



CONTRACTORS STATE LICENSE BOARD

Strategic Plan 2010-II





MEMBERS OF THE BOARD

LISA MILLER-STRUNK, CONTRACTOR MEMBER, CHAIR

ROBERT LAMB, PUBLIC MEMBER, VICE CHAIR

PAUL SCHIFINO, CONTRACTOR MEMBER, SECRETARY

EDWARD "EDDIE" BARNES, PUBLIC MEMBER

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PASTOR HERERRA JR., PUBLIC MEMBER

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ED LANG, PUBLIC MEMBER

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BRUCE RUST, PUBLIC MEMBER

MARK A. THURMAN, CONTRACTOR MEMBER

RUBEN ZUNIGA, PUBLIC MEMBER

01/03/11

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EDMUND G. BROWN JR.
Governor

BRIAN STIGER
Acting Director, Department of Consumer Affairs

STEPHEN P. SANDS
Registrar, Contractors State License Board



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State of California
Department of Consumer Affairs
Contractors State License Board

State of California
Department of
Contractors
State
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OVERVIEW

The California Contractors State License Board (CSLB) is the consumer protection board charged with licensing construction contractors who work in the state, resolving consumer complaints, educating consumers, and enforcing state laws that pertain to contractors. CSLB licenses or certifies contractors in 43 classifications and registers home improvement sales people.

Created in 1929, and now an independent board within the California Department of Consumer Affairs (DCA), CSLB is governed by a 15-member board consisting of licensed contractors, a building official, members of the public, and a labor representative. The Registrar of Contractors, appointed by the Board, directs administrative policy.

CSLB activities include reviewing applicant qualifications; administering examinations to test prospective licensees; issuing licenses; informing licensees of new and changing laws, guidelines, and opportunities; investigating complaints against licensed and unlicensed contractors; issuing citations and suspending or revoking licenses; and seeking administrative, criminal, and civil sanctions against violators.

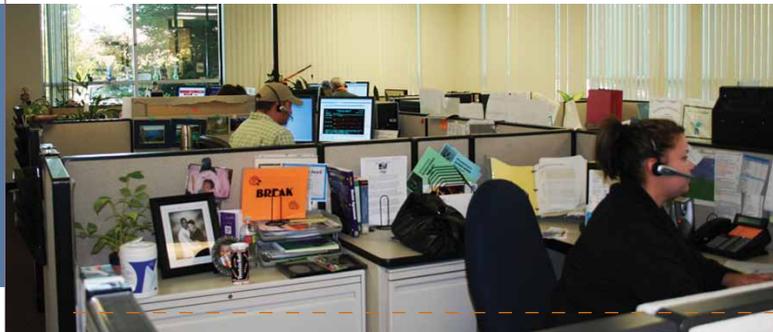
The construction industry in California is distinct from other states in terms of its breadth, magnitude, and complexity. California is one of the top 10 world economies, and construction has been one of the state's largest industries. California's physical size, large and diverse population, varied landscape and climate, frequent seismic activity, distinctive legal framework, and massive economy create an unusually demanding context for contractor licensing.



SIGNIFICANT 2009-2010 ACCOMPLISHMENTS

In developing this plan, Board members reflected on CSLB accomplishments from the previous fiscal year:

- CSLB has actively and successfully expanded partnerships by leveraging staff and resources.
- Despite furloughs and downsizing, staff has maintained productivity through continuous improvement efforts and re-invention.
- The Board and its new members are adaptable, actively participate and collaborate well.
- Staff have displayed tenacity and passion for success in the intake mediation process and with Memoranda of Understanding (MOU) with other state and local departments and organizations.
- The use of metrics and measurements has been used for continuous improvement methods.
- Management has placed a stronger emphasis on cost-effectiveness.
- Licensing has been diligent in maintaining priorities, focusing on renewals and keeping licensees in business.
- There is an overall culture of improvement, with outstanding morale and high competency among the Registrar and key staff.
- CSLB's information and education efforts for consumers and contractors through expanded public and media awareness and effective website use has been remarkably successful.
- CSLB has been able to forge strategic partnerships to implement legislation.





PROGRAM PRIORITIES

The Board has established the following priorities to direct program activities:

1. Focus on early intervention and on serious (health and safety) complaints.
2. Keep licensees in business and maintain the collection of revenue by keeping renewals and license maintenance current.
3. License applicants by reviewing qualifications and criminal background, and administering legal and effective exams.
4. Educate consumers about their rights and responsibilities, and stress ways that consumers can protect themselves.
5. Stress early intervention and resolution of reactive complaints, and refer minor complaints to small claims court.
6. Provide services through the Licensing Information Center and the public counter.
7. Ensure that Administrative Services and Information Technology divisions provide the support necessary to maintain unit operations.



CHALLENGES AND CHANGES

Construction has consistently been one of California's top industries. Considering that California is one of the world's largest economies, the importance of efficient and effective regulation of the construction industry by the Contractors State License Board (CSLB) extends beyond the state's borders and affects the economic vitality of the country and beyond.

Given the current economic struggles, CSLB must continually adjust to dynamic initiatives, technologies and priorities to address the following in the coming fiscal year:

- Sunset Review report
- New Administration priorities
- State budget challenges
- CSLB's long-term budget and revenue base
- Workers' compensation (WC) insurance costs and the impact of WC fraud on the construction industry
- Green contracting, including solar, HVAC, and other climate-related trades that are creating licensing, classification and enforcement issues
- Passage of landmark SB1254 and its successful implementation
- BReZE and its impact on CSLB's Information Technology services
- Public works agency award processes that cause challenges for licensing classification and enforcement
- Organizational development and training, and overall succession planning





STRATEGIC DIRECTION

The Board has identified the following actions in order to advance CSLB, meet its challenges, and capitalize on opportunities:

Enforcement

1. Conduct organizational development and training that is task-specific and focused on skills needed to conduct the daily work of the division.
2. Reorganize the Enforcement division, including creating a Deputy Chief position.
3. Further develop partner agency relationships to foster support of enforcement initiatives.
4. Strengthen partnerships with local agencies, such as the California District Attorneys Association for bench license revocation, and building departments for permitting and business license requirements.
5. Partner with labor compliance organizations.
6. Replace aging vehicles.
7. Staff a Subsequent Arrest Unit through the BCP process.
8. Increase mandatory settlements.
9. Work with building officials to develop a process for streamlined, on-the-spot permitting with private industry.

Public Affairs

1. Update the communications plan.
2. Further publicize the www.CheckTheLicenseFirst.com website.
3. Fine-tune CSLB use of social media tools and train staff.
4. Analyze the effectiveness of paid advertising and develop alternatives.
5. Create tools to support licensee communications.
6. Increase the efficiency of the Senior Scam Stopper™ program, potentially training a group of existing statewide staff to minimize travel costs.

Licensing

1. Clarify for contractors and consumers the appropriate classifications for solar projects, and work with Public Affairs to disseminate the information.
2. Develop strategies to ensure licensees comply with workers' compensation insurance law.
3. Address workload and staffing issues by developing techniques to "work smarter," including more online tools and activities.
4. Improve Call Center operations.

Information Technology

1. Place the priority on maintenance and sustainability of existing systems (hardware, software and infrastructure).
2. Develop a strategy for succession planning.
3. Create readiness for BreZze (including credit card acceptance) and use other organizations' experiences and best practices.

Legislative Affairs

1. Successfully complete the Sunset Review process.
2. Increase Board engagement in the Senior Scam Stopper™ program.
3. Increase and improve relationships with legislators.





MISSION

The Contractors State License Board protects consumers by regulating the construction industry through policies that promote the health, safety, and general welfare of the public in matters relating to construction.

The Contractors State License Board accomplishes this by:

- Requiring licensure for any person practicing or offering to practice construction contracting;
- Ensuring that contractors have skills to perform in a safe, competent, and professional manner;
- Licensing contractors and enforcing licensing laws;
- Enforcing laws, regulations, and standards governing construction contracting in a fair and uniform manner;
- Providing resolution to disputes that arise from construction activities; and
- Educating consumers so they make informed choices.

VISION

California consumers and contractors will have a safe, fair, and competitive marketplace.

- Contractors possess the knowledge, skills, and abilities necessary to provide clients and the general public with professional services and products.
- Consumers have access to adequate redress if they are harmed by incompetent or dishonest contractors.
- Consumers have information they need to make informed choices.
- Contractors have access to information they need to practice competently and honestly.

VALUES

The Contractors State License Board will strive for the highest possible quality throughout all of its programs. To that end:

- CSLB believes in treating all consumers and contractors fairly.
- CSLB supports its staff and their professional dedication.
- CSLB focuses on prevention, providing educational information to consumers and contractors.
- CSLB is progressive, attempting to utilize the most advanced means for providing services.

GOALS

The Contractors State License Board has established goals based upon its five main divisions, to provide the framework of its operational mission:

1. **Licensing** - Ensure that all applicants and licensees are qualified to provide construction services.
2. **Enforcement** - Reduce, eliminate, or prevent unlicensed activity and unprofessional conduct that pose a threat to public health, safety, and welfare.
3. **Public Affairs** - Educate consumers to make informed choices about construction services, and ensure that licensed contractors strengthen their technical management and service skills.
4. **Legislation** - Ensure that statutes, regulations, policies, and procedures strengthen and support CSLB operations.
5. **Administration** - Enhance organizational effectiveness, and improve the quality of customer service in all programs.





ONGOING GOALS AND OBJECTIVES

LICENSING

Goal 1—Ensure that all applicants and licensees are qualified to provide construction services.

The **Licensing Committee** meets this goal by:

- Ensuring that exams are current and relevant;
- Ensuring that all licensed contractors meet experience and education requirements and exhibit basic business competency skills;
- Ensuring accuracy of information submitted by the applicant and applicant integrity; and
- Ensuring that all processes in Licensing are current and efficient.

ENFORCEMENT

Goal 2—Reduce, eliminate, or prevent unlicensed activity and unprofessional conduct that pose a threat to public health, safety, and welfare.

The **Enforcement Committee** meets this goal by:

- Adopting policies and procedures that encourage voluntary compliance;
- Providing appropriate information to the public on the status of enforcement activities;
- Developing policies/procedures to work with other governmental and law enforcement agencies; and
- Developing policies and procedures to improve the quality of legal actions.

PUBLIC AFFAIRS

Goal 3—Educate consumers to make informed choices about construction services and ensure that licensed contractors strengthen their technical management and service skills.

The **Public Affairs Committee** meets this goal by:

- Informing the public about the role and function of CSLB;
- Educating the public about their rights and responsibilities in the contracting process;
- Educating consumers about the dangers of hiring unlicensed contractors;
- Educating contractors about building codes, construction methods, and business practices; and
- Ensuring that contractors understand their professional obligations and responsibilities.

LEGISLATION

Goal 4—Ensure that statutes, regulations, policies and procedures strengthen and support Board operations.

The **Legislative Committee** meets this goal by:

- Providing legislative and regulatory mechanisms for consumers to remedy problems and resolve disputes;
- Creating and maintaining a legal and regulatory framework that ensures an appropriate level of consumer protection; and
- Monitoring legislation that impacts the construction industry as it relates to public health, safety and welfare.

ADMINISTRATION

Goal 5—Enhance organizational effectiveness, and improve the quality of customer service in all programs.

The **Executive Committee** meets this goal by:

- Ensuring that CSLB has the resources it needs to achieve its mission and goals;
- Monitoring implementation of the CSLB Strategic Plan; and
- Monitoring and improving organizational effectiveness.



OBJECTIVES

The Board has identified the following objectives to help meet its goals:

OBJECTIVES	LEAD RESPONSIBILITY	TARGET DATE
1. Study surety bond cost issue	Board	3rd quarter 2010
2. Establish a Public Works Investigation Unit	Enforcement Committee	3rd quarter 2010
3. Implement an Advertisement Enforcement Unit on a pilot basis	Enforcement Committee	3rd quarter 2010
4. Create a letter to educate property owners about their responsibilities when they hire unlicensed people	Enforcement Committee	3rd quarter 2010
5. Submit Sunset Review report to the Legislature	Executive Committee	3rd quarter 2010
6. Update CSLB communications plan	Public Affairs Committee	4th quarter 2010
7. Develop new paid advertising campaign	Public Affairs Committee	4th quarter 2010
8. Develop plan to address enforcement and licensing issues arising from solar contracting	Licensing and Enforcement Committees	4th quarter 2010
9. Implement telephone disconnect process with PUC	Staff	1st quarter 2011
10. Review and update licensing laws and regulations	Licensing Committee	1st quarter 2011
11. Implement online licensure tool for credit card payment	Staff	1st quarter 2011
12. Develop legislator relationship plan	Legislative Committee	1st quarter 2011
13. Implement SB 1254	Enforcement Committee	2nd quarter 2011
14. Improve the Licensing Information Center Automated Call Distribution system	Staff	2nd quarter 2011
15. Implement workers' compensation insurance recertification process for contractors exempt from WC coverage	Licensing Committee	2nd quarter 2011
16. Reorganize Enforcement division	Enforcement Committee	3rd quarter 2011
17. Staff a Subsequent Arrest Unit through the BCP process	Staff	3rd quarter 2011
18. Develop, with building officials, an on-the-spot permitting system	Enforcement Committee	3rd quarter 2011
19. Revise pocket license and wall certificate	Staff	3rd quarter 2011
20. Create a new Home Improvement Salesperson pocket license with photo ID	Staff	3rd quarter 2012
21. Implement online license exam scheduling tool	Staff	4th quarter 2013



CONTRACTORS STATE LICENSE BOARD

P.O. Box 26000
9821 BUSINESS PARK DRIVE
SACRAMENTO, CA 95826-0026
(800) 321-CSLB (2752)
www.cslb.ca.gov

