SENATE COMMITTEE ON BUSINESS, PROFESSIONS AND ECONOMIC DEVELOPMENT Senator Steven Glazer, Chair 2019 - 2020 Regular

Bill No:	AB 2210	Hearing Date:	August 8, 2020
Author: Version: Urgency: Consultant:	Aguiar-Curry March 16, 2020 No Elissa Silva	Fiscal:	Yes

Subject: Contractors: violations: disciplinary actions.

SUMMARY: Expands the Contractors State License Board's (CSLB) authority to take enforcement action against a tree-service contractor.

Existing law:

- 1) Establishes the CSLB within the Department of Consumer Affairs (DCA) to license and regulate contractors and home improvement salespersons. (Business and Professions Code (BPC) § 7000 *et seq.*)
- 2) States that the contracting businesses include: (a) general engineering contracting;
 (b) general Building contracting; and, (c) specialty contracting. (BPC § 7056)
- 3) Requires the CSLB registrar to initiate disciplinary action against a licensee within 180 days of the receipt of the Labor Commissioner's (Commissioner) finding of a willful or deliberate finding of a violation of the Labor Code (LC). (BPC § 7110.5)
- States that a violation of a safety provision, as specified in the LC resulting in death or serious injury to an employee constitutes a cause for disciplinary action. (BPC §7109.5)
- 5) Requires the Department of Industrial Relations' Division of Occupational Safety and Health (DOSH), after consultation with the CSLB, to transmit to the CSLB copies of any citations or other actions taken by the DOSH against a contractor. (LC § 6313.5)
- 6) Requires the Commissioner, upon a finding that a willful or deliberate violation of any of the provisions of the LC has been committed by a licensed contractor, to immediately deliver a certified copy of the violation to the registrar of the CSLB. (LC § 98.9)

This bill:

1) Adds additional violations that constitute a cause for disciplinary action without regard to whether death or serious injury to an employee resulted from the violation.

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- 2) Extends from 180 days to 18 months the time that CSLB has to bring disciplinary action against a contractor, for a contractor's willful or deliberate violation of the LC assessed by the Labor Commissioner.
- Adds a requirement for the registrar to initiate disciplinary action against a contractor upon transmission to the CSLB of copies of any citations or other actions for willful or deliberate violations of specified tree trimming regulations.

FISCAL EFFECT: According to the Assembly Committee on Appropriations, this bill will result in minor and absorbable costs to CSLB.

COMMENTS:

1. Purpose. The <u>Contractors State License Board</u> is the sponsor of this bill. According to the author, "Given the increasing severity of wildfires in California, tree maintenance activities in this state have only increased. Utilities are hiring more contractors to perform fire mitigation work and to carry out cleanup efforts post-disaster. As wildfire prevention activities in California increase exponentially, and more companies enter this sector, it is especially critical that new companies with new employees be held accountable for obeying safety standards before unsafe practices result in employee injury or death. CSLB should have the authority to discipline a licensee after DOSH finds and confirms a violation of tree-safety regulations, such as failure to provide the proper training and equipment, regardless of the severity of the incident. This will promote regular compliance with tree-care safety regulations, and therefore increase safety for workers in the tree care industry."

2. Background.

Contractors State License Board. The CSLB is responsible for the implementation and enforcement of the Contractors' State License Law (the laws and regulations related to the licensure, practice and discipline of the construction industry in California). All businesses and individuals who construct or alter, or offer to construct or alter, any building, highway, road, parking facility, railroad, excavation, or other structure in California must be licensed by the CSLB if the total cost, including both labor and materials, of one or more contracts on the project is \$500 or more. The CSLB licenses and regulates licensees in 44 licensing classifications and 2 certifications and registers approximately 18,000 Home Improvement Salespersons. Each licensing classification specifies the type of contracting work permitted in that classification. Specific to this bill, the "C"—Specialty Contractor – A specialty contractor's operations involve the performance of construction work requiring special skill and involving the use of specialized building trades or crafts.

Two CSLB license classifications may perform stand-alone tree work: C-27 (Landscaping) and C-61/D-49 (Tree Service). Additional license classifications may perform tree work as part of a larger contract in specified circumstances. A tree service contractor prunes trees, removes trees, limbs or stumps (including grinding) and engages in tree or limb guying.

Tree service providers are regulated by both the CSLB and DOSH within the Department of Industrial Relations. DOSH tree safety regulations require treeservice employers provide employees with a safe work environment, including proper safety training and equipment. CSLB licensees, who are primary employers in the tree service industry, must abide by these regulations. Under current law, the LC is required to notify the CSLB of violations of certain provisions of the LC, including violations of tree worker safety requirements. However, the CSLB may only take enforcement actions if "death or serious injury to an employee" occurs. This bill will expand that authority and authorize the CSLB to take enforcement actions for additional violations of tree worker safety requirements in the LC.

At the CSLB's April 2018, meeting, CSLB staff were directed to meet with representatives from the DOSH to identify possible solutions to the concerns raised regarding safety. BPC §7109.5 requires that, before CSLB can discipline a license, a contractor's violation of a safety provision must result in the death of or serious injury to an employee. This bill seeks to expand BPC §7109.5 to provide CSLB with greater authority to initiate disciplinary action against a licensee for any violations specified in CCR regardless if death or serious injury occurred.

3. Arguments in Support. The <u>Contractors State License Board</u> writes in support, "Assembly Bill (AB) 2210 provides authority for the Board to discipline a licensed contractor who violates any of the provisions of California's regulatory "Tree Safety Orders" administered by the Division of Occupational Safety and Health, regardless of whether death or injury occurs first. Existing law conditions discipline of a contractor for safety violations on the occurrence of death or serious injury."

<u>Center for Contract Compliance</u> writes in support, "Current law requires the Contractors State License Board (CSLB) to enforce safety regulations only if the violation causes a serious injury or death. This enforcement mechanism does too little to promote safe practices before an accident occurs. AB 2210 will help solve this problem by providing the CSLB the authority to enforce any other violations, like failing to provide proper training and equipment, which will help prevent accidents before they occur."

<u>West Coast Arborists</u> writes in support, "The passing of this proposal will help ensure the safety and well-being of workers who put their lives on the line day in and day out."

SUPPORT AND OPPOSITION:

Support:

Contractors State License Board (sponsor) Center for Contract Compliance West Coast Arborists

Opposition:

None on file.