



CONTRACTORS STATE LICENSE BOARD

BOARD MEETING MINUTES

Board Meeting Minutes

A. Call to Order, Roll Call, Establishment of Quorum, and Chair's Introduction

Board Chair Michael Mark called the meeting of the Contractors State License Board (CSLB) to order on June 13, 2025, at 8:30 a.m. at the Carmel Room, 400 Cannery Row Monterey, CA 93940.

Vice Chair Miguel Galarza led the Pledge of Allegiance, and a quorum was established.

Board Members Present

Michael Mark, Chair
Miguel Galarza, Vice Chair
Joël Barton
Rodney Cobos
Amanda Gallo
Diana Love
Henry Nutt III
Steve Panelli
Josef Preciado
Thomas Ruiz
James Ruane

Alan Guy, Jacob Lopez and Mary Teichert had approved absences.

CSLB Staff Present

David Fogt, Registrar
Rebecca May, Chief of Legislation
Steve Grove, Chief of Enforcement
Carol Gagnon, Chief of Licensing
Katherine White, Chief of Public Affairs
David Gower, Public Affairs Supervisor
Michael Jamnetski, Special Projects Manager
Robin Williams, Executive Analyst

DCA Staff Present

John Kinn, DCA Legal Counsel

B. Public Comment for Items Not on the Agenda and Future Agenda Item Requests

Board Member Comment

There was no comment.

**Public Comment**

There was no comment.

C. Presentation of Plaques or Certificates of Recognition

Board Chair Michael Mark took a moment to acknowledge David Shue, who was in the audience. David Shue was recognized for his 44 years of service with the Contractors State License Board, where he served as a supervisor overseeing Enforcement for the Bay Area. Chair Mark shared appreciation for his contributions and thanked him for attending.

Chair Mark acknowledged and congratulated Jacob Lopez and Josef Preciado on being reappointed to new four-year terms.

D. Executive

- 1. Review and Possible Approval of the Board Meeting Minutes and Committee Meeting Summaries**
 - a. March 14, 2025 Board Meeting Minutes**
 - b. April 11, 2025 Executive, Enforcement and Legislative Teleconference Committee Meeting Summary**
 - c. April 11, 2025 Special Meeting – Board Meeting Minutes**
 - d. May 15, 2025 Licensing and Public Affairs Teleconference Committee Meeting Summary**

Motion: To approve the Board Meeting Minutes and Committee Meeting Summaries. Moved by Rodney Cobos; Steve Panelli seconded. Motion carried, 11-0-0.

YEA: Michael Mark, Joël Barton, Rodney Cobos, Amanda Gallo, Miguel Galarza, Diana Love, Henry Nutt III, Steve Panelli, Josef Preciado, Thomas Ruiz and James Ruane.

NAY: None

ABSTAIN: None

ABSENT: Alan Guy, Jacob Lopez, and Mary Teichert



2. Review, Discussion, and Possible Action on Nominations Committee Recommendations for Election of 2025-26 Board Officers

Chair Mark announced the appointment of Past Board Chair Diana Love and Mary Teichert to a two-person Nominations Committee tasked with recommending a slate of officers — Chair, Vice Chair, and Secretary — for the upcoming fiscal year starting July 1, 2025.

Past Chair Diana Love thanked the Board for the appointment and announced the Nominations Committee's recommendations for officer positions: Miguel Galarza for Chair, Alan Guy for Vice Chair, and Rodney Cobos for Secretary.

Chair Mark thanked Diana Love and Mary Teichert for their work and explained the process for officer elections.

Chair Mark proceeded with the nomination for Board Chair, announcing Board Member Galarza as the Committee's recommendation and seeing no other nominations, nominations were closed, and Member Galarza was invited to speak.

Board Member Comment

There was no comment.

Public Comment

There was no comment.

Member Galarza reflected on his 35 years as a licensed contractor, expressing gratitude for how the Contractors State License Board has positively impacted his life and family. He felt honored to be nominated as Chair and noted the importance of giving back to the industry that supported him. Member Galarza expressed respect for past board chairs and hopes to contribute to their legacy by continuing to support the CSLB's mission of serving the community and the people of California.

Motion: To approve Board Member Miguel Galarza as Board Chair. Moved by Rodney Cobos; Steve Panelli seconded. Motion carried, 10-1-0.

YEA: Michael Mark, Joël Barton, Rodney Cobos, Amanda Gallo, Diana Love, Henry Nutt III, Steve Panelli, Josef Preciado, Thomas Ruiz and James Ruane.

NAY: None

ABSTAIN: Miguel Galarza

ABSENT: Alan Guy, Jacob Lopez, and Mary Teichert



Chair Mark announced the Committee's recommendation of Alan Guy for the position of Vice Chair.

Chair Mark then proceeded with the nomination for Board Vice Chair, announcing Member Alan Guy as the Committee's recommendation and seeing no other nominations, nominations were closed.

Member Love stated that Member Guy, unable to attend the meeting due to a scheduling conflict, sent a message expressing his appreciation for the nomination as Vice Chair. He reflected on his past four years of service on every committee and as Board Secretary, describing the experience as rewarding and valuable to the Board's work. Member Guy expressed honor in being nominated and looks forward to the opportunity to serve as Vice Chair.

Board Member Comment

There was no comment.

Public Comment

There was no comment.

Motion: To approve Board Member Alan Guy as Board Vice Chair. Moved by Steve Panelli; James Ruane seconded. Motion carried, 11-0-0.

YEA: Michael Mark, Joël Barton, Rodney Cobos, Miguel Galarza, Amanda Gallo, Diana Love, Henry Nutt III, Steve Panelli, Josef Preciado, Thomas Ruiz and James Ruane.

NAY: None

ABSTAIN: None

ABSENT: Alan Guy, Jacob Lopez, and Mary Teichert

Chair Mark announced the Committee's recommendation of Member Cobos for the position of Board Secretary and opened the floor for additional nominations. Hearing none, the nominations were closed. Member Cobos was then invited to make a statement.

Member Cobos thanked Members Love and Teichert for nominating him as Board Secretary. He shared his background as a 27-year union member with the United Association of Plumbers and highlighted how that experience, along with serving as a union officer and with district counsel, has positively impacted his life and family. Member Cobos expressed gratitude for the opportunity to serve on the Board and for the support from fellow Board Members and staff, noting his role as Chair of the Enforcement Committee.

Board Member Comment

There was no comment.

Public Comment

There was no comment.

Motion: To approve Board Member Rodney Cobos as Board Secretary. Moved by Thomas Ruiz; Henry Nutt III seconded. Motion carried, 10-0-0.

YEA: Michael Mark, Joël Barton, Miguel Galarza, Amanda Gallo, Diana Love, Henry Nutt III, Steve Panelli, Josef Preciado, Thomas Ruiz and James Ruane.

NAY: None

ABSTAIN: Rodney Cobos

ABSENT: Alan Guy, Jacob Lopez, and Mary Teichert

Chair Mark congratulated the newly elected officers and reflected on his final meeting as Chair. He expressed gratitude for the Board's confidence and highlighted key accomplishments over the past year, particularly efforts to address the underground economy through collaboration with industry groups and compliance officers. Chair Mark thanked Registrar David Fogt for his partnership and looks forward to continuing service as a Board Member and Past Chair.

3. Registrar's Report

a. Update and Discussion on Southern California Wildfire Response

Registrar Fogt shared that he and Special Projects Manager Michael Jamnetski have been participating in weekly Wildfire Recovery Task Force Meetings, which include representatives from the Governor's Office, other state agencies, and local governments in Los Angeles. The focus is on supporting wildfire survivors with debris removal and rebuilding, while protecting them from unlicensed and predatory contractors. Drawing lessons from the Paradise Fire, which resulted in 392 complaints, the goal for the LA Fire Rebuild is to prevent complaints through informed consumer decisions and proactive deterrence. Registrar Fogt thanked CSLB staff for their contributions and mentioned he will present progress and future plans at the next task force meeting. He then invited the division chiefs to share their updates, beginning with Public Affairs.



Chief of Public Affairs Katherine White provided an update on CSLB's outreach and education efforts related to wildfire recovery. She noted updating and translating debris removal fact sheets to reflect appropriate contractor classifications, translating materials into five languages to ensure accessibility, and hosting both English and Spanish webinars, as well as partnering with legislative offices for community outreach. Chief White noted that CSLB also surveyed eligible contractors and listed around 100 on the CSLB website to help homeowners find qualified debris removal providers. The Disaster Help Center has been updated with the latest information and preparations were made to transition the content from debris removal to rebuilding. Chief White noted Public Affairs collaborated with the SWIFT team to create a public flyer explaining CSLB's role in disaster compliance operations to ensure contractors are properly licensed and following regulations.

Registrar Fogt introduced Chief of Licensing Carol Gagnon, asking her to share how the CSLB is supporting current licensees in maintaining their licenses and how the Board is prioritizing qualified individuals seeking new licenses.

Chief Gagnon outlined several key actions CSLB has taken to support licensees affected by the LA wildfire disaster. Under the Governor's Executive Order, licensees in impacted ZIP codes were allowed to defer their renewal fees for one year. So far, 64 licensees have taken advantage of this, and CSLB is assisting them with address updates and communication. LA County required certain contractor classifications to hold the Hazardous Substance Removal Certification for debris removal, and CSLB prioritized processing these applications. Since February, 265 applications have been received (compared to the usual 12 per month), with 72 already approved and certified. Chief Gagnon noted these certified contractors are trained in proper safety procedures and personal protective equipment use, helping ensure safe debris removal. The Licensing Division collaborated with Legislation on SB 641, which will influence future exam updates to support recovery efforts.

Registrar Fogt introduced the Chief of Enforcement Steve Grove to provide his update.

Chief Grove reported on CSLB's strong enforcement response following the January wildfires, despite limited staffing with only 27 SWIFT investigators statewide. Key actions included: that once areas reopened, CSLB posted two types of warning signs — one targeting unlicensed contractors (highlighting felony penalties in disaster zones), and one warning the public not to hire unlicensed contractors.



SWIFT teams conducted sweeps in both fire zones twice a week, often in coordination with district attorneys and the Labor Enforcement Task Force (LETF). These efforts led to only three unlicensed contractors being found, all working on non-fire-damaged homes. With the first rebuild permit issued on April 9, efforts shifted from debris cleanup to reconstruction. CSLB is working closely with the LA County District Attorney and planning an undercover sting operation to further deter illegal activity. From mid-January to the end of April, SWIFT investigators staffed two recovery centers nearly full-time

Registrar Fogt introduced the Chief of Legislation Rebecca May noting she had positive news related to the budget, specifically, about reimbursement for the CSLB's disaster response efforts.

Legislative Chief May provided an update on Senate Bill 641, developed in coordination with Senator Ashby's office. The bill limits wildfire debris removal work to contractors with specific licenses (A, B, C-12, and C-21) who have also passed the Hazardous Substance Removal certification exam and comply with HAZWOPER requirements. The bill would grant the Registrar authority to approve additional classifications for debris removal during a state of emergency on a case-by-case basis. It includes an urgency clause, allowing it to become law immediately upon the governor's signature — expected by September.

Registrar Fogt also noted a positive development regarding disaster response funds. CSLB has recovered approximately \$600,000 in expenses, thanks to efforts by Budget Manager Stacey Paul, who continues to identify additional eligible reimbursements. This will be further discussed during the Budget Update, and that concluded the Legislative Wildfire Update.

Registrar Fogt mentioned that the Nevada State Contractors Board requested a joint meeting in September. However, the decision on scheduling the next Board Meeting will be made by incoming Chair Galarza.

Board Member Comment

Board Member Joël Barton shared their experience participating in a charity motorcycle ride for fallen firefighters, which passed through areas devastated by recent wildfires. He noted the lingering smell of toxic air and burn damage, highlighting the importance of proper debris removal and safety training. Member Barton specifically praised the CSLB's posted warning signs, saying they were highly visible and impactful, and thanked the Board for their efforts.



Chair Mark reflected on a recent tour of the wildfire-affected areas and a Disaster Recovery Center in LA County, describing the devastation as severe and heartbreaking. He expressed appreciation for CSLB staff's efforts in educating consumers about how to protect themselves, especially from unlicensed contractors. Chair Mark commended the work being done to ensure California residents are informed and safeguarded during the recovery process.

Public Comment

There was no comment.

4. Budget Update

Chief May delivered the Budget Update on behalf of Manager Paul. Key highlights include the fiscal year 2024–2025 budget being authorized at \$80.8 million, with projected revenue of \$96 million and \$80 million in expenditures, plus \$6.3 million in external costs. As of April, over 82 percent of the budget had been spent, and nearly \$90 million in revenue had been collected, which is 2.7 percent higher than the previous year. The Board's reserves are projected to grow from \$41.7 million to over \$50 million, providing over six months of reserve funding. Chief May noted the Construction Management Education Account continues to grow steadily through annual donations. Chief May provided the statistical update, noting nearly all categories have seen increases through April, including original applications, new licenses issued, and a 1.6 percent increase in renewals compared to two years ago. Chief May concluded by noting the Board's financial health.

Board Member Comment

Chair Mark praised the significant growth of the Board's financial reserves, now at 6.7 months. He recalled that when he first joined the Board, reserves were down to just one month, and he commended Manager Paul for her excellent work in strengthening the Board's financial position.

Public Comment

There was no comment.

5. Administration Update

Manager Jamnetski provided the Administration Update, covering key areas of personnel, contracts, and facilities. CSLB has maintained a low 6 percent vacancy rate, which is significantly better than the typical 10 percent. Manager Jamnetski noted the Career Development and Mentoring Program Steering Committee has been reinstated to improve onboarding, training, and staff



proficiency, and CSLB is offering its third career consulting class to guide staff on applying and interviewing for state jobs. Manager Jamnetski stated the Board has transitioned from the outdated IWAS system to EDMS, converting decades of scanned licensing documents from image files to PDFs, and the EDMS team, which scans thousands of documents daily, has successfully adapted to the new system.

Board Member Comment

Chair Mark highlighted the importance of the consumer study mentioned on page 102, which is being conducted by CSU Sacramento. The study focuses on enforcement processes and aims to improve the complaint handling system. Chair Mark expressed appreciation for the update and noted the study's significance in enhancing CSLB operations.

Registrar Fogt provided an update on the study, which is awaiting final approval and is expected to launch on July 1 with a six-month timeline. Conducted in partnership with CSU Sacramento's Research Department, the study aims to determine the scope of unlicensed contractor activity in California, including how much is linked to wildfire disaster response. Registrar Fogt stated the study will also help identify the resources needed to effectively address the issue.

Chair Mark emphasized the importance of providing the public with updates on the study. He clarified that the delays are not intentional — the Board is making every effort to move the process forward as quickly as possible on behalf of contractors and the public.

Manager Jamnetski explained that the slow pace is partly due to ensuring compliance with public bidding requirements. He emphasized the importance of the study because, as Registrar Fogt noted, there hasn't been a reliable measurement of the underground economy or the number of unlicensed contractors in construction.

Chair Mark noted that once the study is completed, it will provide a clearer understanding of whether the current enforcement personnel are sufficient or if more staff are needed. He appreciated the progress on the study and thanked Registrar Fogt for the update.

Public Comment

There was no comment.



6. Information Technology Update

Information Technology Advisory Committee Member Henry Nutt III presented the IT Update, highlighting two major initiatives. CSLB successfully launched the Enterprise Document Management System (EDMS) in May 2021, converting 24 million licensing documents to PDF. The new system improved staff efficiency and has already processed over 43,000 transactions and issued 987 licenses.

Member Nutt also noted CSLB is transitioning from a paper-based to an online license application process, starting with sole ownership contractors. The system is 84 percent complete, with a late summer or early fall launch anticipated. Member Nutt concluded by noting the success of the EDMS rollout and the progress of the ongoing digital transformation.

Board Member Comment

There was no comment.

Public Comment

There was no comment.

E. Legislation

1. Review, Discussion and Possible Action on 2025 Board-Sponsored Legislation

Legislative Committee Chair Joël Barton noted there was a long Legislative Committee agenda but expected to move efficiently since all bills had already been reviewed in prior meetings. Chair Barton will state the status of each bill, providing the staff's brief summaries and recommendations. This is to give the Board the opportunity to act, though some bills may require no action, which will help streamline discussion. He began with Board-sponsored bill AB 521, currently pending in the Senate Judiciary Committee, and invited Legal Counsel John Kinn to provide details.

a. AB 521 (Carrillo) Bond deposits: liability for legal fees and costs. (Clarify CSLB is not responsible for legal fees on civil claim against licensee cash deposit.)

Counsel Kinn provided an update on AB 521 (Carrillo), a Board-sponsored bill that clarifies the CSLB is not liable for legal fees in civil cases involving contractor cash deposits. The bill has not been amended since the Board voted to support it in December 2024. Since the Board already sponsors and supports the bill, staff recommended no further action.



Board Member Comment

There was no comment.

Public Comment

There was no comment.

- b. AB 559 (Berman) Contractors: home improvement contracts: prohibited business practices. (Update definitions and penalties for accessory dwelling unit construction and contractors accepting money in advance of work performed or materials delivered.)**

Chair Barton moved on to AB 559 (Berman), which was pending in the Senate Business, Professions, and Economic Development Committee. Chief May was asked to provide a brief update.

Chief May explained that AB 559 adds accessory dwelling units (ADUs) to the definition of home improvement and increases penalties for progress payment violations. The Board voted to sponsor the bill in December 2024, and it has not been significantly amended since. Because the Board already supports it, no further action was recommended.

Board Member Comment

There was no comment.

Public Comment

There was no comment.

- c. SB 291 (Grayson) Contractors: workers' compensation insurance. (Increase penalties for filing false exemptions from workers' compensation insurance requirements.)**

Chair Barton proceeded to SB 291 (Grayson). SB 291 is currently pending in the Assembly Business and Professions Committee, and Chief May was asked to provide a brief update.

Chief May explains that SB 291 has been amended since its original introduction. While earlier versions included a workers' compensation exemption monetary limit and moved the mandatory coverage date up to 2027, those provisions were removed. The bill now only retains increased penalties for falsely claiming a workers' compensation exemption. The bill supports the Legislature's direction for CSLB to create an evidence-based process to determine exemption eligibility and report findings by January 1, 2027. Chief May said although the original language was scaled



back, the core penalty provision remains, aimed at protecting workers and preventing fraud. Staff recommended the Board take no action, which allows CSLB to remain the sponsor and continue working with the Legislature and stakeholders on a future, responsible solution.

Board Member Comment

Chair Mark reflected on a previous discussion about SB 291 at the December board meeting and appreciated the amendments made. While the bill now largely maintains the status quo, the inclusion of increased penalties for falsely claiming a workers' compensation exemption is a significant improvement. Chair Mark thanked CSLB staff for incorporating Board feedback and moving the effort forward.

Member Barton asked whether the Registrar has the authority to set up a Workers' Compensation Advisory Committee, or if that decision would need to come from the Board itself.

Registrar Fogt confirmed that a stakeholder meeting could be arranged. Incoming Chair Galarza has the option to either appoint two Board members to a new Workers' Compensation Advisory Committee or continue with the existing one. The decision was left to incoming Chair Galarza's discretion.

Chair Mark recalled that in the past year, Vice Chair Galarza and Member Barton were appointed to the Workers' Compensation Advisory Committee and emphasized that having the committee has been very helpful.

Member Barton agreed that it was a wise decision to have a Workers' Compensation Advisory Committee.

Public Comment

There was no comment.

d. SB 779 (Archuleta) Contractors: civil penalties. (Increase minimum civil penalties on citations.)

Chair Barton transitioned to SB 779 (Archuleta). The bill was pending in the Assembly Business and Professions Committee. The Chair then asked Chief May to provide a brief update.



i. Proposed amendment to increase reserve fund cap from six to 12 months.

Chief May stated that SB 779 is a Board-sponsored bill aiming to establish or increase minimum civil penalties (enforcement fines) tied to citations. While the bill has not changed significantly from its original version, staff is now seeking Board approval for a substantive amendment: to increase CSLB's reserve fund cap from 6 months to 12 months of authorized expenditures. The current 6-month reserve cap limits CSLB's flexibility during economic downturns or emergencies. Increasing the cap to 12 months would better support CSLB's consumer protection mandate without raising fees or collecting excess revenue. CSLB is projected to exceed the current cap by July 2025 (6.7 months or \$50 million).

Chief May said other DCA programs were raising or eliminating their reserve caps, making CSLB one of the last with a 6-month cap. Raising the cap could help CSLB avoid being required to loan funds to the General Fund during state budget shortfalls. Chief May noted this change is unrelated to revenue from increased citation fines, which are minimal. The amendment would simply allow CSLB to better use its resources to maintain and improve services. Staff recommended Board approval to request the bill author add this amendment to SB 779.

Board Member Comment

Board Member Steve Panelli asked the Chair a clarifying question about the proposed increase to the reserve fund cap from 6 to 12 months. He asked, if there would be any consequences if the Board did not reach the new 12-month reserve goal. He noted that CSLB was currently meeting the 6-month cap with no issues, so they questioned the need for the increase.

Chief May clarified that the 12-month reserve cap was not a target or goal, but rather a flexibility measure. Since CSLB was projected to exceed the current 6-month cap, increasing the cap simply provides a larger financial cushion. She added it's unlikely the Board will reach a full 12-month reserve.

Member Panelli expressed concern that if the reserve cap is increased to 12 months, it might create expectations or



pressure to always meet that level, just as falling below the current 6-month cap draws attention. He clarified that he understood the purpose is to provide flexibility but wanted to ensure there were no negative repercussions if the Board doesn't reach the 12-month reserve.

Board Member Josef Preciado asked for clarification on whether some DCA programs had no reserve cap or a 24-month cap, and whether those programs are sometimes asked to loan money to the state's General Fund when they have surplus funds or during state budget shortfalls.

Chief May confirmed that while it's rare, state special fund programs are sometimes asked to loan money to the General Fund. CSLB has not been asked to do so currently. Increasing the reserve cap would reduce the likelihood of such a request being made to CSLB.

Chair Mark supported increasing CSLB's reserve fund cap to 12 months, noting that when the Board previously had only one month of reserves, it was concerning. Now with 6.7 months, it's more stable, but nearing or exceeding the current cap could risk being asked to loan funds to the state's General Fund. Raising the cap would prevent this and give the Board flexibility. Chair Mark also emphasized the importance of regularly reviewing reserves and staffing levels to ensure resources are aligned with CSLB's needs.

Registrar Fogt emphasized that CSLB is primarily funded by license renewal fees, which should be used to protect the public and uphold industry standards. With only 27 proactive investigators covering 58 counties, there might be a future need for more enforcement staff. The upcoming Sacramento State study could support that need. Registrar Fogt noted increasing the reserve fund cap could provide the flexibility to act on such recommendations, as securing more staff requires demonstrating sufficient revenue.

Member Nutt asked whether the upcoming study would include a list of priorities, such as identifying which areas would be most impacted or "break" under strain. Registrar Fogt confirmed the study would help prioritize CSLB's resources. He also mentioned the need to upgrade or replace CSLB's legacy IT system, which would be costly. While reaching a 12-month reserve isn't the goal, having enough resources to meet future needs is the priority.



Board Member Thomas Ruiz agreed with Chair Mark's comments, emphasizing that while reaching a 10- to 12-month reserve is positive, it's equally important to have adequate staff to enforce the legislation in place.

Public Comment

There was no comment.

Motion: To amend to increase reserve fund cap from six to 12 months. Moved by James Ruane; Rodney Cobos seconded. Motion carried, 11-0-0.

YEA: Michael Mark, Joël Barton, Rodney Cobos, Miguel Galarza, Amanda Gallo, Diana Love, Henry Nutt III, Steve Panelli, Josef Preciado, Thomas Ruiz and James Ruane.

NAY: None

ABSTAIN: None

ABSENT: Alan Guy, Jacob Lopez, and Mary Teichert

2. Review, Discussion and Possible Action on Other Relevant 2025 Legislation

a. AB 476 (Gonzalez) Metal theft. (Amendments no longer require CSLB to license "junk dealers.")

Chair Barton discussed AB 476, which originally required CSLB to create a licensing program for scrap metal copper sellers. Since the licensing requirement was removed from the bill on April 23, the Board's previous opposition was no longer relevant. As a result, the bill no longer impacts CSLB, and no further Board action was needed.

Board Member Comment

There was no comment.

Public Comment

There was no comment.



b. AB 485 (Ortega) Labor Commissioner: unsatisfied judgments: nonpayment of wages. (Requires state agencies to deny an application or renewal to an employer with any unsatisfied final judgment for nonpayment of wages.)

Chair Barton introduced AB 485. The bill was awaiting a referral by the Senate Rules Committee to a policy committee. Chair Barton then invited Chief May to provide a brief update on the bill.

Chief May provided an update on AB 485, which was previously discussed at the April Legislative Committee meeting. The bill requires state agencies to deny or suspend licenses if the Labor Commissioner determines there is an unsatisfied wage theft judgment against the applicant or licensee. While CSLB already has the authority to deny or suspend licenses for such reasons, the bill would expand this requirement to other state agencies.

Chief May consulted with other boards (Architects, Engineers, etc.) who said the bill would not create significant workload. Given the prevalence of wage theft in construction, the Committee expressed interest in supporting the bill. Staff recommended a support position.

Board Member Comment

Chair Mark expressed strong support for combating wage theft in the construction industry and appreciated staff's recommendations to support AB 485.

Public Comment

There was no comment.

Motion: To approve the AB 485 (Ortega) Labor Commissioner: unsatisfied judgments: nonpayment of wages. Moved by Thomas Ruiz; Michael Mark seconded. Motion carried, 11-0-0.

YEA: Michael Mark, Joël Barton, Rodney Cobos, Amanda Gallo, Miguel Galarza, Diana Love, Henry Nutt III, Steve Panelli, Josef Preciado, Thomas Ruiz and James Ruane.

NAY: None

ABSTAIN: None

ABSENT: Alan Guy, Jacob Lopez, and Mary Teichert



c. AB 742 (Elhawary) Department of Consumer Affairs: licensing: applicants who are descendants of slaves. (Requires prioritization of applications from descendants of American slaves.)

Chair Barton described AB 742. The bill was pending referral by the Senate Rules Committee to a policy committee. Chair Barton then requested Chief May to provide a brief update.

Chief May explained that AB 742 would require CSLB and other DCA programs to prioritize license applicants who are descendants of American slaves, as identified by a proposed Bureau for Descendants of American Slavery (to be created by SB 518). Implementation would be delayed until the Bureau defines the certification process. Staff believe the number of impacted applicants will be small and implementation costs minimal and manageable. Staff recommended the Board support the bill as it aligns with CSLB's goals to promote licensure among underrepresented groups.

Board Member Comment

Member Nutt asked for clarification on what "prioritizing" applicants means in the context of AB 742.

Manager Jamnetski clarified that the bill (AB 742) does not define the term "prioritize," leaving its specific meaning or implementation open to interpretation.

Chief May explained that although the bill does not define "prioritize," CSLB is interpreting it to mean "expedite" the processing of applications for descendants of American slaves.

Chair Barton stated that the CSLB Board will not be responsible for verifying applicants' status as descendants of American slaves; that responsibility would fall to a separate committee or entity.

Chief May explained a separate Bureau would establish the certification criteria for descendants of American slaves. Once individuals are certified, they can apply to CSLB using that certification. The number of applicants is expected to be small.



Chair Barton reiterated the CSLB's approval process would rely on certification provided by an external entity, not determined by CSLB itself.

Registrar Fogt explained that CSLB already prioritizes certain applications, for example, when an out-of-state contractor is coming to California for a large public works project involving many workers. In practical terms, prioritizing means reducing the usual processing time by about three weeks.

Member Nutt asked if there was a way to measure whether prioritizing applications is effective. He suggested collecting feedback to determine if the process is truly expedited as intended or if applicants are still experiencing standard wait times despite the prioritization.

Registrar Fogt agreed that tracking is important and confirmed that staff would monitor prioritized applications to ensure effective service. He noted that while some applicants are fine waiting, others request prioritization, and CSLB will accommodate when appropriate. Tracking these cases will help evaluate the process.

Chief Gagnon explained that CSLB already expedites applications for veterans and certain refugees and tracks those cases. Licensing would apply the same process to applicants certified as descendants of American slaves — prioritizing their applications, fast-tracking them through the system, and tracking the outcomes to measure impact.

Public Comment

There was no comment.

Motion: To approve the AB 742 (Elhawary) Department of Consumer Affairs: licensing: applicants who are descendants of slaves. Moved by Michael Mark; Steve Panelli seconded. Motion carried, 11-0-0.

YEA: Michael Mark, Joël Barton, Rodney Cobos, Amanda Gallo, Miguel Galarza, Diana Love, Henry Nutt III, Steve Panelli, Josef Preciado, Thomas Ruiz and James Ruane.

NAY: None



ABSTAIN: None

ABSENT: Alan Guy, Jacob Lopez, and Mary Teichert

d. AB 1002 (Gabriel) Contractors: failure to pay wages: discipline. (Authorizes the Attorney General to file civil action for license suspension, revocation, or denial.)

Chair Barton presented AB 1002, noting that the bill was awaiting referral by the Senate Rules Committee to a policy committee. Registrar Fogt was asked to provide a brief update on the bill.

Registrar Fogt discussed the significance of AB 1002, which was prompted by a press release from the Attorney General's Office involving a large contractor allegedly paying workers below minimum wage. After public concern, CSLB requested to join and was added to the case. The bill is seen as important because CSLB does not currently have primary authority to investigate wage theft, which is under the jurisdiction of the Division of Labor Standards Enforcement. However, this bill would allow CSLB to participate in unfair business practice lawsuits (under Section 7200) alongside other state agencies. It would enable CSLB to join legal actions or opt out, help collect unpaid wages, suspend licenses for non-compliance, and petition courts for license revocation. Registrar Fogt viewed the bill as a positive step for worker protection, industry accountability, and public trust.

Board Member Comment

Chair Barton asked if the amendment to AB 1002 is meant to confirm CSLB's enforcement authority in relation to joining and acting in unfair business practice cases.

Registrar Fogt confirmed that the amendment is meant to clarify CSLB's enforcement authority, allowing participation in unfair business practice actions such as wage theft cases.

Chair Barton sought clarification on whether the previously mentioned confirmation of CSLB's enforcement authority was the full extent of the amendment or if there are additional components.

Chief May confirmed that the amendment reaffirmed CSLB as the ultimate enforcer on taking disciplinary action on its licensees. The



Attorney General's Office agreed with this and has been coordinating with CSLB in discussions of the bill.

Registrar Fogt clarified that there was concern about CSLB not being clearly identified as the authority responsible for disciplining licenses. He emphasized that the Attorney General's Office cannot discipline CSLB licenses or create a related website (i.e. publicly maintain and display license information like CSLB). Instead, disciplinary action would go through the court, which could order the Registrar to act. The proposed amendment aims to clarify that CSLB retains its exclusive authority to discipline licensees, including enforcing reapplication timelines, as established through longstanding guidelines supported by the public and industry.

Vice Chair Galarza sought clarification on the legislation, specifically asking whether the worker entitlements mentioned were based on minimum wage standards or another benchmark. He provided a hypothetical example to question whether the entitlement could be arbitrarily low, prompting a need for clarity on what standard applies.

Registrar Fogt described wage theft in construction, particularly when workers are paid piecework and end up earning below minimum wage. Registrar Fogt emphasized that contractors must at least pay workers minimum wage based on hourly standards. While civil wage and penalty assessments can address this, the Attorney General's Office has taken special interest in broader wage violations. A specific case was brought to the AG's attention by union investigators, leading to enforcement action.

Vice Chair Galarza noted that workers must be paid at least the minimum wage.

Board Chair Mark briefly referenced Wage Order 16, which notes wages, hours, and working conditions in certain on-site occupations in construction.

Vice Chair Galarza questioned whether the legislation being discussed was connected to the workers' compensation issue, noting that if a contractor doesn't carry workers' compensation, it implies they claim to have no employees, raising concerns in relation to wage violations.



Registrar Fogt disclosed that CSLB's involvement in wage theft enforcement was connected to its role in two task forces: the Joint Enforcement Strike Force and the Labor Enforcement Task Force. In cases of wage theft, there could also be related workers' compensation fraud, which falls under the Department of Insurance. Being part of these actions ensures CSLB can help recover owed wages, deter future violations, and disclose infractions on contractor licenses.

Board Member Steve Panelli asked Registrar Fogt whether CSLB's involvement in wage theft enforcement, especially once formally included in legal action, could expand into other areas. He expressed concern about the resources CSLB would need to commit and asked if there was a way for CSLB to recover any of those costs to offset what CSLB might spend in the process.

Registrar Fogt explained that CSLB could recover costs. In addition to civil penalties of up to \$2,500 per violation, CSLB typically recovers investigative costs when partnering with agencies like local district attorneys or the Attorney General's Office.

Public Comment

There was no comment.

Motion: To approve the amendment to AB 1002 (Gabriel) Contractors: failure to pay wages: discipline. Moved by Steve Panelli; Diana Love seconded. Motion carried, 11-0-0.

YEA: Michael Mark, Joël Barton, Rodney Cobos, Amanda Gallo, Miguel Galarza, Diana Love, Henry Nutt III, Steve Panelli, Josef Preciado, Thomas Ruiz and James Ruane.

NAY: None

ABSTAIN: None

ABSENT: Alan Guy, Jacob Lopez, and Mary Teichert



e. AB 1327 (Aguiar-Curry) Home improvement and home solicitation: right to cancel contracts: notice. (Allows consumers to cancel a home improvement contract via email.)

Chair Barton moved on to discuss AB 1327, which was pending in the Senate Judiciary Committee. Chief May was asked to provide a brief update on the bill.

Chief May informed that AB 1327 was originally opposed by the CSLB unless amended, due to concerns over allowing consumers to cancel home improvement contracts by telephone, which provided no record of cancellation. The author's office agreed and removed the phone cancellation option. The updated bill instead requires that contracts include a support line to help consumers complete written cancellations. However, since the term "support line" was vague, CSLB staff requested clarification that the support line be the contractor's or representative's number and that they guide consumers in using the written notice of cancellation. As a result, CSLB staff recommended a neutral position on the bill.

Board Member Comment

There was no comment.

Public Comment

There was no comment.

Motion: To take a neutral position on AB 1327 (Aguiar-Curry) Home improvement and home solicitation: right to cancel contracts: notice. Moved by Henry Nutt III; Rodney Cobos seconded. Motion carried, 11-0-0.

YEA: Michael Mark, Joël Barton, Rodney Cobos, Amanda Gallo, Miguel Galarza, Diana Love, Henry Nutt III, Steve Panelli, Josef Preciado, Thomas Ruiz and James Ruane.

NAY: None

ABSTAIN: None

ABSENT: Alan Guy, Jacob Lopez, and Mary Teichert



f. AB 1341 (Hoover) Contractors: discipline: building law violations. (Adds prohibitions on unlicensed practice of architecture, landscape architecture, engineering, geology or geophysics, and land surveying to Contractors State License Law)

Chair Barton discussed AB 1341, which was pending in the Senate Business and Professions Committee. Chief May was asked to provide a brief update on the bill.

Chief May explained that AB 1341 allows CSLB to take disciplinary action against licensed contractors who engage in unlicensed practice of professions such as architecture, engineering, geology, or land surveying. While CSLB would not be required to investigate violations in those other fields, the bill aligns with its efforts to combat the underground economy and protect consumers. Staff recommended the Board support the bill.

Board Member Comment

There was no comment.

Public Comment

There was no comment.

Motion: To support AB 1341 (Hoover) Contractors: discipline: building law violations. Moved by James Ruane; Rodney Cobos seconded. Motion carried, 11-0-0.

YEA: Michael Mark, Joël Barton, Rodney Cobos, Amanda Gallo, Miguel Galarza, Diana Love, Henry Nutt III, Steve Panelli, Josef Preciado, Thomas Ruiz and James Ruane.

NAY: None

ABSTAIN: None

ABSENT: Alan Guy, Jacob Lopez, and Mary Teichert



g. SB 61 (Cortese) Private works of improvement: retention payments. (Limits the retention payment amount for a private work of improvement to five percent.)

Chair Barton reported that SB 61 would cap retention payments on private construction projects at 5 percent, aligning them with public works standards. The bill was previously discussed at the April Legislative Committee meeting where it was noted that it does not create an additional workload for CSLB and may improve financial stability for subcontractors. Staff recommended supporting the bill.

Board Member Comment

Chair Barton voiced support for SB 61, emphasizing its importance for small subcontractors on large projects. They noted that withholding payments significantly impacts these subcontractors, who still need to pay suppliers and workers. Aligning private project retention rules with public works standards is seen as fair and beneficial.

Public Comment

There was no comment.

Motion: To support SB 61 (Cortese) Private works of improvement: retention payments. Moved by Rodney Cobos; Henry Nutt III seconded. Motion carried, 11-0-0.

YEA: Michael Mark, Joël Barton, Rodney Cobos, Amanda Gallo, Miguel Galarza, Diana Love, Henry Nutt III, Steve Panelli, Josef Preciado, Thomas Ruiz and James Ruane.

NAY: None

ABSTAIN: None

ABSENT: Alan Guy, Jacob Lopez, and Mary Teichert

h. SB 456 (Ashby) Contractors: exemptions: muralists. (Exempts murals from Contractors State License Law.)

Chair Barton moved to SB 456, which was awaiting a referral by the Assembly Rules Committee to a policy committee.



Chief May stated SB 456 creates an exemption from licensing for artists who paint murals, defining murals as unique works of fine art applied by hand directly to building surfaces, excluding wall signs. Staff recommended a neutral position, noting the bill had been carefully crafted with CSLB input, does not cause public harm, and does not add workload to CSLB.

Board Member Comment

Member Panelli asked whether scaffolding is considered materials for mural work.

Registrar Fogt confirmed that scaffolding is included as part of the work performed on murals.

Member Panelli wanted clarification because the bill mentioned a \$1,000 value, and scaffolding costs would likely exceed that amount.

Registrar Fogt agreed that mural contracts being discussed typically involve work valued well over \$1,000.

Manager Jamnetski stated that scaffolding was included under Business and Professions Code section 7026 and was considered part of the definition of “contractor.”

Registrar Fogt clarified that using scaffolding is necessary for muralists working above the second story and is considered part of the contract. He noted this discussion is about a license exemption for muralists not for scaffolding itself but acknowledging that muralists use scaffolding as part of their trade.

Chair Barton suggested that muralists would likely hire a separate scaffolding company to handle scaffolding, as muralists themselves probably aren’t qualified to erect scaffolds. A licensed contractor would be needed to safely set up the scaffolding.

Member Panelli agreed that muralists would need to rely on licensed contractors for scaffolding.

Registrar Fogt explained that typically, the agency awarding the mural contract hires the muralist, who may subcontract the scaffolding work. He noted it's uncommon for the agency to hire a scaffolding company separately, though it's possible.



Member Panelli described a common scenario where a building owner provides scaffolding separately from the muralist, who only charges for paint and labor. He emphasized that if scaffolding is part of the job, the person responsible should be licensed and knowledgeable about safety requirements, otherwise there is a safety risk.

Registrar Fogt asked Chief May if there had been any discussion about excluding scaffolding from the scope of these mural contracts.

Board Chair Mark suggested that the question about scaffolding in mural contracts might relate to the current licensing requirements for such work.

Registrar Fogt recounted that scaffolding work related to murals is incidental to work performed by the C-33 Painting and Decorating contractor classification.

Chair Mark noted there had been many public comments about muralists and the underground economy, but staff recommended a neutral position on this bill.

Registrar Fogt advised the Board to take a neutral position because historically CSLB hasn't received many complaints about muralists. However, in the past couple of years, complaints have increased, especially since some metropolises hired unlicensed muralists. The bill aims to exempt muralists from CSLB licensing, as their work generally falls under the C-33 classification.

Chair Mark highlighted the complexity of the issue, noting there are reasons both for exempting muralists from licensing and for keeping the license requirement. Large mural projects pose risks to consumers, so having licensed professionals provides recourse if something goes wrong. Chair Mark also raised concern about awarding bodies hiring unlicensed muralists and asked if the bill clearly defines the exact scope of what would be exempted.

Chief May stated that the bill specifically focuses on the application of paint, to the size and materials.

Chair Mark stated that the previous explanation was vague and could be interpreted in many ways.



Chief May noted that it does not specify a size or scale.

Chair Mark was concerned that the phrase "application of paint to surface" is vague and could be interpreted very broadly, potentially meaning painting an entire building, rather than a specific, limited area like 5x5 or 10x10.

Registrar Fogt clarified the bill's definition of a mural as a unique work of fine art, protected by copyright, trademark, or patent, that is hand-painted or drawn directly on an interior or exterior wall or ceiling. He emphasized this is about artwork, not general wall painting with a roller.

Chair Mark acknowledged the clarification provided, confirming it addressed his question.

Board Member Amanda Gallo questioned how CSLB plans to enforce muralist licensing, given that many mural projects originate from cities and counties. She expressed concern that enforcement may be difficult due to the widespread nature of public art programs already in place.

Registrar Fogt affirmed that CSLB has communicated with cities and counties about requiring licenses for muralists, but most local agencies preferred not to require licenses. This resistance had prompted the creation of the current bill, which aims to clearly define what type of mural work can be exempt from licensure. CSLB is currently handling complaints related to unlicensed muralists by focusing on education, informing both the muralists and awarding agencies about existing licensing requirements and the pending legislation.

Chief Grove informed that CSLB has received complaints and leads about mural projects from individuals aware of the work. These projects vary widely; some involve more than just painting. One example mentioned was a case in Sacramento involving a large sculptural flip-flop installation at a swimming pool, showing that the types of public art in question can be more complex than simple murals.

Member Nutt clarified that the example given — a giant flip-flop — was not just painted art but a physical sculpture.



Chief Grove noted that some mural-related projects go beyond traditional two-dimensional artwork.

Member Panelli expressed skepticism about mural projects costing less than \$1,000, emphasizing that even small paint jobs like a bathroom cost over \$500. He stated that murals, especially larger ones like 10x10 or 20x20 on commercial buildings, likely exceed \$1,000 in materials and labor, making it hard to justify exemptions from licensing requirements based on low cost.

Registrar Fogt clarified that while projects valued under \$1,000 are already exempt from licensing requirements, the proposed bill would extend this exemption to large-scale mural projects, potentially worth tens or even hundreds of thousands of dollars if the work qualifies as "fine art" (e.g., murals painted directly on structures). This exemption is not intended for general painting jobs but specifically for artistic projects. Additionally, Registrar Fogt noted that there had been no known consumer harm related to unlicensed mural work, which may influence the Board's consideration of the bill.

Chair Mark shared concern that the bill lacked sufficient detail, making it difficult to assess its full impact. He noted that large-scale mural projects, potentially worth \$100,000 or more, often involve scaffolding, multiple workers, and potential safety risks to the public. Without clear limitations or definitions in the bill, exempting all fine art murals from licensing could pose issues related to worker safety, workers' compensation, and public liability.

Member Panelli made a motion to not support the bill.

Legislative Committee Chair Barton indicated he will address the motion after public comment.

Public Comment

Deanna Sessums, a regional Public Affairs Manager for the League of California Cities – a co-sponsor of SB 456 – spoke in support of the bill. She explained that SB 456 clarifies that muralists creating artistic, not structural, work should not be classified as contractors requiring a license. This clarification addressed recent confusion causing cities to cancel or pause mural projects due to legal uncertainties. The bill does not remove any health, safety, or permit



requirements for muralists but ensures they are not improperly included in contractor licensing regulations. SB 456 restores clarity, protects the licensing system's integrity, and supports cities' ability to commission murals safely and lawfully. She urged the Board to support SB 456 to help artists continue enhancing public spaces.

Natalia Corazza and Jessica Soriano, two muralists, spoke in support of SB 456. They emphasized that murals are meaningful, community-driven art projects that go beyond decoration, often incorporating educational, cultural, and historical elements. They explained that muralists already meet extensive safety and permitting requirements, including insurance, licenses, and permits. Adding a contractor's license requirement would burden their limited budgets and reduce funds for community engagement, undermining the value and impact of their work. They argued that SB 456 would remove an unnecessary bureaucratic barrier, encourage youth and emerging artists to participate in public art, and help ensure the continued success of mural projects.

Jennifer Lopez, speaking as both an artist and on behalf of C-33 licensed contractor Paint Bro'z, voiced strong opposition to SB 456. She stated that the bill would undermine the contractor licensing system by allowing muralists to bypass critical safety, legal, and training requirements. Lopez argued that licensing ensures public and worker safety, especially for large-scale mural projects involving scaffolding, hazardous materials, or work in public spaces. She warned that the bill creates an unfair advantage for unlicensed artists, devalues legitimate contractors who have met rigorous standards, and increases liability risks for cities and property owners. While she supports public art, she stressed that it should not come at the cost of safety and professionalism. Lopez concluded by urging the Board to oppose SB 456, advocating instead for pathways that help muralists obtain proper licensing.

Board Member Comment

Chair Barton asked a clarifying question, confirming that SB 456 would not prevent an unlicensed artist from working as an employee under a licensed contractor. This means non-licensed muralists could still participate in projects legally by working under someone who holds the proper license.

**Public Comment**

Jennifer Lopez emphasized her city's efforts to start programs where young and emerging artists can work under licensed C-33 painting contractors. She noted the importance of proper training and licensing to prevent accidents, referencing tragic incidents in the film industry as cautionary examples. Lopez urged the Board not to support a bill that could put untrained muralists in hazardous situations, arguing that licensing is crucial for public safety and professional accountability.

Jacquie Atchison, Executive Director of the Arts Council for Monterey County, spoke in support of SB 456, highlighting the growing role of murals, especially during the pandemic, as a safe and meaningful form of artistic work. She described challenges faced by muralists under current licensing laws, such as unaffordable registration fees and repeated renewals. Atchison emphasized that murals are artistic expressions protected under copyright, not structural work, and should not be regulated like traditional contracting. She shared examples of murals enhancing public spaces and honoring community history, urging the Board to support the bill to reduce barriers for artists and uphold public art as a cultural and economic asset.

Jesse Juarez, Executive Director of Youth Arts Collective and a lifelong Monterey County resident, spoke in strong support of SB 456. He stated that requiring muralists to obtain a contractor's license imposes an unnecessary barrier, especially since muralists are not performing structural or construction work. At his organization, professional artists mentor youth, showing them that a career in the arts is possible and impactful. Juarez shared that public murals have transformed communities like Salinas, turning stigma into pride and creating cultural landmarks. He stated that failing to pass SB 456 could silence these stories and deny local artists the opportunity to work legally. Juarez stated that the bill does not remove safety standards but clarifies that mural work is artistic, not construction.

Board Member Comment

Member Love expressed support for a neutral position on SB 456, aligning with the staff's recommendation. She noted that much of the discussion had focused on murals requiring scaffolding on large



buildings but noted that many muralists work on smaller-scale projects, such as in private homes or personal studios where scaffolding is not involved. Member Love stated requiring a contractor's license for such artistic work, especially when done by building or studio owners themselves, seems excessive and may discourage creative expression. She emphasized the importance of accessibility and artistic opportunity, particularly for young people.

Board Vice Chair Galarza requested clarity on whether SB 456 excluded structural alterations or repairs associated with mural projects. He shared a key concern: if a building requires surface preparation, repair, or coating before a mural can be applied, who is responsible for that work? He noted that if such preparatory work is excluded from licensing requirements, it raises serious issues. Vice Chair Galarza stated he would withhold his vote until they received a clear answer.

Registrar Fogt explained why staff recommended a neutral position on SB 456. The bill defines a mural as fine artwork applied by hand, not general painting, patching, or surface repair. This excludes activities like roller-painting or prepping a wall. If scaffolding is affixed to a structure, a contractor's license is required. Registrar Fogt noted the bill could be amended to ensure licensed installation is required for multi-story murals. If a muralist employs others, workers' compensation laws still apply; the bill might benefit from clarifying this. The neutral stance allows continued collaboration with the bill's author to address these issues.

Member Panelli asked how workers' compensation insurance would be handled for muralists who do not have a contractor's license, highlighting concerns about insurance and worker safety in unlicensed work situations.

Registrar Fogt answered that, like gardeners who are exempt from contractor licensing but can still obtain workers' compensation insurance, muralists could similarly get workers' compensation if clearly excluded from licensing requirements. Currently, ambiguity exists, so clarifying the exemption would help muralists secure insurance. Staff suggested maintaining a neutral position to continue working with the bill's author to address these issues.

Member Nutt asked for examples of the current complaints related to the issue being discussed.



Registrar Fogt informed that large public artworks like the Sacramento airport's red rabbit were not the focus. Complaints mainly come from consumer or public advocates concerned about the city and council contracts with unlicensed muralists, often involving large monetary amounts. Registrar Fogt noted he is not aware of any complaints received from awarding agencies, private, or commercial building owners.

Chief Grove agreed with Registrar Fogt.

Registrar Fogt continued that there is some debate about whether muralists need a contractor's license, but the bill intends to clearly exempt qualified muralists from needing one. However, building permits are still required, especially for multi-story buildings where safety measures like controlling traffic are necessary. Registrar Fogt stated if scaffolding is freestanding, no license is needed, but for attached scaffolding on high-rises, a licensed contractor is required for safety reasons.

Member Nutt acknowledged the ambiguity in the issue and appreciated the passion from both sides. As a parent of a creative person, he recognized the importance of creativity and emphasized the need to avoid unnecessary enforcement. He stressed the importance of gaining clarity first to ensure that enforcement efforts focus only on what is truly necessary without hindering creativity.

Board Member James Ruane said, "So, I'm a plastering contractor. I have done a lot of service preparation for muralists. Primarily if you've been to Fisherman's Wharf in San Francisco, you can see the huge whales on the parking structure. All that was done with scaffolding and surface preparation done by licensed contractors... or, unless, I don't know, you know, what degree he or she had. I appreciate the individuals from Monterey County explaining that when they work with muralists, they have liability insurance, not necessarily licenses, but they're covered. I guess there's a juxtaposition here between requiring muralists to have a license, an artistic license, there's two different things going on here. So, there's been questions raised by a number of the Board members and I can see this going back to the author to define some of our questions before we take an action of voting."

**Public Comment**

Deanna Sessums, a regional Public Affairs Manager for the League of California Cities, clarified that the bill does not exempt muralists from permitting or safety requirements. She said it does not affect the need for licensed contractors to handle scaffolding or other safety-related tasks. Sessums noted the bill only exempts the muralists' artistic work from contractor licensing, maintaining existing safety and permitting rules.

Board Member Comment

Chair Mark noted that many muralists already hold C-33 contractor licenses and that large public mural projects often involve subcontracting for wall prep and scaffolding, which requires licensing. He stressed the importance of not exempting this entire category of work without clear guidelines. Awarding a contract to a muralist who subcontracts other work means that person should be considered a contractor. He recommended opposing the bill unless amended, urging the author to clarify these points to avoid undermining licensed contractors who have gone through proper licensing processes.

Member Ruiz agreed with Chair Mark that granting a full exemption for muralists would unfairly disadvantage licensed C-33 contractors. He suggested discussing with the bill's author about setting a project cost threshold for exemptions, noting that larger projects usually involve subcontracting and greater liability, which should be properly regulated to protect licensed contractors.

Member Love agreed with much of the chair's points and asks for clarification on the staff's neutral recommendation. She questioned whether working with the bill's author to discuss changes and amendments would still be considered a neutral position.

Chair Mark explained that taking a neutral position on the bill means the Board would not submit a formal letter. In contrast, a support or oppose unless amended stance would result in the Board formally writing a letter, either in support or opposing the bill with specifically recommended changes.

Member Love clarified that the Board's formal stance would be "oppose unless amended," not "neutral with amendments."



Chair Mark stated that the Board has the option to make a motion on any of the available positions, such as support, oppose, or neutral.

Member Love proposed making a motion for a neutral position with amendments on the bill, suggesting that the Board return to the bill's author to discuss potential changes and impacts before making a final decision.

Legislative Committee Chair Barton agreed that taking a neutral position was appropriate. He was planning to request a vote on the staff's recommendation for a neutral stance but would also support a "neutral with amendments" position.

Board Chair Mark clarified that if the Board voted for a neutral with amendments position, they would suggest changes to the bill's author. However, if the author does not adopt those amendments, the Board would not move to oppose the bill.

Legislative Committee Chair Barton agreed with that notion.

Motion: To take a neutral position with amendments on SB 456 (Ashby) Contractors: exemptions: muralists. Moved by Diana Love; Henry Nutt III seconded. Motion carried, 7-4-0.

YEA: Amanda Gallo, Miguel Galarza, Diana Love, Henry Nutt III, Josef Preciado, Thomas Ruiz and James Ruane.

NAY: Michael Mark, Joël Barton, Rodney Cobos, and Steve Panelli

ABSTAIN: None

ABSENT: Alan Guy, Jacob Lopez, and Mary Teichert

The Board took a 10-minute break at 10:45 a.m. and reconvened at 10:55 a.m.

- i. **SB 517 (Niello) Home improvement contract requirements: subcontractors. (Requires home improvement contracts to disclose whether a subcontractor will be used on a project.)**

Chair Barton introduced SB 517, which was under review by the Assembly Business and Professions Committee. Chair Barton asked Chief May to give a brief update.



Chief May announced SB 517 had been amended since the April Legislative Committee Meeting. Originally, it required contractors to disclose subcontractors performing over 50 percent of the project. Now, it requires a yes/no checkbox in the home improvement contract indicating whether subcontractors will be used, plus a disclosure that the contractor will provide a list of subcontractors (with contact info, license numbers, and classifications) upon request. The contract must also state that the prime contractor is responsible for the project. However, this does not prevent disciplinary action against subcontractors or salespersons. Staff recommended a support position, as the bill promotes transparency and may reduce mechanics liens filed against consumers.

Board Member Comment

There was no comment.

Public Comment

There was no comment.

Motion: To support SB 517 (Niello) Home improvement contract requirements: subcontractors. Moved by Miguel Galarza; Rodney Cobos seconded. Motion carried, 11-0-0.

YEA: Michael Mark, Joël Barton, Rodney Cobos, Amanda Gallo, Miguel Galarza, Diana Love, Henry Nutt III, Steve Panelli, Josef Preciado, Thomas Ruiz and James Ruane.

NAY: None

ABSTAIN: None

ABSENT: Alan Guy, Jacob Lopez, and Mary Teichert

F. Enforcement

Chair Mark reflected on the discussion around SB 456 regarding contractor exemptions and suggested that the incoming Chair form a committee to further evaluate the topic. Given the complexity and proposed amendments, Chair Mark recommended that a Board-level Committee work with the future Legislative Chair to address ongoing issues. Chair Mark then transitioned the meeting to Enforcement Item F1.



1. Enforcement Program Update

Enforcement Committee Chair Rodney Cobos introduced the Enforcement Program Statistical Update, which includes enforcement guidelines and detailed statistics. Chair Cobos then turned the presentation over to Chief Grove.

Chief Grove described a case where a consumer paid \$412,100 for a home-raising and ADU project that was abandoned in 2022. An inspection found substandard work, and the cost to fix and complete the project was estimated at \$487,000. The violations included an excessive deposit of \$40,000, use of labor without workers' compensation, abandonment, and poor workmanship. Chief Grove noted the contractor's license was revoked, and the licensee was ordered to pay \$434,000 in restitution to the consumer and nearly \$9,000 in investigative costs.

Chief Grove presented another case, about a repeat offender who pleaded guilty to a felony for using someone else's contractor license for a \$220,000 remodeling contract. Forkosh was convicted of fraudulent use of a license, contracting without a license, and false advertising in April 2025 and was held in custody until sentencing in June.

Registrar Fogt noted that CSLB is working with the California District Attorneys Association to develop jury instructions for Penal Code 484B, which addresses diversion of construction funds. This offense can already be charged as a felony, but having standardized jury instructions will make it easier for district attorneys to file charges. Registrar Fogt noted the goal is to increase accountability in the industry and signal that diversion of funds is a serious offense.

Chair Cobos then summarized the Enforcement Program Statistical Update, noting that Enforcement maintains a 5% vacancy rate and effectively prioritizes resources. Chair Cobos noted from July 1, 2024, to April 30, 2025, CSLB investigations led to 1,859 legal actions, with 515 referred for criminal prosecution. During this time period, CSLB opened 16,737 complaints. As of May 15, 2025, 297 complaints were older than the 270-day target, and supervisors are actively managing backlog reduction. In case management, 342 cases were resolved through arbitration, resulting in \$2.56 million in restitution.

Chair Cobos noted that SWIFT has completed 29 sting operations, participated in 334 sweep days, and responded to 551 leads. Additionally, 2,744 cases closed, 355 sent for criminal prosecution, and over 992 five-year notices issued for minor infractions. While in the Experience Verification Unit from April 2023 to April 2025, 821 license application investigations were completed.

Board Comment

There was no comment

Public Comment

There was no comment.

G. Licensing**1. Review and Discussion Regarding Updating Hazardous Substance Removal Certification**

Licensing Committee Chair James Ruane opened the Licensing portion of the agenda with assistance from Chief Gagnon. Chair Ruane asked Chief Gagnon to provide details on how the passage of SB 641 impacts the Hazardous Substance Removal Certification exam.

Chief Gagnon noted SB 641 requires contractors performing wildfire disaster debris removal in declared disaster areas to hold a Hazardous Substance Removal Certification. LA County Public Works mandates this certification for contractors to obtain debris removal permits. Contractors performing work without the required certification are in violation of Business and Professions Code section 7110. Permitted license classifications for this work include A (General Engineering), B (General Building), and both C-12 (Earthwork and Paving) and C-21 (Building Moving/Demolition).

Chief Gagnon stated there was a concern that CSLB's current certification does not mandate 40-hour HAZWOPER training, though the exam does cover many safety aspects, and HAZWOPER is still required for on-site workers. To comply with SB 641, CSLB will expand and update the exam to include disaster debris removal content. Chief Gagnon noted this includes contractor interviews, workshops, and a small survey with updates expected to be completed by June 2026.

Board Member Comment

Vice Chair Galarza, a 20-year Hazardous Substance Removal Certification holder, expressed strong support for the new requirements, praising the effort to protect both the public and workers from harm. He voiced frustration over unlicensed individuals performing hazardous work without proper oversight.

Public Comment

There was no comment.

2. Licensing Program Update

Chair Ruane provided an overview of the Licensing Program Update, noting that over 13,000 license applications were received in the last quarter, an increase from the prior quarter, which is typical for spring. Chair Ruane noted that in March, the Board approved waivers for certain out-of-state candidates if they have



passed the NASCLA Commercial Builders exam and meet other requirements. He added that four waiver requests have been received.

Chair Ruane noted Licensing staff have maintained or exceeded goals, keeping application processing times under 3 weeks for over a year with some units consistently under 2 weeks, with no backlogs reported. He stated over 29,000 renewal applications were processed last quarter while around 70 contractors impacted by LA fires used the executive order to defer renewal fees. The Judgments Unit sent out over 1,300 bond claim letters and 963 notifications for judgments and liabilities during the past quarter. Chair Ruane praised staff efforts and then turned the presentation over for Testing Program Update.

Chief Gagnon covered the Testing Program Update, noting CSLB administered over 56,000 exams through PSI from May 2024 to April 2025, including 79 exams taken out of state in Oregon. Four new updated exams were released between February and April 2025, A (General Engineering), B (General Building), C-36 (Plumbing), and C-51 (Structural Steel). Chief Gagnon noted that over 11,000 Spanish exams were taken during the past year. She added that CSLB translated exam translator request forms and letters to assist candidates while a bilingual toggle option was added to all 10 Spanish exams, allowing candidates to view both English and Spanish questions, which has improved pass rates.

Board Member Comment

There was no comment.

Public Comment

There was no comment.

H. Public Affairs

1. Review and Discussion of Accessory Dwelling Unit Video with Board Member Steve Panelli

Public Affairs Committee Chair Diana Love opened the session, introducing Chief White, who introduced the first item on the agenda before Chair Love presented the Public Affairs Program Update.

Registrar Fogt mentioned that Chief White would take a minute to set up the projector for a short four-minute video featuring Member Panelli.

Board Member Comment

Member Panelli discussed the positive reception of a new CSLB video. He mentioned reaching out to building departments both in California and out of state who expressed interest in linking the video on their websites. This is in response to growing issues related to the rapid push for accessory dwelling units (ADUs), especially with new rules like San Jose allowing ADUs to be sold separately.



Member Panelli stated that the video could help educate contractors and homeowners, and he hoped it would foster stronger connections between CSLB and local building departments.

Member Preciado praised the CSLB video and suggested enhancing its effectiveness by adding clickable links in the video description (e.g., to license look-up or consumer tips) to improve user navigation and provide a clear call to action. This would help viewers immediately access helpful CSLB resources without needing to search the website.

Vice Chair Miguel Galarza additionally encouraged fellow Board Members to actively support CSLB's social media presence particularly on LinkedIn by following the page and engaging with posts to show public involvement and Board support.

Public Comment

There was no comment.

2. Public Affairs Program Update

Chair Love shared that the Public Affairs Program Update noting CSLB's outreach, communications, and media engagement from July 2024 through April 2025. She noted how following January wildfires in Southern California, CSLB staff helped survivors at disaster recovery centers (DRCs) by providing publications in English and Spanish and connecting them with licensed contractors.

Chair Love noted that CSLB expanded its presence across Facebook, Instagram, X (formerly Twitter), and LinkedIn with popular posts including warnings about unlicensed contracting in disaster zones and sting operations. She added that CSLB issued press releases on new laws and rebuilding with licensed contractors following the fires and responded to 93 media inquiries during the reporting period.

Chair Love noted that staff participated in various outreach events statewide, promoting licensing and consumer education. She added that PAO updated and distributed materials like Get Licensed to Build in English and Spanish, supporting licensing workshops. Chair Love also shared that despite a spike in calls (over 18,000 in January due to the wildfires), CSLB's call center kept wait times under the 6-minute goal for all of 2024.

Board Member Comment

Member Nutt suggested incorporating mental health awareness into CSLB's livestream content, emphasizing the high suicide rate in the construction industry. He noted that while Mental Health Awareness Month had passed, it's still important to create ongoing dialogue. He recommended adding a mental health



tab or segment to raise awareness and normalize discussions about not feeling okay at work, similar to how some construction companies already take time to pause and address employee well-being.

Public Comment

There was no comment.

3. Review, Discussion and Possible Action Regarding “Find My Licensed Contractor” Branding

The next two items involved topics previously discussed at the Public Affairs Committee Meeting on May 15. Chair Love shared the first item, which was a proposed renaming of the "Find My Licensed Contractor" brand to "Find a Licensed Contractor." This change was initially requested earlier and is now being brought to the full Board for consideration, following prior discussion by the committee.

Chief White provided some background on the "Find My Licensed Contractor" feature, launched in January 2018, which helps consumers locate licensed contractors, assists contractors in finding subcontractors, and aids awarding agencies in public works bidding. In 2024, it was one of the top 10 most viewed pages with nearly two million views. The feature appears in multiple places on the website. If the Board decides to rename it, staff would update all instances, requiring a few days of work. Staff remained neutral on the change and will follow the Board's direction.

Board Member Comment

Chair Love brought up the issue because, in her experience helping consumers and seniors, many found the phrase "Find My Licensed Contractor" confusing. She stated it implies you already have a contractor, but in reality, people are looking for one. Chair Love preferred changing the wording to "Find a Licensed Contractor" to better reflect its purpose and make it clearer for users searching for contractors.

Member Barton supported Chair Love's interpretation, adding a humorous personal anecdote about his mother correcting their grammar, noting the importance of clear and accurate language, such as using "a" rather than "my" when referring to finding a contractor.

Member Nutt noted that "Find My" is common digital terminology used online and is recognizable to many users. However, he expressed openness to the proposed change and was not opposed to it.

Board Chair Mark supported either naming option as long as the website provides clear guidance for consumers. He stated the need for better clarification when users click the button, such as listing contractor classifications (e.g., C-20 for



HVAC, plumbing, etc.) so consumers can identify the right type of contractor without needing to know technical license classifications.

Committee Chair Love clarified that the dropdown menu on the page will remain unchanged. It already includes options for users to search by city, zip code, or contractor classification.

Board Chair Mark stated that consumers often don't know contractor classification codes (e.g., C-43 for sheet metal). He suggested including a prominently placed one-pager on the "Find A/My Licensed Contractor" page to help users identify the correct classification based on the type of work they need.

Chair Love clarified that the dropdown menu already includes all contractor classifications. The only proposed change is renaming the feature from "Find My Licensed Contractor" to "Find a Licensed Contractor," and no functionality will change.

Public Comment

There was no comment.

Motion: To change Find "My" to "A" Licensed Contractor. Moved by Joël Barton; Rodney Cobos seconded. Motion carried, 11-0-0.

YEA: Michael Mark, Joël Barton, Rodney Cobos, Amanda Gallo, Miguel Galarza, Diana Love, Henry Nutt III, Steve Panelli, Josef Preciado, Thomas Ruiz and James Ruane.

NAY: None

ABSTAIN: None

ABSENT: Alan Guy, Jacob Lopez, and Mary Teichert

4. Review and Discussion Regarding Career Opportunities for Justice-Involved Individuals

Chair Love introduced the final item, which focuses on improving career opportunities for justice-involved individuals – those who have interacted with the criminal justice system as defendants. She explained CSLB's current licensing process for applicants with criminal convictions, emphasizing that convictions do not automatically disqualify someone from licensure. Each case is reviewed individually based on factors like time since conviction, type of crime, rehabilitation efforts, and work history. The goal is to help formerly incarcerated individuals find stable careers, particularly in construction, to reduce recidivism. Chair Love highlighted existing pathways like working under licensed contractors, participating in prison-based Career and Technical Programs, and engaging with trade unions and nonprofits. She suggested CSLB could support these efforts by



partnering with the California Prison Authority and offering outreach materials. Board Chair Mark was invited to elaborate on a national pre-apprenticeship curriculum that could further support this initiative.

Board Member Comment

Chair Mark emphasized the importance of partnerships between contractors and unions through Joint Apprenticeship Training Committees (JATCs). These programs offer structured, state-approved apprenticeships that typically last 3 to 5 years, providing participants with consistent wage increases, healthcare, and pensions. He highlighted the MC3 program (Multicraft Core Curriculum), a six-week introductory course that exposes participants to various trades (e.g., plumbing, painting, sheet metal) so they can identify a preferred career path before entering a specific apprenticeship. Chair Mark stressed that true apprenticeships, supported by industry and labor, are a powerful way to lift justice-involved individuals, minorities, and women —unlike the underground economy, which offers no such support or advancement. He concluded by appreciating the focus on this issue and reaffirming that helping people succeed starts with guiding them toward the right trade.

Chair Love acknowledged that Board members Jacob Lopez and Rodney Cobos may also have insights on relevant programs.

Member Cobos briefly commented that Chair Mark had already covered the key points thoroughly.

Member Barton highlighted IBEW Local 11's program called Second Call, Second Chance of Life, which supports formerly incarcerated individuals by providing training and guidance on how to apply for apprenticeship programs. Member Barton noted the program's success, citing one powerful example. He shared that this man, after serving 16 years in prison, is now a superintendent at one of the largest contractors and has even testified before Congress. This underscores the value of giving people a second chance through meaningful opportunities.

Member Ruiz, a representative from the Laborers Union, shared that they recently graduated 755 apprentices in Southern California. At their alumni dinners, past graduates return to share inspiring stories about how the apprenticeship transformed their lives. Many graduates were formerly incarcerated or struggled with addiction, and now they are successfully running work crews. Member Ruiz emphasized that the trades offer a meaningful second chance, providing not just jobs but true career opportunities for those wanting to change their lives.

Member Nutt discussed partnerships between construction companies and four prominent MC3 programs in the Bay Area. These programs aim to help individuals transition from off-the-books work into legitimate construction careers by exposing them to a variety of trades through hands-on experience. He added



that the key to their success is strong collaboration with trade unions and contractors, allowing participants to explore different trades and discover their interests and passions. These Bay Area programs have a strong reputation for successfully placing students into building careers.

Chair Mark emphasized that apprenticeship readiness programs are just the initial step. The goal is for individuals to enter full apprenticeship programs in various trades, which typically last three to five years. These readiness programs serve as an opening door, but it's up to the individual to walk through and commit to the full apprenticeship journey.

Member Preciado agreed with previous comments and added that, beyond technical training, justice-involved individuals also need wraparound support services to succeed in trades. This includes help with barriers like obtaining a Class A driver's license or accessing expungement clinics. He added that success requires both skill-building and addressing personal or legal obstacles. Member Preciado expressed enthusiasm for continuing this work as part of the Public Affairs Committee.

Committee Chair Love shared her goal of preventing recidivism by ensuring individuals have support and hope immediately upon release from incarceration. She highlighted the importance of job opportunities and programs both during and after incarceration to help people support their families, avoid homelessness, and stay away from criminal activity. Chair Love believes this approach can transform lives and identities, regardless of gender.

Member Ruiz noted that both the Laborers and Carpenters unions have programs inside Chino men's and women's prisons. These programs focus on teaching soft skills and preparing incarcerated individuals for future apprenticeship opportunities by instilling routines and work habits. Member Ruiz offered to provide more information to anyone interested.

Member Nutt shared a recent experience helping someone who was formerly incarcerated seek licensing information. He noted the CSLB website has too much dense text, making it difficult for individuals to quickly understand whether their specific conviction disqualifies them. They suggested simplifying and clarifying the information so users can easily determine their eligibility without reading through lengthy paragraphs.

Chair Love suggested creating a simplified, bullet-pointed guide on the CSLB website outlining licensing requirements for individuals with felony or misdemeanor convictions. This would make it easier for justice-involved individuals to understand their eligibility at a glance. She agreed that people could still call for more details but emphasized the importance of making the information clear and accessible.



Board Chair Mark recited that to apply for a CSLB license, individuals must have journey-person-level experience or a valid license. He also highlighted that California's large size means apprenticeship readiness programs (like MC3) are typically managed at the county level through local unions and building trades councils, and justice-involved individuals should refer to their local building trades council's website for relevant opportunities and support.

Committee Chair Love insisted that apprenticeship participants should be assigned mentors who guide them through the process and clearly explain the steps required to become a licensed contractor. This mentorship would reinforce the necessary qualifications and could be reflected in the bullet-pointed guidance materials mentioned earlier.

Public Comment

A man asked for some assistance in understanding the paperwork to apply for a license.

Board Member Comment

Chair Love assured him that someone will assist with understanding the paperwork after the meeting.

Chair Love asked what the next steps are to move forward with creating or supporting a program, noting there is no current vote scheduled and seeking suggestions or guidance on how to proceed.

Registrar Fogt suggested next steps include developing a flyer and a clear roadmap to help justice-involved individuals pursue employment in construction and eventually licensure. He noted that Public Affairs staff, led by Chief White, are already working on this. Additionally, Registrar Fogt proposed creating an advisory committee with two Board Members to explore the issue further. He also acknowledged the need to clarify website information on disqualifying convictions to avoid unnecessary application fees.

Chair Love mentioned that the Public Affairs Office could consider waiving some of the fees associated with licensing or starting the process for formerly incarcerated individuals, similar to fee waivers offered for veterans and other programs, to help ease their reentry and support their employment opportunities.

Registrar Fogt explained that waiving fees would require legislative action, meaning the Board would need to sponsor a bill that passes both the Legislature and is signed by the Governor to waive licensing fees.

Member Ruiz mentioned that workforce development programs within local communities, such as in San Marino County, could help cover some fees for



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individuals enrolled in apprenticeship or licensing programs especially for re-entry participants by providing proactive support and resources.

I. Adjournment

Chair Mark called for a motion to adjourn. Member Ruiz called the motion and the meeting concluded.

Meeting adjourned at 12:03 p.m.