

## AGENDA ITEM E

Discussion and Possible Action to Recommend Initiation of a Rulemaking to add Title 16, California Code of Regulations (CCR) Section 832.01 (C-1 Non- structural Residential Remodel Contractor) and Amend Title 16, CCR Section 832 (Specialty Contractors Classified)





### Issue

Should the Contractors State License Board initiate rulemaking to establish a new classification: ***Non-Structural Remodel/ Repair Contractor?***

### Background

As part of its 2015-16 strategic plan, the Board directed staff to determine if a secondary "B" classification is needed to address contractors who provide home improvement services that do not include structural changes. Staff established a task force to evaluate the issue.

The task force began by looking at the existing "B" General Building classification. In its current form, the General Building "B" classification includes a vast scope of work that requires expertise in framing/carpentry and two unrelated trades, e.g. plumbing, electrical, concrete, etc. The scope of work described under Business and Professions code section 7057 for the general building "B" contractor disqualifies from licensure many applicants who provide services involving non-structural remodel or repair work because of the requirement that the applicant document four years of "journey level" experience performing framing/carpentry and two unrelated trades. To qualify for licensure, the applicant must show he/she has experience in the building of structures, e.g. homes, or additions to existing structures. Remodel/repair contractors do not have this experience and do not intend to perform such work.

Individuals performing remodel/repair work are often cited in CSLB sting operations for contracting without a license; however, while there is a market demand for remodel/repair contractors, under the current statutory scheme no classification currently exists for which they can obtain licensure to legally perform such work. Excluding these individuals from licensure has left a gap in the marketplace. CSLB lacks a classification for this existing need, thereby fostering an underground economy. By excluding individuals from licensure, who may otherwise qualify for a limited part of the "B" classification, CSLB fails to fulfill its consumer protection mandate by not providing an opportunity for these individuals to operate legally. The proposed C1 – Non-Structural Remodel/Repair classification addresses those individuals who perform trade work in existing structures that does not include changes in the structural integrity of a building. This classification will allow skilled tradesmen to become licensed so they may legally provide these needed services to the public in a way that allows CSLB to regulate their contracting activities.



## Recommendation

Staff recommends that the Board adopt a regulation establishing a new C-1 Classification - ***Non-Structural Remodel/Repair Contractor***:

### *832.01 Non-Structural Remodel/Repair Contractor*

A non-structural remodeling and repair contractor remodels and repairs existing structures of three (3) stories or less, built for support, shelter and enclosure of persons, animals, chattels or movable property of any kind; provided that no load bearing portion of the existing structure is altered, added or moved; this includes footings, foundations, and weight bearing members.

This classification excludes C-16 Fire Protection and C-57 Well Drilling alterations and repairs.