



CONTRACTORS STATE LICENSE BOARD

LICENSING COMMITTEE SUMMARY REPORT

Licensing Committee Summary Report

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

David Dias, Licensing Committee Chair, called the meeting of the Contractors State License Board (CSLB) Licensing Committee to order at 9:00 a.m. on Tuesday, August 6, 2019, at the Employment Development Department, Auditorium, 722 Capitol Mall, Sacramento, California 95814. A quorum was established.

Committee Members Present

David Dias, Chair
Kevin Albanese
Agustin "Augie" Beltran
David De La Torre

Committee Members Absent

Marlo Richardson

Staff Present

David Fogt, Registrar
Tonya Corcoran, Chief Deputy Registrar
Justin Paddock, Chief of Licensing
Michael Jamnetski, Chief of Legislation
Kristy Schieldge, DCA Legal Counsel
Phyliz Jones, Executive Staff
Mike Sanchez, Department of Consumer Affairs
Kevin Durawa, Public Affairs
Amber Foreman, Public Affairs
Natalie Watmore, Public Affairs

Public Visitors

Kathleen Barber, Electrician
Daniel Barnett, C-10 Employee
Byron Benton, Electrician
John Berdner, Enphase Energy
Eddie Bernacchi, National Electrical Contractors Association (NECA)
Steven Booker, Electrician
Jason Bodruk, Solar Edge
Jerome Braxton, Apprentice Electrician
Seamus Brennan, Solar Contractor
Jim Cahill, Sunrun

Steve Campbell, Grid Alternatives
Joe Cann, CalSSA
Julius Cherry, Chief of Sacramento Fire Department (Rtd.)
Andrew Christenson, Solar Developer, Attorney
Pete Chureson, Electrician, Trainer
Barry Cinnamon, Cinnamon Energy
Bernadette Del Chiaro, California Solar Storage Association (CalSSA)
David Clark, Member of the Public



Jennifer Collins, Apprentice Electrician
Joel Coppel, San Francisco Planning
Commissioner
Jeanine Cotter, Luminalt
Bernie Kotlier, LMCC
Lauren Cullem, Sierra Club
Yvonne de la Pena, California
Professional Firefighters
Brian Deppen, Southern California
Edison
Shane Diller, California Building Officials
Travis Dodge, C-10 Employee
Jesse Elliott, A, C-10, C-46
Mike Ennett, Electrician
Tom Enso, Public Member
Jason Eshelman, IBEW
Todd Farhat, Lennar Communities
Gary Gerber, Sun Light and Power
Zac Goodman, Electrician, Instructor
Tara Hammond, Sullivan Solar Power
Glen Harris, Solar Businessman
Dan Henrich, Morrow Meadows
Electrical
Martin Herzfeld, Trainer, C-46, C-7, D-
31, D-56
Dave Iloff, Electrician
Michael Ingram, C-46
Jim Jenner, Solar and Storage
contractor
Joe Kane, Civil Engineer
Mark Krausee, PG&E
Charlie Kuffner, Commercial Solar
Construction Employee
Alex Lantsberg, C-10
Celine Lawrence, Sullivan Solar Power
Bob Lilley, C-10 Employee
Doug Mangione, International
Brotherhood of Electrical Workers
(IBEW)

Taylor Markwith, Sullivan Solar Power
Dan Martin, Solar Contractor
Gretchen Newsom, CSAEW
Don Osborne, C-10
S.B. Phillips, Electrician Student
Tim Ramage, Petersen Dean
Jack Ramsey, C-46, C-10
Carlos Ramirez, Safety Professional
Diane Ravnick, former Chief, California
Division of Apprenticeship Standards
Stacey Reineksis, Energy Storage
System Company Owner
John Reusche, B-General
Riley Riggs, C-10
Ian Rodriguez, Employee for A-General
Mark Rodriguez, Sunrun, CalSSA
Permitting Chair
Antonio Sanchez, Electrical Worker
Representative
Casey Saucauskas, Electrician
Allen Sloan, C-10, Safety Professional
Ed Smallwell, Vote Solar
Ed Smeloff, solar provider
Jeremy Smith, construction worker
representative
Kent Stodd, solar industry worker
Matt Stoutenburg, Peak Power
Solutions
Blair Swezey, C-46, Manufacturer
Paul Thoreau, C-10
Ashton Thurneysson, Tesla
Alex Tigo, Member of Public
Chris Tillery, Electrician and Instructor
Todd Tyler, Electrician
Bob Ward, IBEW
Scott Wetch, Coalition of California
Utility Employers
Jim Willson, Los Angeles NECA
Bret Young, Solar Equipment Supplier

**B. Public Comment Session for Items not on the Agenda and Future Agenda Item Request**

Frank Schetter of Schetter Electric, Inc, asked if the board could hold a special meeting to discuss the C-46 Solar and C-10 Electrical issue that has been a topic for the last few years and to come to a determination as soon as possible. Mr. Schetter stated that he believes the board has received inadequate information and feels because of this litigation could be imminent.

C. Review, Discussion and Possible Action to Pursue Legislation to Enact a Residential Remodeling and Home Improvement License Classification

Committee Chair David Dias explained that the next two items on the agenda are legislative proposals and that while legislative proposals are usually assigned to the Legislative Committee these items were placed on the Licensing Committee agenda because they both deal with licensing issues and should be discussed by the committee before moving forward to the full board.

Mr. Dias reported that staff had met with stakeholders and collected data in accordance with the board's current strategic plan and has put together a legislative proposal to create a new residential remodeling and home improvement license classification for committee consideration.

Mr. Dias explained that the new classification would be for residential work only and would include three or more unrelated trades. Mr. Dias also noted that the classification would not allow structural alterations, extending plumbing or electrical unless needed to install new fixtures, or installation of HVAC systems.

Mr. Dias also said that the board has previously discussed how such a license classification could bring numerous individuals out of the underground economy, making them subject to CSLB oversight. He also noted that there has been an overwhelming interest in such a license from participants at CSLB's licensing workshops. Additionally, he commented that this classification would likely generate numerous applications, increasing CSLB's license population.

Legal Counsel Comment:

DCA Legal Counsel Kristy Schieldge asked Licensing Chief Justin Paddock to review the legislative text in the committee packet.

Mr. Paddock explained that the proposed text amends section 7055 of the Business and Professions Code to include the new B-1 classification and that section 7057.1 was created to describe in detail the scope of work for the new classification.



Committee Member Comment:

Committee Member Kevin Albanese said he was pleased with the outcome of the proposal and commended staff for their work in describing the limitations of the new classification while remaining cognizant of the importance of consumer protection.

MOTION: That the Licensing Committee recommend the full board approve this legislative proposal for a new license classification in statute and authorize staff to seek an author to carry the legislative proposal. The proposal would include a new B-1 Residential Remodeling/Home Improvement Contractor classification, which would include the following concepts:

- The B-1 classification scope would include three or more trades or crafts with the following restrictions:
 - Limited to working on existing residential wood frame structures
 - Cannot make structural alterations to load-bearing partitions and walls
 - Cannot install or extend electrical or plumbing systems but can make modifications to existing systems (e.g., install recessed lighting or alter plumbing for two shower heads)
 - Cannot install or replace an HVAC system
- Applicants/licensees must comply with CSLB experience, examination, license bond, and workers compensation insurance requirements

Augie Beltran moved; Kevin Albanese seconded. The motion carried unanimously, 4-0.

NAME	AYE	NAY	ABSTAIN	ABSENT	RECUSAL
David Dias	✓				
Kevin Albanese	✓				
Augie Beltran	✓				
David De La Torre	✓				
Marlo Richardson				✓	

D. Review, Discussion, and Possible Action to Pursue Legislation to Increase the Minor Work Licensure Exemption for Contracting (Currently Under \$500 for Labor and Materials)

Chair Dias stated that this item is closely related to the previous agenda item. This proposal would increase the minor work exemption before a contractor license is required.

Mr. Dias explained that this exemption has not changed since 1998, and that if the board adjusted for inflation the current \$500 limit would be approximately \$860 today. He also stated that this proposal seeks to raise the current \$500 limit to \$1,000 for simplicity and to account for future inflation. This proposal also enables Enforcement



staff to focus on complaints with higher cost impacts. Consumers may seek a remedy in small claims court for jobs under \$1,000.

MOTION: To forward for board consideration the legislative proposal to raise the minor work exemption to \$1,000 and authorize staff to seek an author to carry the legislative proposal. David De La Torre moved; Augie Beltran seconded. The motion carried unanimously 4-0.

NAME	AYE	NAY	ABSTAIN	ABSENT	RECUSAL
David Dias	✓				
Kevin Albanese	✓				
Augie Beltran	✓				
David De La Torre	✓				
Marlo Richardson				✓	

E. Review, Discussion, and Possible Recommendation Regarding Cost Benefit Analysis to Outsource CSLB Examination Administration

Committee Chair Dias noted that researching the feasibility of outsourcing CSLB test administration is part of the board’s 2019-21 strategic plan. Chief Paddock reviewed the cost of in-house testing versus the cost of outsourcing testing to a vendor and noted that the staff recommendation is to re-evaluate this issue in September 2020 in order to: 1) gather more accurate vendor costs, as DCA is currently negotiating new exam fees; and 2) to avoid impacting the budget with conversion costs at this time.

Committee Member Comment:

Committee Member Albanese stated that although the Examination Administration Unit does a fantastic job, an option that involves significant cost savings should be on the December 2019 board agenda.

MOTION: That the full board consider directing staff to do no further work on the cost benefit analysis for outsourcing exam administration at this time but report to the board in December 2019 on a new cost benefit analysis and the feasibility of outsourcing based on new exam fees. Kevin Albanese moved; Augie Beltran seconded. The motion carried unanimously, 4-0.

NAME	AYE	NAY	ABSTAIN	ABSENT	RECUSAL
David Dias	✓				
Kevin Albanese	✓				
Augie Beltran	✓				
David De La Torre	✓				
Marlo Richardson				✓	



F. Adjournment

MOTION: To adjourn the August 6, 2019, CSLB Licensing Committee meeting. Augie Beltran moved; David De La Torre seconded. The motion carried unanimously, 4-0.

NAME	AYE	NAY	ABSTAIN	ABSENT	RECUSAL
David Dias	✓				
Kevin Albanese	✓				
Augie Beltran	✓				
David De La Torre	✓				
Marlo Richardson				✓	

Licensing Committee Chair David Dias adjourned the CSLB Licensing Committee meeting at approximately 9:20 a.m.