Appointee "B" Contractor Member



Kevin J. Albanese, of San Jose, was appointed by Governor Edmund G. Brown Jr. in July 2013. In 2014, Mr. Albanese took over as President and CEO of Joseph J. Albanese, Inc. Previously, he spent 10 years as the company's Chief Operating Officer and served in a multitude of other management positions throughout the organization. In addition, Mr. Albanese graduated magna cum laude from the Santa Clara University School of Law and remains an active member of the State

Bar. Mr. Albanese is a longtime member and past President of United Contractors, and also serves as a management Trustee for the Operating Engineers Local 3 Trust Funds. Mr. Albanese’s term continues through June 1, 2017.

MARLO RICHARDSON, Secretary

**Governor Appointee
Public Member**



Marlo Richardson, of Playa del Rey, was first appointed by Governor Edmund G. Brown Jr. in June 2015, and appointed to a full term in June 2016. Ms. Richardson has been employed by the Los Angeles Airport Police Division since 1999, and is a lieutenant. She has an extensive background as a business entrepreneur with experience in the restaurant, real estate, home health care, import/export, and financial services industries, and mentors other business entrepreneurs. Ms. Richardson is co-chair of Public Safety for the Los Angeles County Empowerment Congress, and also is a member of the California State Bar Association Committee on Professional Responsibility and Conduct, the Los Angeles African American Women’s Public Policy Institute, and California Women Lead. Ms. Richardson’s term continues through June 1, 2020.

LINDA CLIFFORD

**Governor Appointee
“A” Contractor Member**



Linda Clifford, of Sacramento, was appointed by Governor Edmund G. Brown Jr. in July 2013, and reappointed in June 2014. Ms. Clifford was chief financial officer at C.C. Myers Inc. from 1986 to 2016. She also held multiple accounting positions at Continental Heller-Tecon Pacific from 1972-1986. Ms. Clifford is treasurer and a board member of Transportation California, and chairperson and commissioner for the California Uniform Construction Cost Accounting Commission. Ms. Clifford’s term continues through June 1, 2018.

DAVID DE LA TORRE

**Assembly Appointee
Public Member**



David De La Torre, of San Bruno, was appointed by Assembly Speaker Toni G. Atkins in May 2015, and reappointed by Assembly Speaker Anthony Rendon in September 2016. Mr. De La Torre is secretary-treasurer of Laborers Union Local 261, representing 5,000 members



in San Francisco, San Mateo, and Marin counties. Mr. De La Torre is a third-generation laborer who has worked for a variety of local and regional contractors. He was first elected as a union officer in 2005. Mr. De La Torre also serves as board president for the San Francisco chapter of the A. Philip Randolph Institute, and is a representative on San Francisco Mayor Ed Lee's 100% Renewable Energy Task Force. Mr. De La Torre's term continues through June 1, 2020.

DAVID DIAS

Governor Appointee Labor Member



David Dias, of Pleasanton, was appointed by Governor Edmund G. Brown Jr. in April 2011, and has been twice reappointed,

in June 2012 and June 2016. Mr. Dias has been a business representative for Sheet Metal Workers' Local Union No. 104 since 2005, and previously worked as an apprentice instructor at Foothill Community College from 1998 to 2005, a field supervisor at Therma Inc. from 1997 to 2005, and a sheet metal worker foreman at RH Tinney from 1990 to 1997, after serving as an apprentice from 1986 to 1990. He is a trustee of the Bay Area Industry Training Fund, a member of the U.S. Green Building Council, and a member of the Joint Committee for

Energy and Environmental Policy. He also serves on the Proposition 39 Citizens Oversight Committee and the IAPMO UMC Technical Committee, as well as committees for ASHRAE and EECC. Mr. Dias will serve through June 1, 2020.

SUSAN GRANZELLA

Governor Appointee Public Member



Susan Granzella, of Sacramento, was first appointed by Governor Edmund G. Brown Jr. in October 2014, and reappointed

in June 2016. Ms. Granzella held several positions at Visa Inc. from 1996 until her retirement in 2014, including senior director and vice president for technical documentation, and audit and compliance coordinator for global development. In the latter role, she oversaw Visa's technical writing and publishing efforts, distributing content internationally to banks and processors, and managed staff in both the United States and India. She also serves on the Sacramento Board of Directors for the National Council on Alcoholism and Drug Dependence. Ms. Granzella's term continues through June 1, 2020.



JOAN HANCOCK

**Governor Appointee
“B” Contractor Member**



Joan Hancock, of Sacramento, was appointed by Governor Arnold Schwarzenegger in November 2007, and

reappointed by Governor Edmund G. Brown Jr. in July 2011, and again in June 2015. Ms. Hancock has owned Her Land Enterprises, a general contracting firm since 1983. In 2010, she started “Insights” Construction consulting. Ms. Hancock earned a juris doctorate degree in 1982, and a California state teaching credential in 1979, and is a certified mediator. Ms. Hancock’s term continues through June 1, 2019.

PASTOR HERRERA JR.

**Governor Appointee
Public Member**



Pastor Herrera Jr., of Los Angeles, was appointed by Governor Arnold Schwarzenegger in July 2010, and reappointed by

Governor Edmund G. Brown Jr. in June 2014. Since 2011, Mr. Herrera has been an adjunct professor at the California State University, Northridge Department of Family and Consumer Sciences.

Previously, he served in multiple program staff positions at the Los Angeles County Department of Consumer and Business Affairs from 1976 to 2010, and was its director for 19 years. He also serves on several nonprofit boards, including the National Consumers League (NCL), National Insurance Institute Consumer Advisory Board, and Privacy Rights Clearinghouse. Mr. Herrera’s term continues through June 1, 2018.

ED LANG

**Governor Appointee
Public Member
Senior Citizen Organization**



Ed Lang, of Rancho Cordova, was appointed by Governor Arnold Schwarzenegger in January 2007, and reappointed in July

2010 and June 2014. Mr. Lang retired as supervisor of the Corporation Collections Unit for the California Franchise Tax Board, where he worked in various positions from 1980 to 2003. Previously, he was an adult education instructor for the Folsom-Cordova Unified School District from 1976 to 1982, and served in the U.S. Air Force from 1960 to 1980. Mr. Lang served on the Board of Directors for the InnerCity Housing Corporation and HELPS Family Foster Agency, and is a member of the American Association of Retired People. Mr. Lang’s term continues through June 1, 2018.



MICHAEL A. LAYTON**Assembly Appointee
Public Member**

Michael A. Layton, of Long Beach, was appointed by Assembly Speaker Anthony Rendon in September 2016. Mr. Layton

is the Business Manager and Financial Secretary-Treasurer for the Southern California Pipe Trades, a position he has held since 2008. Prior to this, he served as Executive Director of the Apprentice and Journeyman Trust Fund of Southern California. A 1992 graduate of the United Association of Journeymen and Apprentices Instructor Training Program, affiliated with Michigan State University, Mr. Layton is a credentialed plumbing and pipe fitting instructor. He also has held a California Vocational Education Teaching Credential since 1988. Mr. Layton is a member of the American Welding Society, the American Society of Sanitary Engineering, the International Association of Plumbing and Mechanical Officials, and the United Association of Plumbers and Steamfitters, Local 403. His term continues through June 1, 2020.

FRANK SCHETTER**Governor Appointee
“C” Contractor Member**

Frank Schetter, of Sacramento, was appointed by Governor Edmund G. Brown Jr. in August 2011, and reappointed in

June 2015. Mr. Schetter is the CEO of Schetter Electric, and was its president from 1983 to 2005. He served as president, and is currently the governor, of the Sacramento chapter of the National Electrical Contractors Association, as trustee of the statewide IBEW/NECA LMCC, and as trustee of the IBEW/NECA Joint Apprenticeship Training Program. He has also served as a member of the National Joint Apprenticeship and Training Committee, Sacramento County Code Appeals Board, City of Sacramento Electrical Code Advisory Board, and president of the Sacramento chapter of the ASA. Mr. Schetter's term continues through June 1, 2019.



PAUL SCHIFINO

Governor Appointee “C” Contractor Member



Paul Schifino, of Los Angeles, was originally appointed by Governor Arnold Schwarzenegger in January 2010, and reappointed

by Governor Edmund G. Brown Jr. in April 2011. Mr. Schifino is owner and president of Anvil Steel Corporation and Junior Steel Co., both of which hold a specialty (C-51) and general contractors (B) license in California. Mr. Schifino was a practicing attorney in California from 1989 to 1996, and was adjunct professor at Georgetown University from 1987 to 1989. He also is a member of the American Institute of Steel Construction (AISC). Mr. Schifino and his wife actively participate in many local charities, including City of Hope Hospital and the Weizmann Institute of Science. Mr. Schifino’s term continues through June 1, 2017.

JOHNNY SIMPSON

Senate Appointee Public Member



Johnny Simpson, of Spring Valley, was appointed by the Senate Rules Committee in February 2015. Mr. Simpson is

the International Representative of the International Brotherhood of Electrical Workers (IBEW), 9th District, and formerly was Business Manager/Financial Secretary of IBEW Local 569, which represents over 3,100 electrical workers in San Diego and Imperial Counties. A third generation IBEW wireman, Mr. Simpson graduated from the IBEW California Apprenticeship Program in 1981. He is highly involved in his community and has spent over 20 years volunteering alongside IBEW 569 members to fix electrical systems in the homes of San Diego’s low income seniors, disabled veterans, and their families. He is also a past trustee and president of the San Diego Electrical Training Center,



president of the San Diego County Building and Construction Trades Council, and vice president of the San Diego County Building Trades Family Housing Corporation, which provides affordable housing for low and moderate income working families. Mr. Simpson's term continues through June 1, 2019.

NANCY SPRINGER

Governor Appointee
Public Member
Building Official



Nancy Springer, of Browns Valley, was appointed by Governor Edmund G. Brown Jr. in September 2013. Ms. Springer is the

Building Official for Butte County, where she manages the building and safety operations for the unincorporated county and five incorporated cities. She held multiple positions at Willdan Engineering from 2003 to 2007, including building safety services supervisor, office manager, and senior plans examiner. Prior, Ms. Springer was a plans examiner at Linhart Peterson Powers and Associates from 1998 to 2003, and a building inspector for the Sutter County Community Services Department from 1992 to 1998. She was a building inspector for the City of Colusa from 1991 to 1992, and for the City of Palmdale from 1989 to 1991. Ms. Springer was an electrician apprentice

at the National Electrical Contractors Association from 1984 to 1987, and an aircraft electrical systems specialist for the U.S. Air Force from 1980 to 1985. She has served as a past president of the Counties Building Officials Association of California (CBOAC), and maintains membership with the California Building Officials (CALBO), Sacramento Valley Association of Building Officials (SVABO), and International Code Council (ICC). Ms. Springer's term continues through June 1, 2017.



CINDI A. CHRISTENSON

Registrar of Contractors

Cindi A. Christenson became Registrar of Contractors on January 1, 2015.



Ms. Christenson serves as CSLB's executive officer, and oversees a \$60 million budget and more than 400 employees at

CSLB headquarters in Sacramento and 11 other offices around the state. She is the first female Registrar in CSLB's 86-year history.

Ms. Christenson is a licensed mechanical engineer, and also holds a law degree. Before joining CSLB in 2009 as Chief Deputy Registrar, Ms. Christenson was executive officer for

the California Board of Professional Engineers and Land Surveyors from 1996 to 2009. From 1988 to 1996, she served as that organization's senior engineering registrar. She also worked with the state Department of Water Resources as an associate mechanical engineer from 1981 to 1988.

Ms. Christenson received her juris doctorate from the Lincoln Law School of Sacramento in 2003, and earned her Bachelor of Science degree in Mechanical Engineering from California Polytechnic State University, San Luis Obispo.



September 19-20, 2016 Board meeting in Monterey.



LICENSING

The Licensing division processes all applications for California state-issued home improvement salesperson registrations and contractor's licenses. For contractor's licenses, this includes criminal background checks and experience verification, as well as any changes made to the over 280,000 current licenses. The division also processes all documents related to compliance with bond, insurance, and workers' compensation requirements, as well as biennial renewals.

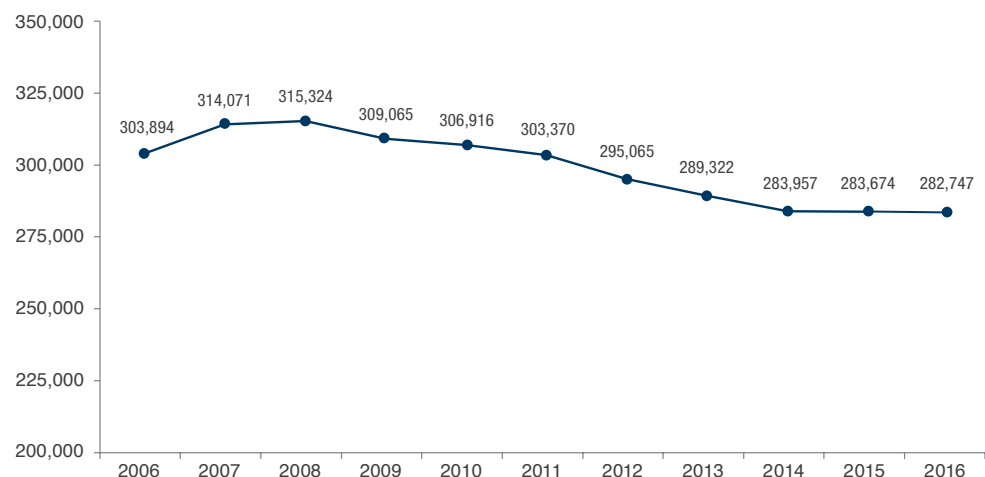
In 2016, CSLB received over 26,000 applications, a 4 percent increase from 2015. The Licensing division has continued to offer expedited processing of applications submitted by military veterans. The division continually monitors its workload to ensure that applications and other materials are processed in a timely manner.

In addition, the Licensing division oversees CSLB's call center, which often serves as the primary source of information for contractors, applicants, and consumers. In 2016, the call center answered nearly 159,000 calls.

Number of Licenses

As of December 31, 2016, there were 282,747 licenses, a decrease of 0.3 percent from 2015. Of these 224,119 were active licenses; 58,628 were inactive.

NUMBER OF LICENSES



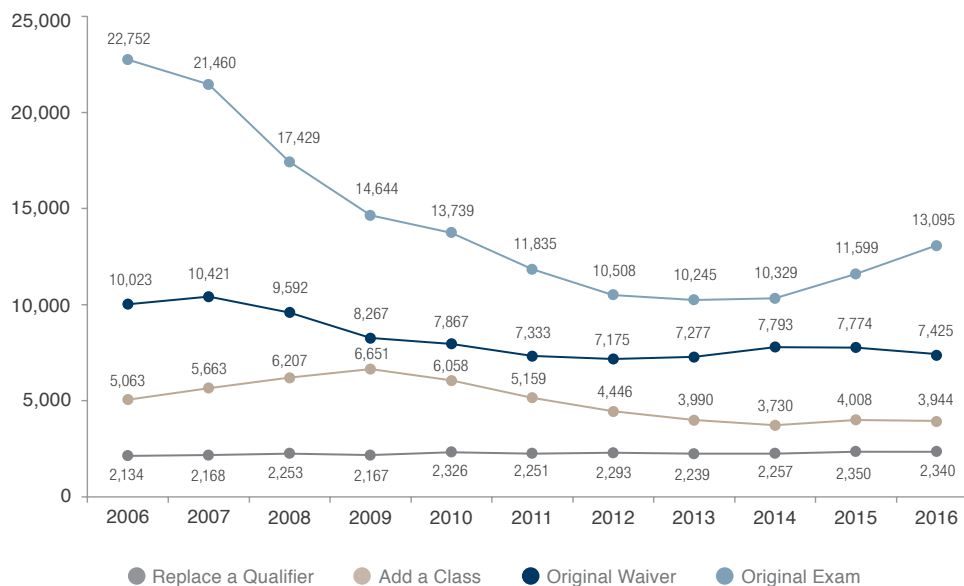
2016 TOP TEN LICENSE CATEGORIES

CLASSIFICATION	TOTAL
“B” General Building	134,731
C-10 Electrical	31,856
“A” General Engineering	19,653
C-36 Plumbing	18,703
C-33 Painting and Decorating	18,220
C-20 Warm-Air Heating, Ventilating and Air- Conditioning	14,055
C-27 Landscaping	13,686
C-15 Flooring and Floor Covering	8,245
C-8 Concrete	7,487
C-54 Tile (Ceramic and Mosaic)	7,281

Workload

The chart below displays the number of license applications received for calendar years 2006 through 2016. In 2015, 25,731 applications were received; 26,804 were received in 2016, an increase of over 4 percent. Original license applications (exams and waivers) increased 6 percent. Applications to add a classification to an existing license decreased by about 1.6 percent, and applications to replace the qualifying individual on an existing license decreased by 0.4 percent.

APPLICATIONS RECEIVED BY CALENDAR YEAR



Processing Timelines

In 2016, the CSLB Licensing division maintained acceptable processing times for many of its application types and other licensing documents. Increased processing times in certain areas are attributable to an increased number of applications, staff attrition, and vacancies. CSLB is working to fill vacancies and implement measures to decrease processing times.

WEEKS BEFORE BEING PULLED FOR PROCESSING

TYPE OF APPLICATION / DOCUMENT	2015 AVERAGE	2016 AVERAGE
Original Exam	3.9	5.6
Original Waiver	2.3	2.9
Add a Class	5.1	3.1
Replace the Qualifier	4.5	2.8
Home Improvement Salesperson	3.1	2.0
Renewal	2.7	1.9
Contractor Bond / Bond of Qualifying Individual	0.1	0.2
Workers' Compensation Certificates and Exemptions	0.8	0.9

Statistical Reporting and Analysis Project

The Licensing division established an Application Disposition Report in November 2005, to identify the number of applications received within a fiscal year and their final disposition, regardless of the year they were processed. This report allows staff to monitor the disposition of applications and identify those that require special attention.

The following chart illustrates the number of applications received in fiscal year 2015-16 and their disposition.

Among the reasons an application may be classified as "pending" include:

- The applicant does not pass the exam, but is still within the 18-month window during which he or she must pass the examination;
- The application is in the investigative process or not yet cleared by CSLB's Criminal Background Unit; or
- Final documents (proof of bond or workers' compensation insurance) or fees have not been submitted.

The Licensing and Information Technology divisions continue to work closely to develop reports that help to determine necessary application processing improvements.



APPLICATION DISPOSITION (FISCAL YEAR 2015 - 2016)

TYPE OF APPLICATION	RECEIVED	ISSUED	VOID	PENDING
Original Exam	12,700	6,431	3,221	3,048
Original Waiver	8,385	6,694	1,585	106
Add a Class	4,068	2,711	1,357	341
Replace the Qualifier	2,399	1,750	649	60
Home Improvement Salesperson	12,421	6,735	5,587	99
Change of Officers	1,912	1,343	569	26

Veterans Application Assistance Program

CSLB offers a Veterans Application Assistance Program for those transitioning from military service to civilian employment. In many cases, veterans possess transferable skills that help meet minimum experience and training requirements for state contractor licensure. This program offers priority services to veteran applicants by evaluating transferable military experience and training, as well as education.

CSLB assists veterans by providing:

- Program technicians specially trained to evaluate transferable military training and experience from all branches of the military that meet minimum licensure requirements;
- Automatic priority application processing;
- College transcript evaluation to help verify acceptable educational credit (in addition to military experience and training); and
- Direct telephone and email contact with CSLB staff.

2016 VETERANS APPLICATION ASSISTANCE PROGRAM SUMMARY

179	Applications Expedited & Licenses Issued
49	Applications Expedited & Voided
559	Correspondence Received
67	Pending Expedited Applications



Experience Verification and Investigation

CSLB is required by law to investigate a minimum of 3 percent of applications received to review applicants' claim of experience. On January 13, 2016, the Experience Verification unit drew its first 3 percent of randomly selected applications for work experience verification using new software created by CSLB's Information Technology division.

The program aims to assist qualified applicants to become licensed and ensure that all licensed contractors meet minimum qualifications by verifying the work experience claimed by the applicant. The Experience Verification unit provides applicants with a number of options to confirm their experience. In instances when CSLB is unable to verify the experience, the applicant has four options:

- Identify a new qualifier for the license who possesses the required experience;
- Withdraw the application and reapply when the necessary experience has been gained;
- Accept a denial from CSLB or, if the applicant chooses, appeal the denial; or
- Apply for a classification that better fits the trade experience provided after withdrawing the application.

2016 EXPERIENCE VERIFICATION APPLICATION INVESTIGATION

846	Total Number of Applications Referred to Experience Verification Unit
391	Applications Verified
244	Applications Denied
27	Applications Appealed
87	Applications Withdrawn
97	Applications Pending

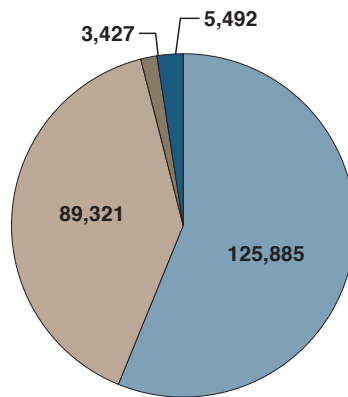


Workers' Compensation Recertification

At the time of renewal, an active contractor with an exemption for workers' compensation insurance on file with CSLB must either recertify that exemption or provide a current and valid Certificate of Workers' Compensation Insurance or Certificate of Self-Insurance. If the licensee fails to comply at the time of renewal, the law allows for the retroactive renewal of the license if the licensee submits the required documentation within 30 days after notification by CSLB of the renewal rejection.

2016 WORKERS' COMP COVERAGE FOR ACTIVE LICENSES (AS OF JANUARY 1, 2017)

■ Workers' Comp Exemption Current (57%)
 ■ Workers' Comp Coverage Current (40%)
 ■ Under Workers' Comp Suspension (1%)
 ■ Pending Workers' Comp Suspension (2%)



Total Number of Active Licenses: 224,125

Fingerprinting

Applicants for licensure (since January 2005) are required to submit fingerprints if they are listed as personnel on an original application, or are applying to add a classification to an existing license, replace the qualifier, report new officers, or register as a Home Improvement Salesperson. Fingerprints are compared to California Department of Justice (DOJ) and Federal Bureau of Investigation (FBI) records to determine if a criminal history exists.

CSLB staff review all criminal convictions to determine if the crime substantially relates to the duties, qualifications, or functions of a contractor, and to evaluate if the applicant has demonstrated sufficient rehabilitation. Throughout 2016, the timeline



for pulling conviction records for review averaged less than three weeks, a reduction of over one week from 2015.

2016 FINGERPRINT STATISTICS

39,396	Applicants with fingerprint responses from the DOJ and FBI
6,926	Applicants identified with a criminal history
49	Applicants denied licensure due to criminal convictions
90	Probationary licenses issued

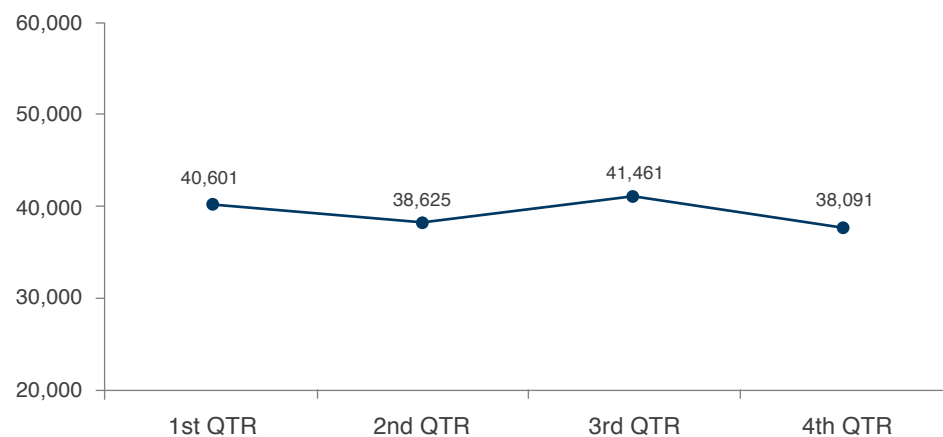
Licensing Information Center

CSLB's Licensing Information Center (LIC), or call center and front counter, serve as the primary resource for public information provided to contractors, applicants, and consumers.

Among the LIC's 2016 successes were continued in-depth on-the-job training for agents, including phone shadowing and staffing the public counter; and regular meetings between the Board's Classification Deputy and LIC staff to help educate agents about license classification scope of work issues. As a result, new call center agents can respond to the most complex licensing questions. This increased training meant that, on average, 97 percent of all calls were answered in three minutes or less.

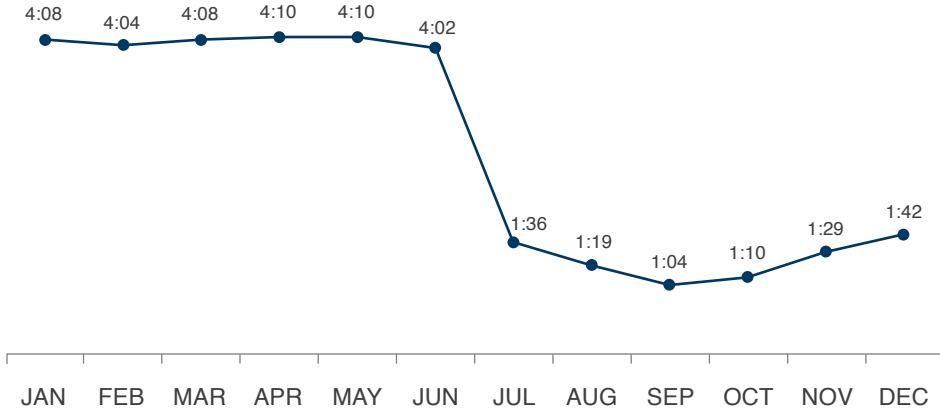
In 2015, LIC staff answered 153,258 calls; in 2016 LIC answered 158,778 calls, a 4 percent increase, as indicated by quarter:

2016 CALLS ANSWERED



The average call wait time in 2016 was 2:45, a slight increase of 32 seconds from 2015.

2016 AVERAGE WAIT TIME



TESTING

The Testing division administers all CSLB examinations at eight test centers throughout California. In 2016, over 43,000 exams were scheduled. In addition, the division develops new exams as required, and reviews and updates existing exams to reflect changes in the industry.

Examination Development

In accordance with legal requirements and professional testing standards, an occupational analysis of each licensing classification is conducted to collect information from licensed contractors and identify current trade practices. Results of the occupational analyses are then used to update the licensing examinations. All examination development work relies on input from licensed contractors who serve as Subject Matter Experts (SMEs) and participate in two- and three-day workshops conducted by exam specialists at CSLB headquarters in Sacramento. Occupational analysis for each classification is required every five to seven years.

All of CSLB's occupational analyses currently meet the five- to seven-year requirement. As shown in the table below, during 2016, the Examination Development unit (EDU) completed six occupational analyses and updated nine examinations. To ensure that CSLB reaches a sufficient sample of licensees in its occupation analysis projects, the Testing division emails surveys to licensees and sends a letter with a link to the survey to those licensees who have not provided CSLB with an email address.

OCCUPATIONAL ANALYSES COMPLETED	NEW EXAMINATIONS COMPLETED
C-4 Boiler, Hot Water Heating and Steam Fitting	C-8 Concrete
C-7 Low Voltage Systems	C-9 Drywall
C-12 Earthwork and Paving	C-15 Flooring and Floor Covering
C-16 Fire Protection	C-17 Glazing
C-53 Swimming Pool	C-31 Construction Zone Traffic Control
C-54 Ceramic and Mosaic Tile	C-33 Painting and Decorating
	C-39 Roofing
	C-43 Sheet Metal
	ASB Asbestos Certification

Examination Administration

CSLB administers computer-based examinations on most weekdays at test centers in Berkeley, Fresno, Norwalk, Oxnard, Sacramento, San Bernardino, San Diego, and San Jose. The Norwalk Test Center was reconfigured and remodeled in August 2016.

Translator examinations are now offered at all eight test centers as part of the SCORE Translator and Recording Suite (STARS) software and hardware upgrade.

In April and October 2016, Testing staff received training on personal safety during an active shooter incident, new testing procedures, licensing processes, and customer service.

On October 1, 2016, CSLB implemented SB 1479, which eliminated the law that voided an application after an applicant failed to reschedule an exam within 90 days of cancelling or failing an exam, or after an applicant twice failed to appear for an exam.

2016 Examination Statistics

EXAMINATION TYPES	TOTAL
Trade	43
Certification	2
Law and Business	1
Number of Examinations Scheduled	43,221
Number of Misconduct Investigations	9
Number of Confirmed Misconduct Incidents	9
Overall Percentage of Examinations Passed	51%

Special Projects

Civil Service Examinations

Since 2009, the Testing division has developed and administered examinations for civil service classifications that are used by CSLB. In 2016, EDU administered the Enforcement Representative I examination once, using SCORE custom software, and administered the Consumer Services Representative examination one time.



ENFORCEMENT

The Enforcement division ensures that consumers are protected through the strict application of California’s contractor licensing requirements; that corrective action is taken against contractors who violate applicable regulations; and that disputes between contractors and consumers are equitably resolved to the maximum extent possible.

The division provides structured mechanisms for receiving and processing consumer complaints, investigating contractors, and providing avenues of recourse for consumers who claim to have been harmed by contractor misconduct.

The overwhelming majority of California’s 282,000 licensed contractors voluntarily comply with the state’s licensing requirements and regulations. Even with a resurgent economy and increased construction activity, the number of complaints filed against California contractors declined by seven percent in 2016. However, there was no shortage of complaints to keep the Enforcement division’s investigators busy. In 2016, CSLB investigations resulted in 3,712 legal actions brought against violators, including 1,497 cases that were referred for the prosecution of criminal charges.

COMPLAINT STATISTICS	2016	2015	% CHANGE
Complaints Received	18,261	19,674	- 7.2 %
Complaints Closed (may include prior years)	19,991	19,902	+ 0.5 %

The Enforcement division closed 19,991 complaints in 2016. This reflects the concerted effort of the division to reduce the time elapsed between complaint receipt and complaint closure (“cycle time”), and to reduce the inventory of “aged” complaints. In 2016, two-thirds of the complaints had a cycle time of 90 days or less; and by the end of 2016, the division had reduced its inventory of aged cases to an historic low of only 27.

Further, 44 percent of the complaints received at CSLB in 2016 were resolved via mediation, providing an estimated \$18 million in cost savings to the public—a 66 percent increase over 2015.

CSLB continues to recognize the value of strategic partnerships with other government agencies, industry groups, and trade organizations to achieve mutual

goals. This year saw the creation of a new multi-state agency Workers' Compensation Task Force to address contractors that employ workers without the required liability insurance. The division is also working with various state agencies to address deceptive practices in the growing solar industry. As well, the Enforcement division is participating in a new task force with the California Air Resources Board targeting exhaust emissions from heavy construction vehicles.

Criminal Investigations

The Enforcement division's investigators continue to focus on egregious offenders with histories of elder abuse, predatory business practices, other criminal acts, and/or unsafe working conditions.

Unlicensed Contractor Guilty of Felony Burglary and Elder Abuse

In January 2015, a 72-year-old widow hired non-licensee Roy Kuykendall, based on his door-to-door sales call, to install artificial turf at her San Diego home. The consumer was pressured into writing a check to Kuykendall for \$4,500 in "materials," after which he demanded an additional \$10,000, despite having done minimal work. At least once, Kuykendall lied that he needed some of the money to care for his terminally ill wife. The local police department tipped-off CSLB, which initiated an investigation. As part of that investigation, Kuykendall was invited to a sting operation, where he was issued a criminal notice to appear for contracting without a license. While still on probation for that offense,

Kuykendall entered into a contract with another homeowner, thereby violating the terms of his bail release. A CSLB Special Investigation unit (SIU) peace officer investigated Kuykendall, and referred the case to the special Elder Abuse Prosecutor of the San Diego County District Attorney's Office. In August 2016, Kuykendall pled guilty to four felony counts, including burglary charges with elder abuse enhancements. His initial seven year prison sentence was suspended, and he will serve a one-year jail term, followed by five years of formal probation.



Multiple Convictions Secured Against Non-Licensee



Between June 2015 and October 2016, CSLB received eight consumer complaints against unlicensed contractor Miguel

Neavez. A CSLB peace officer determined that Neavez entered into landscaping contracts with victims for amounts ranging from \$5,400 to \$37,690. Neavez received a total of \$126,911 in cash and checks from his victims in cases where the contracted work was substandard in quality and/or the job abandoned. In October 2016, Neavez was charged with 15 felony and five misdemeanor counts in San Diego County. Four days after being arrested and taken into custody he pled guilty to felony counts of grand theft, diversion of funds, failure to file a tax return, and misdemeanor counts of contracting without a license and failure to secure workers' compensation insurance. On November 17, 2016, Neavez was sentenced to 365 days in custody (stayed to 180 days), formal probation, court fines and restitution of \$126,022.

Unlicensed Contractor with Multiple Arrests Goes to Prison



The extensive efforts of CSLB led to a three year state prison sentence for unlicensed contractor Percival Agoncillo, Jr. Agoncillo first came

to CSLB's attention in 2014, when investigators determined that he had been paying a licensee \$1,200 to \$5,000 per month as an uninvolved responsible managing officer for over 10 years. Agoncillo concealed his long-term scam through a complex web of false names, forged signatures, and other schemes. In addition to his business misdeeds, Agoncillo was convicted of DUI and possession of drugs and a firearm in 2012; he received an adverse hour-and-wage judgment of \$157,000 in 2014; was arrested for displaying a handgun at Disneyland in 2015; and, finally, was arrested for possession of a gun and drugs in 2015, while on probation. In September 2016, Agoncillo pled guilty to fraudulent use of a contractor license number, identity theft, and possession of a controlled substance while armed.



Previous Offender Extradited and Sentenced

In 2014, Frank Guidera pressured an 88-year old Bay Area widow to pay \$17,437 in advance for sewer repairs. He then gutted the bathroom and abandoned the job, leaving the room unusable. CSLB investigated the case and referred it to the Santa Clara District Attorney in December 2014. A warrant was issued for Guidera’s arrest and, in March 2015, he was located working on another sewer line repair at the home of an elderly Bay Area couple who had paid him \$30,000 in cash for the

work. In this case, Guidera had also pressured the couple to add a full home remodel, and to extend him a \$16,000 interest-free personal loan so he could pay off his motorcycle. With the help of Sunnyvale police, Guidera was arrested at the couple’s home. However, he subsequently failed to appear for an April 2015 hearing. A \$75,000 warrant was issued for his arrest. CSLB later learned that he had been apprehended in Arkansas, and was extradited to California. On March 1, 2016, Guidera was sentenced to one year in jail, and ordered to pay \$81,306 in restitution to his victims.

Case Management Unit

Citation Enforcement Section

When a CSLB complaint investigation establishes that a serious violation of contractors’ license law has occurred, the Registrar may issue an administrative citation against a license. The citation can include an order to make restitution to an injured party, and/or pay a civil penalty of up to \$5,000 for a violation by a licensee. Unlicensed contractors may be ordered to pay a civil penalty of up to \$15,000. During 2016, 1,324 administrative citations were issued to licensees, and an additional 820 citations issued to non-licensed contractors. As a result, CSLB collected \$1,789,044 in civil penalties, and an additional \$1.1 million in restitution was paid to injured parties. Licensees who do not comply with their citation are subject to license revocation. In 2016, 475 of all citation recipients (22 percent) had their licenses revoked for non-compliance.

To reduce the legal expenses of a formal hearing for both licensees and CSLB, staff routinely conducts in-house mandatory settlement conferences (MSC). In 2016, 306 citations were resolved by means of an MSC, saving CSLB an estimated \$1,055,000 in legal representation and administrative costs. Mandatory settlement conferences are also now held in the San Diego area, via a new program with the San Diego



Attorney General's Office. In 2016, 100 cases were scheduled for MSC hearings in San Diego, of which 96 were settled. This represents an additional estimated savings of \$388,800 in legal fees and costs, bringing the total cost savings to CSLB through the MSC program to approximately \$1,443,800—a 60 percent increase over comparable savings in 2015.

Arbitration Program

Disputes between licensed contractors and complainants involving amounts up to \$15,000 are eligible for a Mandatory Arbitration Program administered by CSLB, while those involving amounts between \$15,000 and \$50,000 can be referred to the Voluntary Arbitration Program. Arbitration provides a more cost-effective and expeditious alternative to formal administrative hearings. The Enforcement Services Section (ESS) manages both programs; however, CSLB contracts with a private firm, the Arbitration Mediation Conciliation Center (AMCC), to provide the arbitration services.

Staff diligence over the past two years in presenting arbitration as an alternative to a licensee citation, when appropriate, has more than doubled the number of cases referred to arbitration. In 2016 alone, ESS reported a 72 percent increase in the number of cases referred to arbitration, and the savings to the public through this program rose 70 percent, to almost \$2.6 million. Despite the large number of cases, AMCC maintained an average cycle time of 47 days from the case referral date to the decision date. In 2016, the arbitration program achieved an estimated cost savings to CSLB of \$3,292,000 in legal fees and other expenses.

2016 ARBITRATION PROGRAM	Cases	Percentage Increase from 2015
Complaints Referred to Arbitration	784	72%
Decisions Received	585	70%
Restitution Ordered to Public	\$2,585,827	70%
Licenses Revoked for Non-Compliance	42	61%

AMCC monitors user satisfaction with the arbitration program through surveys sent to participants, who have consistently been pleased with their experiences. During 2016, the program achieved user approval scores of 96 to 97 percent in all five of the survey's rating categories



Subsequent Arrest and Conviction Unit

As required by statute, the California Department of Justice notifies CSLB whenever licensees or those registered with CSLB are arrested or convicted of a criminal offense. These cases are forwarded to the Subsequent Arrest and Conviction Unit (SACU) within the Enforcement Services Section. SACU staff investigates each reported case to determine the appropriateness of CSLB administrative action for criminal activity related to the qualifications, duties, and responsibilities of a contractor. SACU’s investigation may result in a citation being issued, or a request that an accusation be filed with the Attorney General’s office to suspend or revoke the license.

SACU STATISTICS	2016	2015	2014
Criminal Convictions Investigated	1,159	1,358	366
Cases Referred for Accusation	183	109	104
Cases Referred for Citation	176	211	133
Advisory/Warning Letters Issued	620	801	129

Disciplinary Services Section

For serious violations of law, CSLB can take administrative action by filing an accusation with the Attorney General’s office to suspend or revoke the offender’s license. CSLB’s Disciplinary Services Section (DSS) handles these cases, and their investigations may result in one or more of the following actions:

- Revocation of the license
- Probation (stay of suspension or revocation)
- Restitution order for a financially injured homeowner
- Recovery of an investigation and enforcement costs
- Dismissal of case

In 2016, DSS reported that the dollar amount of cost recovery paid to CSLB (\$347,988) increased 18 percent from 2015, and that the amount of restitution paid to the public (\$399,524) increased by 50 percent over the corresponding figure from the previous year.



Targeted Enforcement Programs

Solar Industry Enforcement

The solar energy industry continues to experience explosive growth in California. By any measure, our state leads the nation in the field: Over 580,000 solar projects completed; an in-state production capacity of 4.5 gigawatts of electricity (a 574 percent increase in only six years); 2,387 companies in the solar business; and almost 76,000 solar industry employees. Meanwhile, the price of solar installations is falling and the number of financing options is increasing. As would be expected, the number of complaints received by CSLB against solar contractors is also on the rise. In 2016, CSLB received 449 complaints involving solar installations—a 61 percent increase over 2015.

Although solar complaints from consumers often center on traditional issues of workmanship and project completion, many also involve problems specific to the solar industry. These include allegations related to the unique (and sometimes complicated) financing programs used within the industry, or cost savings and equipment operations that fall short of promises.

Adding to the complexity of solar complaints, the industry and its special financing programs involve multiple government regulatory agencies and trade groups. In 2016, the Enforcement division adopted a plan to address issues within the solar industry that recognizes the importance of cooperation with all relevant entities. As part of that effort CSLB initiated cooperative actions with the following solar partners:

- California Energy Commission
- Public Utilities Commission
- Federal Trade Commission
- Solar Energy Industries Association
- Other States

The Enforcement division closed 567 solar-related complaints in 2016 (including some complaints received in prior years). Of these, 94 cases were settled, and \$642,461 in restitution paid to injured persons. Cases that were not settled or otherwise closed were thoroughly investigated. Finally, solar investigations led to 72 legal actions—a 41 percent increase from 2015—including 17 cases referred for criminal prosecution.



Building Permit Enforcement

In 2016, CSLB contacted over 120 building officials throughout California in an effort to jointly increase building permit compliance. Investigators from CSLB’s Statewide Investigative Fraud Team (SWIFT) and Intake and Medication Centers reviewed CSLB’s building permit complaint process.

Apart from outreach efforts, CSLB continued its enforcement efforts against contractors who failed to obtain a building permit. CSLB recently implemented use of a new, abbreviated Building Permit Violation Referral form to encourage the reporting of suspected permit violations. During 2016, 294 permit complaints were filed and investigated, and CSLB issued 181 administrative citations for failure to comply with permit requirements.

New Strategies for Workers’ Compensation Insurance Enforcement

Contractors who employ any workers are required to have a valid workers’ compensation (WC) insurance policy to ensure that these workers are properly covered. Those without employees must file an exemption with CSLB from the requirement to carry WC insurance.

CSLB investigators issue Stop Orders to both licensed and unlicensed contractors found at active construction sites who are not in compliance with WC requirements, which precludes a contractor from performing any additional work with employees until a valid WC policy has been obtained. In addition, SWIFT investigators issue administrative citations to uninsured contractors who have filed a false claim of exemption from WC insurance. In 2016, CSLB issued 436 Stop Orders to contractors, and 135 new WC insurance policies were obtained as a result.

License suspensions can result when consumers identify contractors who completed jobs using workers, while simultaneously claiming an exemption from WC requirements. Such licensees are further advised that filing a new WC exemption will subject them to investigation by CSLB and partnering state agencies. In 2016, 378 WC exemptions were cancelled and “intent to suspend” letters mailed. As a result of these actions, 143 new WC insurance policies were obtained. Also in 2016, 638 complaint investigations against licensed and unlicensed contractors resulted in the issuance of a citation for a WC violation.

Recognizing that effective WC enforcement requires the involvement of CSLB’s partner agencies, in September 2016, CSLB hosted the first of a series of meetings with Joint Enforcement Strike Force (JESF) members, which included representatives from the California Department of Insurance, Department of Industrial Relations, Employment Development Department, and Franchise Tax Board. JESF members



agreed that additional cooperation and information sharing among agencies would be valuable for increasing WC compliance. Additionally, CSLB has explored a number of new approaches to improving WC compliance, including contacting licensees with an exemption on file who likely have employees, conducting an internal audit of consumer complaints to identify the frequency of WC violations, and additional staff training on this vital issue.

Service and Repair Task Force

Service and repair contractors are unique among businesses licensed by CSLB because the work they perform is usually urgently needed by consumers. In such situations, consumers are more vulnerable to unscrupulous business practices (such as “upselling”), and are less likely to research the contractors’ credentials.

In 2015, an increase in complaints prompted CSLB’s Enforcement division to establish the Service and Repair Task Force. A combination of Task Force activities, enhanced enforcement, and educational and outreach efforts have been successful: Complaints relating to C-20 (Heating Ventilation and Air Conditioning) and C-36 (Plumbing) contractors have decreased by 20 percent—from 1,418 in 2015 to 1,140 in 2016.

In 2016, CSLB broadened the activities of the Service and Repair Task Force to include development of new policies relating to electronic signatures, collaborating with industry partners to prepare an industry bulletin reiterating business practice requirements and expectations, and partnering with California District Attorneys and the Federal Trade Commission to develop additional enforcement strategies.

The Enforcement division closed 1,549 service and repair complaints in 2016 (including some complaints received in prior years). Of these, 400 cases were settled, with an estimated \$938,679 paid to financially injured persons. Cases that were not settled, or otherwise closed, resulted in 144 legal actions, including 28 cases referred for criminal prosecution.

Proactive Enforcement

Statewide Investigative Fraud Team

CSLB utilizes its Statewide Investigative Fraud Team (SWIFT) as the primary tool for proactive enforcement of contractors’ license law. SWIFT investigators—in partnership with the construction industry, law enforcement agencies, and allied state agencies—target the underground economy through random inspections



in the field (“sweeps”) and undercover “sting” operations at staged construction sites. Additionally, SWIFT investigators respond to leads from consumers, licensed contractors, and other agencies. In 2016, SWIFT conducted 84 sting operations, participated in 243 sweeps, and responded to 1,605 leads.

In addition to taking administrative action, SWIFT often refers cases to local prosecutors for criminal prosecution. In 2016, SWIFT investigations resulted in 1,637 legal actions, of which 881 were referred to prosecutors for criminal prosecution—a 13 percent increase over the previous year.

2016 ADMINISTRATIVE LEGAL ACTIONS AND CRIMINAL REFERRALS	
CATEGORY	RESULT
Legal Actions	1,637
Initial Citation Assessment	\$607,930
Stop Orders Issued for Workers’ Compensation Violations	436
Licensee Criminal Referrals	90
Non-Licensee Criminal Referrals	791

Undercover Sting Operations

Undercover stings continue to be an effective method to identify and prosecute persons acting in the capacity of a contractor without a license and those who commit other significant violations of contractors’ license law. CSLB investigators partner with local law enforcement to pose as homeowners seeking bids for home or commercial property improvements. Suspects are issued notices to appear (NTAs) in superior court for alleged violations of sections of the Business and Professions Code (BPC) that include:

- Contracting without a license (BPC section 7028)
- Advertising without a license (BPC section 7027.1)
- Requiring an excessive down payment (BPC section 7159.5)
- Failure to maintain workers’ compensation insurance (BPC section 7124.5 and Labor Code section 3700.5)

In 2016, SWIFT sting operations led to the issuance of NTAs to 696 individuals for misdemeanor violations of the Business and Professions Code, a 10 percent increase over 2015.



Multi-State Partnership—California-Nevada Sting

On June 14, 2016, SWIFT investigators partnered with the Nevada State Contractors Board to conduct a multi-state sting in the South Lake Tahoe area, the fifth such joint operation. Ten suspects were given citations for illegal contracting violations, four of whom were Nevada residents and investigated in that state for additional violations. This two-state partnership has proven vital to protecting consumers from unlicensed, predatory contractors who cross state lines to victimize consumers.

California Blitzes

In addition to the regular stings conducted throughout California, SWIFT investigators partnered with other law enforcement agencies to conduct two statewide, coordinated “blitzes” in April and September 2016. A total of 156 individuals were issued NTAs for alleged violations that included contracting without a license, illegal advertising, requiring excessive down payments, and failing to maintain workers’ compensation insurance.



A suspect is arrested during a California Blitz operation

Sweeps/Leads

SWIFT regularly receives information about active, unlicensed, or illegal construction activity from licensees, the public, or other state agencies that can lead to a construction site inspection. In pursuing these leads, SWIFT investigators will often sweep the surrounding area for other active projects and conduct additional compliance inspections.

2016 SWEEP AND LEAD RESULTS	
CATEGORY	RESULT
Compliance Sweep Days	243
Legal Actions as a Result of a Sweep Compliance Check	445
Leads received	1,605
Legal Actions as a Result of a Lead	317



Joint Enforcement Strike Force

The Joint Enforcement Strike Force (JESF) is tasked with sharing information and resources to combat the underground economy. Partner agencies include CSLB, the Franchise Tax Board (FTB), Employment Development Department (EDD), Division of Labor Standards Enforcement (DLSE), Division of Occupational Safety and Health (DOSH), and local district attorneys. JESF’s primary focus is to pursue criminal charges for license, tax withholding, and workers’ compensation insurance violations. In 2016, JESF enforcement activities resulted in the suspension of 250 contractor licenses for outstanding tax and penalty liabilities totaling more than \$39 million. CSLB’s license suspension program resulted in the payment of more than \$21 million to allied state agencies.

2016 JESF-RELATED OUTSTANDING LIABILITIES		
AGENCY	LIABILITY SUSPENSION	PENALTY RECOVERED
EDD	\$26,136,669	\$13,707,896
DOSH	\$1,290,457	\$784,421
DLSE	\$2,833,051	\$661,066
FTB	\$9,218,087	\$5,985,942
TOTAL	\$39,478,264	\$21,139,325

Labor Enforcement Task Force

Established in 2012, the Labor Enforcement Task Force (LETF) combats the underground economy in California and strives to create an environment where legitimate businesses can thrive. Partner agencies include CSLB, EDD, DLSE, and DOSH. The task force aims to:

- Ensure that workers receive proper payment of wages and are provided a safe work environment;
- Ensure that California receives all employment taxes, fees, and penalties due from employers;
- Eliminate unfair business competition by leveling the playing field; and
- Make efficient use of state resources in carrying out LETF’s mission.

LETF members conduct sweeps at active job sites to verify employee wages, and compliance with licensing, insurance, tax, and job safety requirements. Inspections conducted by LETF in 2016 found 74 percent of contractors out of compliance with one or more contractors’ license law requirements.



2016 LETF JOINT INSPECTIONS	
CATEGORY	RESULT
Number of Contractors Inspected	356
Number of Contractors Out of Compliance	265
Percent of Contractors Out of Compliance	74%
Total Initial Assessments	\$1,431,313
Inspections that Resulted in CSLB Investigations	119
CSLB-Issued Stop Orders	55
DLSE—Number of Deduction Statement Violations (Labor Code §226)	237
Number of Businesses Referred to EDD Tax Audit Program	546
Cal/OSHA Serious Violations	2,736

Disaster Response

Winter rainfall and aggressive firefighting efforts combined to reduce the number and severity of wildfires in California last year. Nonetheless, the state endured some destructive fires in 2016, and CSLB staff worked diligently to assist victims with their recovery.

The deadly Erskine fire erupted in Kern County on June 23, 2016. Over the next two weeks, this fire killed two people, consumed 309 structures, and burned almost 48,000 acres. The two most destructive California wildfires of 2016 started in mid-August. The Clayton fire ignited in Lake County on August 13, 2016; and although this fire burned less than 4,000 acres, it consumed 300 structures in a short but furious blast. On August 16, 2016, the Blue Cut fire erupted near Cajon Pass in San Bernardino County. This wind-whipped wildfire spread quickly, and consumed 318 structures in its one-week rampage.

In each case, CSLB staffed multi-agency Local Assistance Centers (LAC) to distribute information and help fire victims with the rebuilding process. CSLB investigators also placed signs throughout the burned areas warning about the dangers of unlicensed



CSLB advisory signs are posted in fire-ravaged Lake County



contracting. After the Erskine fire was extinguished, three CSLB investigators returned to the area with representatives from the California Department of Insurance and from the Kern County District Attorney’s office. This team conducted compliance sweeps and disseminated information to help protect fire victims from being further victimized by unscrupulous and unlicensed contractors.

The Clayton fire was the third major wildfire in Lake County in two years (a serial arsonist has been arrested), and CSLB staff headed back to the area to staff the fire-related LAC. For 11 days, 11 CSLB employees worked long hours to assist and comfort fire victims in the area.

From a practical standpoint, the efforts of CSLB staff cannot begin to ease the loss or heartache of wildfire victims, who have often lost everything they own. However, CSLB has consistently received words of appreciation for the presence of our personnel at these disaster sites, and for the reassurance to victims that CSLB will be there when needed to assist with construction issues.

Employee Training

Since its inception in 2012, the Enforcement division’s in-house training programs have continued to expand to help staff develop their skills and expertise. All courses are led by the division’s training coordinator, who utilizes subject matter experts from within and outside CSLB.

During 2016, the division offered one session of its entry-level Enforcement Academy, which provides a week of intensive instruction for newly-appointed Enforcement Representatives (ERs). For incumbent staff, the division offered multiple sessions of more specialized training. In addition, in conjunction with CSLB’s Personnel unit,



Board member Marlo Richardson addresses the Career Advancement class in Norwalk

the division offered a newly-developed Career Advancement course designed to encourage and enable the upward mobility of Enforcement division staff. Board Member Marlo Richardson offered opening remarks at all three trainings.

In response to the December 2015 incident at a San Bernardino government facility all CSLB staff were encouraged to attend a new Safety and Security Training class developed by the Enforcement



division. The course taught employees how to be alert and safe, and how to react in the unlikely event of an active-shooter incident. Several sessions of the class were offered statewide in February 2016.

The Enforcement division's training program continues to receive outstanding reviews from attending students. More important, it has elevated the overall expertise and confidence of CSLB Enforcement staff, enabling them to perform their jobs more effectively and professionally.



Board member Bob Lamb (right) congratulates Enforcement Academy graduates in Norwalk



LEGISLATIVE



In addition to sponsoring legislation, CSLB's Legislative division screens all bills introduced by the Legislature to determine if they will have a relevant effect on the Board, consumers, or the construction industry. The division engages continuously in the legislative process to influence legislation that impacts Board operations and/or relevant stakeholders.

Development and Coordination of Sponsored Legislation

CSLB operates within California's Business and Professions Code. These legislative bills, sponsored by CSLB and signed into law (chaptered) in 2016 by Governor Edmund G. Brown Jr., will affect CSLB operations.

Senate Bill 1039 (Hill) Chapter 799, Statutes of 2016

As it relates to CSLB, this bill provides for an increase for most CSLB license and renewal fees. Effective July 1, 2017, most fees will increase 11 percent.

Senate Bill 1209 (Morrell) Chapter 152, Statutes of 2016

This bill provides for enhanced complaint disclosure of legal actions taken against licensees. Under the provisions of this legislation, citations issued against a licensed contractor follow that contractor if he or she is issued another license and allows for the public disclosure of these citations.

Other Legislation Affecting CSLB Operations

The following chaptered legislation, although not sponsored by CSLB, directly affects or involves the Board.

AB 1793 (Holden) Chapter 244, Statutes of 2016

This bill revises the provisions of existing law that allow a contractor to demonstrate substantial compliance with licensing requirements under Business and Professions Code section 7031.

AB 2486 (Baker) Chapter 270, Statutes of 2016

This bill requires CSLB, by January 1, 2019, to update its online license lookup feature to include an option to search by either zip code or geographic area.

AB 2859 (Low) Chapter 473, Statutes of 2016

This bill authorizes boards within the Department of Consumer Affairs, including CSLB, to create a retired license category.

SB 66 (Leyva) Chapter 770, Statutes of 2016

This bill requires the Department of Consumer Affairs, upon the request of the California Community Colleges, to make available specified identifying information for all licensees (including CSLB licensees).

SB 465 (Hill) Chapter 372, Statutes of 2016

This bill requires CSLB to conduct a study and consult with licensees, consumers, and other interested parties on judgments, arbitration awards, and settlements that resulted from claims for construction defects in residential rental units. CSLB will report to the Legislature by January 1, 2018.

SB 661 (Hill) Chapter 809, Statutes of 2016

This bill creates the California Underground Facilities Safe Excavation Board under the Office of the State Fire Marshal.

SB 1479 (BPED) Chapter 634, Statutes of 2016

This bill, as it pertains to CSLB, eliminates two provisions of law that could void an application for licensure based on test scheduling issues.



PUBLIC AFFAIRS

CSLB's Public Affairs Office (PAO) manages news media, industry, licensee, consumer, and employee relations. PAO provides a wide range of services, including proactive public relations; media relations; community outreach, including Senior Scam StopperSM and Consumer Scam StopperSM seminars, special events, and speeches to service groups and organizations; publication and newsletter development and distribution; video services; website support; contractor education and outreach; and support for employee events.

During 2016, CSLB's Public Affairs Office:

- Distributed 38 news releases
- Distributed 12 industry bulletins
- Organized, conducted, or participated in two media events
- Fielded 143 media inquiries and requests for interviews
- Produced 11 live Board and Committee meeting webcasts
- Organized and conducted 108 Senior Scam StopperSM and Consumer Scam StopperSM seminars, speeches, and presentations
- Produced two *California Licensed Contractor* newsletters
- Produced more than one dozen publications, including meeting packets, reports, and the approximately 1,100 page 2016 *California Contractors License Law & Reference Book*

New Website Feature

PAO worked with CSLB’s Information Technology division to launch a new website feature on May 16, 2016, that provides a listing of all CSLB job openings in order to assist with recruitment. PAO updates the page as new job openings are advertised.

The page also includes a new brochure, “Building a Rewarding Career Protecting California Consumers,” as well as links to the jobs.ca.gov website, which has information about the state’s hiring process and other job openings within the Department of Consumer Affairs (DCA).

CSLB Live Web Events

CSLB suspended live webcasts for two months during 2016 to ensure compliance with standards for the hearing impaired. Live webcasts were resumed after working with DCA’s Equal Employment Opportunity Office to secure live captioning services. CSLB was the first DCA entity to offer live captioning of its meetings.

In addition, CSLB began to use YouTube Live to stream live broadcasts. Because YouTube sends a notification to subscribers when CSLB is streaming video, the average number of live viewers for a meeting more than tripled, from 23 to 76.

- February 4, 2016 Executive Committee Meeting – Sacramento
- April 6, 2016 Board Meeting – Sacramento
- May 10, 2016 Enforcement Committee Meeting – Sacramento
- May 10, 2016 Licensing Committee Meeting – Sacramento
- June 23-24, 2016 Board Meeting – Garden Grove
- September 19-20, 2016 Board Meeting – Monterey
- October 28, 2016 Enforcement Committee Meeting – Sacramento
- October 28, 2016 Licensing Committee Meeting - Sacramento
- November 3, 2016 Public Affairs Committee Meeting – Sacramento
- November 3, 2016 Legislative Committee Meeting – Sacramento
- December 8, 2016 Board Meeting – San Jose



Social Media

PAO continued to expand its use of social media as an outreach tool during 2016. Utilizing social media channels allows CSLB to better interact with licensees, the news media, and other stakeholders. In addition to Facebook, Twitter, YouTube, Flickr, LinkedIn, and Periscope, on August 3, 2016, CSLB established a page on Instagram.

Social Media Highlights

- **Facebook**—2,989 followers; an increase of 618 from 2015
- **Twitter**—2,177 followers; an increase of 298 from 2015
- **YouTube**—15 videos produced in 2016; 104 total videos produced; 117,065 video views in 2016; 395,403 total views; 489,550 minutes watched in 2016; 1,152,344 total minutes watched
- **Flickr**—75 photos posted/shared; 250 total photos shared
- **LinkedIn**—67 followers
- **Periscope**—63 followers (an increase of 27 since 2015); with 455 likes
- **Instagram**—30 followers since account launched in August 2016

Most Viewed CSLB Videos

1. CSLB TV Commercial	57,119 views
2. Completing a Contractor License Application—Introduction	45,666 views
3. CSLB Undercover Sting, San Rafael (2011)	36,105 views
4. CSLB California Spring Blitz (2013)	20,623 views
5. Completing a Contractor License Application—Work Experience	20,006 views

Email Alerts

In 2016, CSLB added a new email subscription option for the public, and expanded its database of email addresses to more than 146,000.

- Job Openings Subscription

On May 16, 2016, Public Affairs launched a new subscription list, allowing interested persons to receive a weekly email listing of current CSLB job openings.



Existing Email Alert Subscription Options

- *California Licensed Contractor* newsletters
- Press Releases/Consumer Alerts
- Industry Bulletins
- Public Meeting Notices/Agendas

As of December 31, 2016, 26,281 subscriptions were activated—an increase of 1,345 since the first of the year.

PAO also utilizes a database consisting of email addresses voluntarily submitted on license applications and renewal forms. In 2016, CSLB’s Information Technology staff wrote an extraction program that added more than 68,000 new email addresses to the list, the first update of the licensee list since its inception. With this program, the email list can now be updated more regularly.

At the end of 2016, the licensee list consisted of 146,458 active email addresses, which brought the combined email database to nearly 173,000 email addresses.

CSLB-Involved Media Events

- **May 18, 2016 – Coronado**

PAO partnered with the California Department of Insurance to host media during the annual “Operation Underground” enforcement and outreach effort. Media accompanied a multi-agency team as it swept through active construction sites in Coronado. In addition, PAO distributed video and still photos taken during the event to all San Diego-area media.

- **July 1, 2016 – Lake Isabella**

PAO coordinated a media event in Kern County to publicize educational and enforcement efforts in the wake of the Erskine Fire. The wildfire caused two deaths and destroyed 309 buildings, while burning almost 48,000 acres of land.



Disaster Response

In 2016, PAO continued to play a central role in providing outreach to Californians who become victims of a natural disaster. In addition to the outreach described above, PAO utilized the following tools to reach victims during various wildfires throughout the year:

- Online “Disaster Help Center”
- “Rebuilding After a Natural Disaster”
 - Video version available on CSLB’s YouTube channel
 - Video and audio versions available on CSLB website
 - Video version available to local TV stations/cable access channels
 - Audio version available to local radio stations
- Public Service Announcements
- Warning Signs for Businesses to Print and Post on Storefronts
- Outreach to Building Departments
- Outreach to Local Legislators

PAO also developed disaster outreach kits for a number of CSLB field offices that contain all the materials needed to staff a Local Assistance Center.

Senior Scam StopperSM Seminars

In 1999, PAO created CSLB’s Senior Scam StopperSM (SSS) program to inform, empower, and educate senior consumers at the local level about unlicensed or unscrupulous contractors, and to bring government to the people.

Seminars are coordinated with legislative offices and feature presentations by a panel of experts from local, state, and federal agencies, and community-based organizations; distribution of consumer publications; and spirited question-and-answer sessions.

In 2016, Public Affairs Office staff coordinated and facilitated 98 Senior Scam StopperSM seminars. Twenty were conducted in both English and Spanish; two in Korean; and two in Chinese. Average attendance was 56; and the 500th Senior Scam Stopper presentation occurred on April 15, 2016.

Fifty-nine SSS seminars were held in Southern California; 27 in Northern California; and 12 in the Central region of the state.



2016 Senior Scam StopperSM Seminars:

DATE	LOCATION	LEGISLATOR(S)
January 26, 2016	Union City	Millennium Housing
February 4, 2016	Santa Barbara	Sen. Hannah-Beth Jackson
February 11, 2016	San Marcos	Millennium Housing
February 12, 2016	Vacaville	Asm. Jim Frazier
February 18, 2016	Union City	Asm. Bill Quirk
February 19, 2016 AM	Redwood City	Asm. Kevin Mullin
February 19, 2016 PM	Castro Valley	Asm. Bill Quirk
February 24, 2016	La Jolla	Rep. Scott Peters
February 26, 2016	Los Gatos	Sen. Jim Beall
March 2, 2016	Murrieta	Sen. Jeff Stone
March 4, 2016	Santa Ana	Asm. Tom Daly
March 10, 2016	La Verne	Millennium Housing
March 11, 2016	Anaheim	Asm. Tom Daly
March 14, 2016	Oakley	Asm. Jim Frazier
March 16, 2016	Commerce	Rep. Lucille Roybal-Allard
March 18, 2016 AM	West Covina	Asm. Roger Hernandez
March 18, 2016 PM	Pomona	Asm. Freddie Rodriguez
March 21, 2016	American Canyon	Asm. Bill Dodd
March 22, 2016	Newark	Asm. Kansen Chu
March 23, 2016	Claremont	Sen. Carol Liu/ Asm. Chris Holden
March 24, 2016	Clovis	Asm. Jim Patterson
March 25, 2016	Seaside	Asm. Mark Stone
March 28, 2016	Elk Grove	Asm. Jim Cooper
March 31, 2016	Santa Clarita	Sen. Sharon Runner
April 7, 2016	Lancaster	Sen. Sharon Runner
April 8, 2016	Carmichael	Asm. Ken Cooley
April 12, 2016	Calimesa	Riverside Co. Supv. Marion Ashley
April 13, 2016	La Mesa	Asm. Shirley Weber
April 14, 2016	Westminster	Orange Co. Supv. Andrew Do
April 15, 2016	Coachella	Asm. Eduardo Garcia
April 18, 2016	Galt	Asm. Jim Cooper
April 19, 2016 AM	Sacramento	Asm. Jim Cooper
April 19, 2016 PM	El Dorado Hills	Asm. Beth Gaines
April 20, 2016	Brentwood	Asm. Jim Frazier
April 21, 2016	Carpinteria	Asm. Das Williams
April 22, 2016	Fremont	Asm. Bill Quirk



DATE	LOCATION	LEGISLATOR(S)
May 5, 2016	San Diego	Rep. Scott Peters
May 6, 2016 AM	Azusa	Asm. Roger Hernandez
May 6, 2016 PM	Pasadena	Sen. Carol Liu
May 11, 2016	San Diego	Rep. Scott Peters
May 13, 2016 AM	Goleta	Sen. Hannah-Beth Jackson
May 13, 2016 PM	Culver City	Asm. Chris Holden
May 18, 2016	Yucaipa	Sen. Mike Morrell
May 19, 2016	Fresno	Millennium Housing
May 25, 2016	Los Angeles	Rep. Xavier Becerra
May 26, 2016	Moreno Valley	Riverside Co. Supv. Marion Ashley
May 27, 2016	Watsonville	Sen. Bill Monning
June 3, 2016	Menifee	Sen. Mike Morrell
June 9, 2016	Menifee	Riverside Co. Supv. Marion Ashley
June 10, 2016	Calexico	Asm. Eduardo Garcia
June 17, 2016	Sacramento	Asm. Jim Cooper
June 20, 2016	San Pablo	Asm. Tony Thurmond
June 21, 2016	Perris	Riverside Co. Supv. Marion Ashley
June 23, 2016	Carpinteria	Millennium Housing
June 24, 2016 AM	West Hollywood	Asm. Richard Bloom
June 24, 2016 PM	Rancho Palos Verdes	Sen. Ben Allen
July 8, 2016	Montclair	Asm. Freddie Rodriguez
July 12, 2016	Whittier	Asm. Ian Calderon
July 13, 2016	Lancaster	Sen. Sharon Runner
July 15, 2016 AM	Chico	Sen. Jim Nielsen/ Asm. James Gallagher
July 15, 2016 PM	Paradise	Sen. Jim Nielsen/ Asm. James Gallagher
July 21, 2016	Kettleman City	Asm. Rudy Salas
July 22, 2016	Buena Park	Sen. Tony Mendoza
July 25, 2016	Irvine	Asm. Don Wagner/ Asm. Matthew Harper
July 26, 2016	Corcoran	Asm. Rudy Salas
July 27, 2016	Wasco	Asm. Rudy Salas
July 28, 2016	Cudahy	Asm. Anthony Rendon
July 29, 2016 AM	Apple Valley	Asm. Jay Obernolte
July 29, 2016 PM	Big Bear Lake	Asm. Jay Obernolte
August 2, 2016	Nevada City	Rep. Doug LaMalfa



DATE	LOCATION	LEGISLATOR(S)
August 5, 2016	San Marino	Sen. Carol Liu/ Asm. Ed Chau
August 9, 2016	Pleasant Hill	Rep. Mark DeSaulnier
August 11, 2016	San Diego	Rep. Scott Peters
August 12, 2016	Los Angeles	Asm. Sebastian Ridley-Thomas
August 16, 2016	Anderson	Rep. Doug LaMalfa
August 18, 2016	Vacaville	Asm. Jim Frazier
September 1, 2016 AM	Perris	Riverside Co. Supv. Kevin Jeffries
September 1, 2016 PM	Whittier	Rep. Linda Sanchez
September 2, 2016	Ontario	Asm. Freddie Rodriguez
September 8, 2016	Westminster	Orange Co. Supv. Andrew Do
September 9, 2016	Los Angeles	Sen. Isadore Hall/ Asm. Mike Gipson
September 12, 2016	Bakersfield	Asm. Rudy Salas
September 13, 2016	Delano	Asm. Rudy Salas
September 16, 2016	San Bruno	Asm. Kevin Mullin
September 20, 2016	Yountville	Asm. Bill Dodd
September 21, 2016	Brentwood	Asm. Jim Frazier
September 22, 2016	Norco	Sen. Richard Roth
September 23, 2016 AM	El Monte	Asm. Roger Hernandez
September 23, 2016 PM	Riverside	Sen. Richard Roth
September 27, 2016	Jurupa Valley	Sen. Richard Roth
September 28, 2016	Rancho Bernardo	Rep. Scott Peters
September 30, 2016	Los Angeles	Asm. Jimmy Gomez
October 27, 2016	Upland	No legislator
November 9, 2016	La Habra Heights	City of La Habra Heights
November 10, 2016	San Marcos	Millennium Housing
November 16, 2016	Los Angeles	Asm. Richard Bloom
November 17, 2016	Los Angeles	Asm. Richard Bloom
November 18, 2016	Agoura Hills	Asm. Richard Bloom



Public Affairs staff educates thousands of older adults each year through Senior Scam StopperSM seminars that team with legislative offices and other government agencies



Consumer Scam StopperSM Seminars

The Consumer Scam StopperSM (CSS) program was launched in September 2012 and targets audiences of all ages. Ten CSS seminars were held during 2016:

DATE	LOCATION	GROUP
January 19, 2016	Turlock	Westfork Estates Mobile Home Park
April 11, 2016	Walnut Creek	Sons in Retirement
May 17, 2016	Westminster	Temple Beth David
June 8, 2016	Ontario	CA Retired Teachers Assn.
September 26, 2016	Pala	Pala Indian Reservation
October 6, 2016 AM	Fair Oaks	Pathway Fellowship
October 6, 2016 PM	Danville	Vietnam Veterans
October 12, 2016	Redding	Redding Senior Center
October 13, 2016	North Highlands	No. Highlands Retired Veterans
October 15, 2016	San Dimas	San Dimas Senior Center

Underground Economy

As part of its effort to address unlicensed contracting in the underground economy, PAO partnered with CSLB's Enforcement division in 2016 to conduct educational and informational workshops about the licensing process.

In August 2016, CSLB, in conjunction with representatives from the Department of Consumer Affairs, presented a Spanish-language licensing workshop hosted by the Consulate General of Mexico in Los Angeles for nearly 150 attendees. And, in December 2016, CSLB established a relationship with the National Day Labor Organizing Network to begin planning statewide outreach to day labor centers. These centers are private, non-profit entities that match day laborers with prospective clients.

Earlier in 2016, CSLB's Statewide Investigative Fraud Team (SWIFT) worked with a day labor center in Sonoma County to ensure that the center, laborers, and clients were aware of all applicable regulations. This effort has become a model for other day labor centers in the state.



Chinese Delegation Visits

During November 2016, CSLB hosted two separate delegations from China. The groups met with staff in Norwalk to learn more about CSLB's operations and its regulation of California's construction industry.

- **November 14, 2016** – Guangxi Province's Provincial Housing and Urban-Rural Development Bureau
- **November 29, 2016** – Ministry of Housing and Urban Rural Construction



Chinese delegation met with Norwalk staff in November 2016



ADMINISTRATION

The administration of CSLB encompasses a range of activities that are integral to the smooth and efficient running of the board. These include business services, personnel, information technology, and the budget.

BUSINESS/SUPPORT SERVICES

Facilities Projects

- The tenant improvements for the Norwalk office were completed in October 2016, and included a new security card system, installation of new security cameras, new paint and carpet throughout, balancing of the entire space and HVAC for optimal use and efficiency, and reconditioning of existing vinyl flooring. Additional improvements included reconfiguration of the Testing office to better view test candidates, new lighting in the ADA room, and creation of a new break room.
- The lease for the Berkeley office was renewed through January 31, 2020, and includes building security, daily janitorial service, utilities (excluding gas and electric), unlimited use of the building's common facilities, and 15 parking spaces.

Contracts and Procurements

The following contracts and purchases were negotiated and executed:

- Security Services – California Highway Patrol
- Publishing – annual *California Contractors License Law & Reference Book*
- Purchase of copier machines, including five-year maintenance agreements for headquarters and field offices
- Maintenance contracts – CSLB office equipment
- Contract renewal – online survey company for annual consumer satisfaction survey

- Ergonomic evaluations – evaluations and recommended equipment purchase for CSLB employees
- Installation of a new access card system in the Norwalk building

Vehicles

CSLB purchased 11 vehicles in FY 2015-16, all of which have been received, including a zero emissions electric vehicle utilized by the Sacramento Investigative Center. The Enforcement division received five vehicles for SWIFT, and six for the Investigative Centers.



PERSONNEL SERVICES

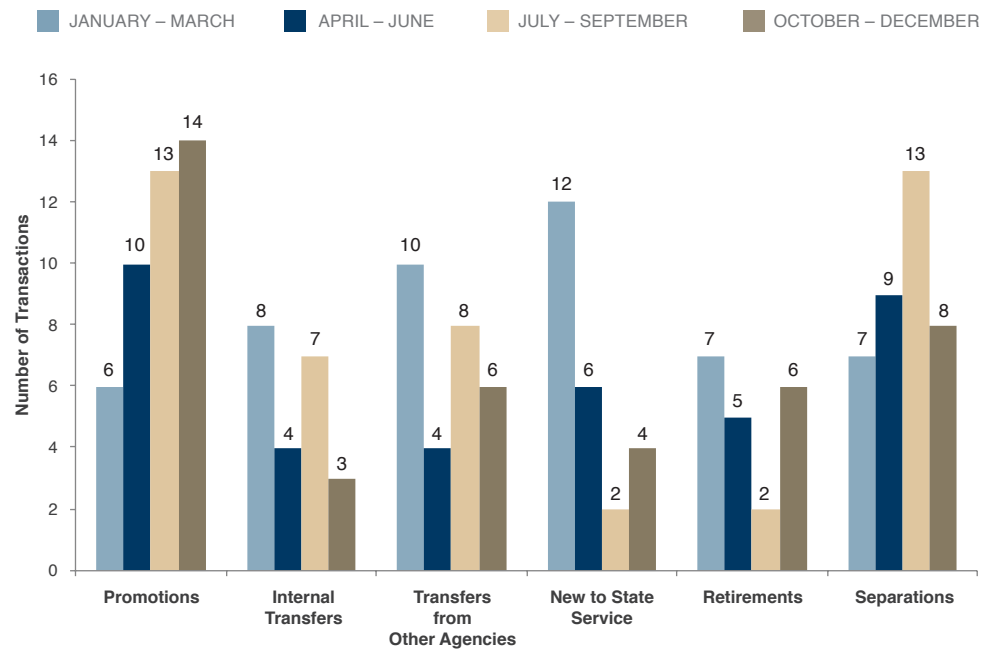
Enforcement Career Development Course

In 2016, CSLB’s Personnel and Enforcement staff collaborated to develop an interactive Enforcement Career Development course. Designed to help employees advance in their careers, the course includes information about how to locate exams, find vacant positions, develop resumes and cover letters, and prepare for interviews. Supervisors also received training about how to help improve an employee’s performance. Workshops were conducted in the Sacramento and Norwalk offices, with Board member Marlo Richardson offering opening comments to attendees.

Personnel Transactions

The Personnel unit processed 174 employee hires, retirements and separations in 2016. Of these, 43 were internal promotions, 22 were internal transfers, 28 were from other state agencies, and 24 were new to state service. In addition, 57 employees separated from CSLB in 2016, 20 of whom retired from state service.

PERSONNEL TRANSACTIONS 2016



2016 Recruitment and Staffing

The Personnel unit managed 155 requests for personnel action throughout the year. Of these, 133 were to fill permanent positions and, of these, 58 were to fill behind CSLB employees who were either promoted or transferred within CSLB.

CalCareer/ECOS Implementation

In January 2016, CalHR released its next phase of the state's Examination and Certification Online System (ECOS), which allows candidates to apply online for exams and vacancies through a CalCareer account. Personnel staff assisted those interested in employment with CSLB navigate this new process.

With the new system, Personnel staff receive and review all employment applications electronically and have assumed responsibility for screening applications. Personnel staff worked with program managers to refine the application screening criteria to ensure identification of those candidates with the knowledge, skills, and abilities needed for each position.

In July 2016, the Department of Consumer Affairs selected the CSLB Personnel unit to participate in their "Job Posting Pilot Program," which allowed CSLB to post vacancies in ECOS to help streamline recruitment efforts.



Exams Administered by CalHR/DCA/CSLB

2016 EXAMS ADMINISTERED BY CALHR	2016 EXAMS ADMINISTERED BY DCA/CSLB
Management Services Technician	Enforcement Representative I (open exam)
Staff Services Analyst	Enforcement Representative II (promotional exam)
Associate Governmental Program Analyst	Enforcement Supervisor I and II (promotional exam)
Staff Services Manager (Series)	Personnel Selection Consultant I & II (open exam)
Information Systems Analyst (Series)	Testing Validation and Development Specialist I & II (open exam)
Systems Software Specialist (Series)	Staff Services Analyst Transfer (promotional exam)
Programmer Analyst (Series)	Consumer Services Representative (open exam)
Data Processing Manager (Series)	
Information Officer (Series)	
Office Assistant (General & Typing)	
Office Technician (General & Typing)	
Program Technician (Series)	
Supervising Program Technician (Series)	
Warehouse Worker	



INFORMATION TECHNOLOGY

Home Improvement Salesperson (HIS) Interactive Forms Launch

CSLB launched a series of interactive forms to simplify and speed up the registration process for Home Improvement Salesperson (HIS) applicants, and licensed contractors who employ HIS and must notify CSLB when an HIS joins their staff or ceases employment.

The three new forms alert registrants and contractors if an error is made when entering information or if any of the required fields are missed. Also, the forms cannot be completed if information is either missing or in conflict with other CSLB records.

These new forms are:

- HIS Interactive Application
- HIS Interactive Employment Notification Form
- HIS Interactive Employment Cessation Notification Form

Users of the interactive forms will find them easy to navigate and complete, which will reduce errors and, therefore, the number of applications and forms that CSLB returns for correction. Upon completion, the form must be saved, printed, signed, and sent to CSLB for processing.

These new forms are CSLB's first move toward an online system that should address many licensing and registration needs.

Implementation of Senate Bill 1479 (2016) – Elimination of Void Rule for Exams

Pursuant to California Senate Bill 1479, CSLB made changes to allow applicants a longer timeframe in which to become licensed. Applicants that fail to appear for a scheduled examination, miss an exam date, or request a re-examination now have 18 months in which to take the test. CSLB IT staff altered various information technology systems to accommodate this change, which rolled-out in mid-October 2016.



New Phone System – Voice Over Internet Protocol (VOIP)

In 2016, the Information Technology division installed a new digital phone system (Voice Over Internet Protocol) to replace CSLB’s aging analog system at all 12 offices around the state. The new system is state-of-the-art and offers employees standard features not available on the older phone system.

Also, new video conferencing systems (Cisco MX300 Voice Conference) were installed in both the Sacramento and Norwalk offices, which allow face-to-face meetings. The video conference units have been used successfully for weekly senior staff meetings and for Board member participation at committee and board meetings.

SCORE Translator Project – STARS

In September 2016, SCORE development staff upgraded the existing translator examination system to STARS (SCORE Translator and Recording Suite) at all CSLB test centers. This new system enables bilingual CSLB staff located at remote test sites to listen to the translation of test questions by testing proctors to examination candidates via a live audio stream. The STARS system ensures that exam proctors who provide language translation are not passing along answers to testing candidates.

In addition, the STARS system allows CSLB test sites to improve the exam scheduling process and to provide a higher quality communication and recording experience for testing candidates.

CSLB Website

In 2016, CSLB’s website had over 2,600,000 users (new and returning). The 20 most popular website pages, in addition to the homepage, follow:

PAGE TITLE	PAGE VIEWS
Home Page	4,673,452
Forms and Applications	588,605
Contractor Home Page	422,216
Consumer Home Page	325,714
Licensing Classifications	298,607
Waiver and Lien Release Forms	255,367
Contact CSLB	221,721



PAGE TITLE	PAGE VIEWS
Applicants Overview	215,149
(B) General Contractor Licensing Classification	190,211
Apply for a Contractor License	184,395
Contractors Overview	165,206
Apply for a Contractors License – Exam Required	158,076
Maintain and Change Your License	153,805
Guides and Publications	136,653
Filing a Construction Complaint	134,288
Before Applying For Exam	132,152
Consumers Overview	103,730
(C-61) Limited Specialty Licensing Classification	87,663
Examination Study Guides	83,819
Hire a Licensed Contractor	76,097
Frequently Asked Questions	69,690



BUDGETS

Budgets

CSLB's budget for fiscal year (FY) 2015-16 was just over \$65.3 million. Despite a shrinking fund reserve over the last few years, CSLB remained fiscally responsible and spent only 94 percent of its annual budget, which resulted in the reversion of \$4 million into the CSLB fund.

On September 29, 2016, Governor Brown signed Senate Bill 1039, which allows for an increase in CSLB fees. The new fee structure, effective July 1, 2017, raises most fees by 11 percent (see chart below), which will generate approximately \$6 million in additional annual revenue and keep CSLB's fund healthy.

Also, the Board received approval for a budget change proposal (BCP) to fulfill the prescribed mandates of Senate Bill 465. The legislation requires the reporting of additional information from licensees and the Division of Occupational Safety and Health to CSLB, and that CSLB conduct a study for submission to the legislature and consult with relevant parties about judgments, arbitration awards, and settlements that resulted from claims for construction defects in residential rental units. The BCP includes a staff augmentation of 2.0 permanent positions in the Enforcement division and \$190,000, beginning in FY 2017-18, along with a \$320,000 augmentation to support the increased costs associated with cases referred to the Attorney General.

JULY 1, 2017 CSLB FEE INCREASES				
FEE	CURRENT AMOUNT	NEW AMOUNT	INCREASE	PERCENT INCREASE
Application for Original Contractor License	\$300.00	\$330.00	\$30.00	10%
Additional Classification with Waiver Application	\$75.00	\$75.00	\$0.00	0%
Additional Supplemental Classification or Replace the Responsible Managing Officer or Employee on an Existing License	\$75.00	\$150.00	\$75.00	100%
Personnel or Officer Change	\$0.00	\$100.00	\$100.00	0%
Rescheduling an Examination	\$60.00	\$60.00	\$0.00	0%
Initial License Fee	\$180.00	\$200.00	\$20.00	11%



JULY 1, 2017 CSLB FEE INCREASES				
FEE	CURRENT AMOUNT	NEW AMOUNT	INCREASE	PERCENT INCREASE
Renewal – Contractor License (Biennial)	\$360.00	\$400.00	\$40.00	11%
Renewal – 4-Year Inactive License	\$180.00	\$200.00	\$20.00	11%
Reactivate Contractor License	\$360.00	\$400.00	\$40.00	11%
Home Improvement Salesperson (HIS) Registration	\$75.00	\$83.00	\$8.00	11%
Renewal – HIS Registration (Biennial)	\$75.00	\$83.00	\$8.00	11%
Asbestos Certification Fee	\$75.00	\$83.00	\$8.00	11%
Hazardous Substance Removal Certificate	\$75.00	\$83.00	\$8.00	11%
Delinquent – Renewal Contractor License	\$180.00	\$200.00	\$20.00	11%
Delinquent – Renewal 4-Year Inactive License	\$90.00	\$100.00	\$10.00	11%
Delinquent – Renewal HIS Registration	\$25.00	\$41.50	\$16.50	66%



CONNECT WITH CSLB:





CONTRACTORS STATE LICENSE BOARD

9821 Business Park Drive, Sacramento, CA 95827
800.321.CSLB (2752)

www.cslb.ca.gov

CheckTheLicenseFirst.com

SeniorScamStopper.com