
SENATE COMMITTEE ON BUSINESS, PROFESSIONS AND ECONOMIC DEVELOPMENT

Senator Dr. Aisha Wahab, Chair
2025 - 2026 Regular

Bill No: AB 2772 **Hearing Date:** June 29, 2026
Author: Committee on Business and Professions
Version: June 16, 2026
Urgency: No **Fiscal:** Yes
Consultant: Yeaphana La Marr

Subject: Interior designers

SUMMARY: Extends the sunset date of the California Council for Interior Design Certification (CCIDC or Council) to January 1, 2031, and makes statutory improvements and policy reforms in response to issues raised during the Council's sunset review oversight.

Existing law:

- 1) Defines the practice of a Certified Interior Designer (CID) as the preparation and submission of nonstructural or nonseismic plans to local building departments that are of sufficient complexity so as to require the skills of a licensed contractor to implement them, and the programming, planning, designing, and documenting of the construction and installation of nonstructural or nonseismic elements, finishes and furnishings within the interior spaces of a building. (BPC § 5800(a))
- 2) Establishes CCIDC, a nonprofit organization that consists of CIDs whose governing board includes representatives of the public. (BPC § 5800(b))
- 3) Subjects the authorizing chapter to review by the appropriate policy committees of the Legislature and sets a sunset date of January 1, 2027. (BPC § 5810)
- 4) Provides that a CID may voluntarily obtain a stamp from CCIDC that includes a number that uniquely identifies and bears the name of that CID and identifies the individual as either a CID or a CID with commercial designation. (BPC § 5801)
- 5) Subjects the procedure for the issuance of a stamp by CCIDC, including the examinations recognized and required by CCIDC, to occupational analyses and examination validation. (BPC § 5801.1)
- 6) Requires all drawings, specifications, or documents prepared for submission to any government regulatory agency by any CID or under their supervision to be affixed by a stamp and signed by that CID. (BPC § 5802)
- 7) Exempts CIDs from the Contractors State License Law insofar as they are designing systems for work to be performed by a licensed contractor. (BPC § 5803)
- 8) Makes it an unfair business practice for any CID or any other person to represent to the public that the person is "state certified" to practice interior design, or to use any other words or symbols that represent to the public that the person is so certified.

(BPC § 5804)

- 9) Provides that nothing in the CID title act precludes CIDs or any other person from submitting interior design plans for commercial or residential buildings to local building officials, except as provided. (BPC § 5805)
- 10) Provides that nothing in the CID title act prohibits interior design or interior decorator services by any person or retail activity. (BPC § 5806)
- 11) Requires CIDs to use a written contract when contracting to provide interior design services to a client. (BPC § 5807)
- 12) Provides that the CID title act shall be subject to review by the appropriate policy committees of the Legislature and shall remain in effect only until January 1, 2027, and as of that date is repealed. (BPC § 5810)
- 13) Requires meetings of CCIDC to comply with the rules of the Bagley-Keene Open Meeting Act and authorizes CCIDC to take reasonable actions to carry out its responsibilities and duties; to adopt bylaws, rules, and procedures necessary to effectuate the purposes of the CID title act; and to establish application fees, renewal fees, and other fees related to the regulatory costs of providing services and carrying out CCIDC's responsibilities and duties. (BPC § 5811)
- 14) Authorizes CCIDC to issue a certification to any applicant who provides satisfactory evidence that they meet all of the requirements of this chapter and who complies with the bylaws, rules, and procedures established by CCIDC and authorizes CCIDC to issue a commercial designation to a CID or qualified applicant who, in addition to the requirements for a CID, passes additional interior design courses and examinations, as determined to be required by CCIDC. (BPC § 5811.1)
- 15) Makes it an unfair business practice for any person to represent or hold themselves out as, or to use the title "Certified Interior Designer" or any other term, such as "licensed," "registered," or "CID," that implies or suggests that the person is certified as an interior designer when they do not hold a valid certification from CCIDC. (BPC § 5812)
- 16) Defines "design professional" as a person licensed as an architect pursuant to Chapter 3 (commencing with Section 5500) of Division 3 of the BPC, licensed as a landscape architect pursuant to Chapter 3.5 (commencing with Section 5615) of Division 3 of the BPC, registered as a professional engineer pursuant to Chapter 7 (commencing with Section 6700) of Division 3 of the BPC, or licensed as a land surveyor pursuant to Chapter 15 (commencing with Section 8700) of Division 3 of the BPC. (Civil Code (CIV) § 8014)
- 17) Establishes the California Public Records Act (CPRA) to define the public's right to access to public records in the custody of state agencies, unless exempt from disclosure by law. (Government Code (GC) § 7920.000, *et seq.*)
- 18) Establishes salaries for cabinet-level officials of state government. (GC) § 11550)

This bill:

- 1) States that protection of the public shall be the highest priority for the Council in exercising its certification and disciplinary authority, and any other functions. Whenever the protection of the public is inconsistent with other interests sought to be promoted, the protection of the public shall be paramount; states Legislative intent that in extending CCIDC's powers and duties through sunset review, the CCIDC continues to serve as an entity entrusted with administering a state function in its certification of interior design professionals.
- 2) Requires a CID to report to the CCIDC in writing within 30 days of the date the CID has knowledge of any civil action judgment, settlement, arbitration award, or administrative action resulting in a judgment, settlement, or arbitration award against the CID in any action alleging fraud, deceit, negligence, incompetence, or recklessness by the CID in the practice of interior design if the amount or value of the judgment, settlement, or arbitration award is five thousand dollars or greater.
- 3) Requires the report in 2) to be signed by the CID and set forth facts that constitute the reportable event and if the reportable event involves the action of an administrative agency or court, requires the report to set forth all of the following:
 - a) The title of the matter.
 - b) The court or agency name.
 - c) The docket number.
 - d) The claim or file number.
 - e) The date on which the reportable event occurred.
- 4) Requires the CID to promptly respond to oral or written inquiries from CCIDC concerning the reportable event described in 2), including inquiries made by the Council in conjunction with certification renewal.
- 5) Provides that failure to comply with 2), 3), and 4) are grounds for disciplinary action and the CID may who fails to comply may be subject to a civil penalty of not less than one hundred dollars (\$100) and not more than one thousand dollars (\$1,000), in lieu of revoking the certification, or a civil penalty of up to twenty thousand dollars (\$20,000) for knowingly and intentionally failing to comply in lieu of revoking the certification.
- 6) Requires any insurer providing professional liability insurance or any state or local governmental agency that self-insures a CID who is subject to a judgment, settlement, or arbitration award of five thousand dollars (\$5,000) or greater, to the Council all of the following within 30 days of payment of all or any portion of the civil action judgment, settlement, or arbitration award:
 - a) The name of the CID.

- b) The claim or file number.
 - c) The amount or value of the judgment, settlement, or arbitration award.
 - d) The amount paid by the insurer.
 - e) The identity of the payee.
- 7) Requires both of the following triggers to be present for the reporting requirements in 6) to apply:
- a) A party to the civil action, settlement, arbitration award, or administrative action is or was a sole proprietorship, partnership, firm, corporation, or state or local governmental agency in which a CID is or was an owner, partner, member, officer, or employee.
 - b) A CID was in responsible control of the portion of the project that was the subject of the civil judgment, settlement, arbitration award, or administrative action.
- 8) Specifies that notwithstanding any other law, a CID is not considered to be in violation of a confidential settlement agreement or other confidential agreement by providing the required report to the Council.
- 9) Authorized the Council to adopt bylaws, rules, and procedures to further define the reporting requirements described in 2) – 6).
- 10) Requires meetings of the Council to be governed by either Rosenberg’s Rules of Order or Robert’s Rules of Order, Newly Revised; authorizes CCIDC to adopt additional policies and procedures that provide greater transparency to certificate holders and the public than required by the Bagley-Keene Open Meeting Act.
- 11) Limits the annual salary for any individual employed or contracted by the Council to less than the annual salary provided by GC § 11550 during that fiscal year.
- 12) Requires CCIDC to provide a meaningful opportunity for public participation in the adoption, amendment, or repeal of any policies, procedures, rules, or bylaws that substantially impact the rights, benefits, privileges, duties, obligations, or responsibilities of individuals or entities subject to certification or approval by the Council, including, but not limited to, actions by CCIDC to increase fees, impose additional requirements for certification or approval, or substantively modify the disciplinary processes.
- 13) Requires the Council, for the purposes of meeting the requirements of 12), to at a minimum, 1) publish the complete text of any policies, procedures, rules, or bylaws proposed for adoption, amendment, or repeal along with a summary of the changes being considered for a period of at least 45 calendar days before the adoption, amendment, or repeal; 2) accept written public comments during the 45-day period; and 3) allow further public comment during a meeting held for these purposes.

- 14) Requires, to the extent practicable, CCIDC records to be made available for public inspection in a manner consistent with the California Public Records Act, as though CCIDC were a public agency for purposes of that Act, beginning July 1, 2028, and authorizes CCIDC to charge the direct costs of responding to requests for records, including staff time reasonably required to identify, locate, and provide records.
- 15) Specifies that it is the intent of the Legislature that all exemptions under the California Public Records Act apply, and the Council is prohibited from disclosing investigatory records or records containing sensitive information regarding applicants, certificate holders, employers or clients of certificate holders, or other members of the public.
- 16) Specifies that a person “certified as a certified interior designer pursuant to Chapter 3.9 (commencing with Section 5800) of Division 3 of the Business and Professions Code,” is a “design professional” as defined in the Civil Code.
- 17) Extends the Council’s sunset date by four years to January 1, 2031.

FISCAL EFFECT: This bill is keyed fiscal by Legislative Counsel. According to the Assembly Committee on Appropriations, this bill does not have state costs. Per its enabling statute, the CCIDC was formed as a non-profit entity with oversight authority over the certification process. CCIDC receives no state funding.

COMMENTS:

1. **Purpose.** This bill is the sunset review vehicle for the CCIDC, a non-government non-profit entity authorized in statute to issue voluntary certifications, authored by the Assembly Business and Professions Committee. The bill extends the sunset date for the CCIDC and enacts technical changes, statutory improvements, and policy reforms in response to issues raised during the Council’s sunset review process. This is one of five sunset bills authored by the Assembly Committee on Business and Professions.
2. **Oversight Hearings and Sunset Review of Licensing Boards and Programs.** In March 2026, the Senate Business, Professions and Economic Development Committee and the Assembly Committee on Business and Professions (Committees) began their comprehensive sunset review oversight of ten regulatory entities, including CCIDC. The Committees conducted three oversight hearings. This bill and the accompanying sunset bills are intended to implement legislative changes as recommended by staff of the Committees, and which are reflected in the Background Papers prepared by Committee staff for each agency and program reviewed this year.
3. **Background on CCIDC.** The Council was first established in 1992. Unlike the majority of programs responsible for overseeing professions and vocations in California, CCIDC is not a state agency and does not function as part of the state’s government. Instead, CCIDC is incorporated as a private nonprofit public benefit corporation with 501(c)(3) tax exempt status. Certification offered by CCIDC is voluntary, though statute allows only certified individuals to use the term “certified interior designer” or similar language that implies CCIDC certification.

As of December 2025, there are 1,722 certified interior designers (CIDs) in California. A CID is defined in statute as:

A person who prepares and submits nonstructural or nonseismic plans ... to local building departments that are of sufficient complexity so as to require the skills of a licensed contractor to implement them, and who engages in programming, planning, designing, and documenting the construction and installation of nonstructural or nonseismic elements, finishes and furnishings within the interior spaces of a building, and has demonstrated by means of education, experience and examination, the competency to protect and enhance the health, safety, and welfare of the public.”

CCIDC is authorized to issue a commercial designation to CIDs who have passed additional interior design courses and examinations.

While the phrase “interior design” is commonly associated with decorative services focused exclusively on visual elements such as furniture arrangements or wall colors, CIDs utilize considerable technical knowledge to ensure that indoor spaces are safe and functional in addition to aesthetically pleasing. CIDs are frequently involved in designing nonstructural interior elements and preparing code-compliant interior plans and documents and often work with building codes, accessibility standards, and contractors. CCIDC attributes public misconceptions regarding the scope of the interior design profession to the rise in popularity of design-oriented reality television, arguing that media portrayals “oversimplify and misrepresent the complexity and technical expertise required in professional practice.”

CCIDC has the authority to grant or deny applications for certification and to discipline certificate holders by denying, suspending, or imposing probationary conditions on certificates. CCIDC may also require a CID to complete remedial coursework in ethics and business practices as a condition of reinstatement or resolution of a disciplinary action. Through these responsibilities, CCIDC helps ensure that CIDs meet professional competency standards designed to protect California consumers. CCIDC does not approve or oversee educational institutions offering programs in interior design.

There were no further legislative efforts to reform the state’s regulation of interior designers prior to CCIDC’s sunset review in 2017. The sunset background paper raised several issues about CCIDC and its operations, while recommending that CCIDC’s sunset be extended by another four years. One new issue that received substantial discussion was whether a new certification category should be created for commercial interior designers. The sunset background paper noted that an October 2016 report on occupational licensing reform released by the Little Hoover Commission supported this proposal, stating:

Commercial interior designers, for example often do building code-impacted design work – moving walls that entail electrical, lighting, HVAC and other changes. They design the layout of prisons, where the safety of correctional officers and inmates is on the line. Even though the people performing this commercial work typically have extensive educational and work experience, city and county inspectors do not

recognize their unlicensed voluntary credentials. Architects or engineers must sign off on their plans, resulting in time and cost delays.

The next sunset review of CCIDC took place in 2022. During the intervening period, the CCIDC board had elected to proactively establish an optional commercial designation for CIDs. This designation was subsequently codified in 2023 through SB 816 (Roth).

4. **Sunset Review Oversight of the Council.** CCIDC was last reviewed as part of the comprehensive sunset oversight review program in 2022. Following are select issues pertaining to CBOT, along with background information concerning the particular issue:

- a) **Sunset Issue #3: Staff Compensation.**

Background: As a private nonprofit council, CCIDC's employees are not subject to civil service requirements and its Board of Directors has broad discretion to make hiring decisions and set compensation. Nonprofit corporations like CCIDC are generally authorized to grant compensation to their executives that is deemed "reasonable" by the Internal Revenue Service (IRS). During multiple prior sunset reviews of the California Massage Therapy Council (CAMTC), however, it was noted that CAMTC's chief executive officer received an extraordinarily high salary, most recently identified as \$615,897. In response to obloquy prompted by this revelation, the Legislature enacted language through AB 1504 (Berman) in 2025 to cap the salary of CAMTC's executive staff to the salary provided to the Secretary of the Business, Consumer Services, and Housing Agency (\$247,000).

To be clear, the compensation paid to CCIDC's executive staff does not appear to even remotely approach the inappropriate amounts previously paid to employees of CAMTC. CCIDC's Compensation Committee, comprised of the Chair, Treasurer, and Secretary of its Board of Directors, conducts an annual performance evaluation of CCIDC's executive director and determines appropriate compensation and benefit adjustments. There is currently no reason to believe that CCIDC would increase its executive compensation to a degree that would implicate the same concerns as those regarding CAMTC.

However, given the precedent established by the Legislature in setting guardrails around executive compensation for CAMTC, it may simply be prudent to consider whether there is a desire to make that policy consistent for all similar councils established in statute to oversee professionals.

Recommendation and Proposed Statutory Change: CCIDC should advise the committees as to how it determines what compensation is appropriate for its executive staff and whether it would oppose a statutory ceiling for that compensation consistent with similar nonprofit councils.

To address a), this bill proposes to prohibit the total annual salary for any individual employed or contracted by the Council from exceeding the annual salary provided pursuant to GC § 11550 during that fiscal year.

b) Sunset Issue #4: Public Records Act.

Background: Stakeholder comments submitted by the California chapters of the International Interior Design Association (IIDA) allege that CCIDC “does not respond to Public Records requests and has asserted as a nonprofit it does not need to comply with such requests.” The California Public Records Act (CPRA) provides that “public records are open to inspection at all times during the office hours of the state or local agency and every person has a right to inspect any public record.” The CPRA’s definition of “state agency” includes “every state office, officer, department, bureau, board, and commission or other state body or agency,” but likely does not include private nonprofit councils. In *California State University (CSU) v. Superior Court* (2011), the court ruled that CSU auxiliary organizations, which are private nonprofit corporations operating pursuant to statute, are not state agencies subject to the CPRA.

Language enacted in CAMTC’s most recent sunset bill, AB 1504, requires CAMTC to “make the records of the Council available for public inspection in a manner consistent with the California Public Records Act ... as though the Council were a public agency for purposes of that act.” The law requires compliance with the spirit of the CPRA only “to the extent practicable” and provides CAMTC with substantial discretion not to disclose “investigatory records or records containing sensitive information.” The intent of this language was to recognize the quasi-public nature of nonprofit councils like CAMTC and enhance transparency and public accountability. The Legislature may wish to consider extending similar requirements to CCIDC, while remaining mindful of whether CCIDC could administratively sustain any new responsibilities to respond to requests for records.

Recommendation and Proposed Statutory Change: CCIDC should provide an overview of what efforts it makes to be transparent to the public despite the lack of applicability of the CPRA and provide any perspective on what requiring some form of compliance with public records laws would do to its current operations.

To address b), this bill proposes to require CCIDC, to the extent practicable, to make CCIDC records to be made available for public inspection in a manner consistent with the CPRA, as though CCIDC were a public agency for purposes of that Act, beginning July 1, 2028; authorizes CCIDC to charge the direct costs of responding to requests for records, including staff time reasonably required to identify, locate, and provide records; and specifies that it is the intent of the Legislature that all exemptions under the CPRA apply, and the Council is prohibited from disclosing investigatory records or records containing sensitive information regarding applicants, certificate holders, employers or clients of certificate holders, or other members of the public.

c) Sunset Issue #5: Administrative Procedure Act.

Background: The Administrative Procedure Act (APA) establishes basic minimum requirements for the adoption of regulations and the conduct of administrative hearings and adjudication. The APA ensures that agency rulemaking and administrative hearings provide for public participation. Chapter

3.5, which establishes the public process for establishing administrative regulations, is expressly applied only to a state agency, as narrowly defined, presumably rendering it inapplicable to the CCIDC.

AB 1504 established new requirements for CAMTC's Board of Directors to "provide a meaningful opportunity for public participation in the adoption, amendment, or repeal of any policies, procedures, rules, or bylaws that substantially impact the rights, benefits, privileges, duties, obligations, or responsibilities of individuals or entities subject to certification or approval by the Council," with specified examples. At a minimum, CAMTC must now "publish the complete text of any policies, procedures, rules, or bylaws proposed for adoption, amendment, or repeal along with a summary of the changes being considered for a period of at least 45 calendar days before the adoption, amendment, or repeal" and accept public comment during that period. The Legislature may wish to consider imposing similar requirements on CCIDC as a nonprofit council with similar responsibilities to the public.

Recommendation and Proposed Statutory Change: CCIDC should explain what policies it follows in lieu of provisions of the APA and whether it believes existing law provides for an appropriate degree of transparency.

To address c), this bill proposes to require CCIDC to provide a meaningful opportunity for public participation in the adoption, amendment, or repeal of any policies, procedures, rules, or bylaws that substantially impact the rights, benefits, privileges, duties, obligations, or responsibilities of individuals or entities subject to certification or approval by CCIDC, including, but not limited to, actions by CCIDC to increase fees, impose additional requirements for certification or approval, or substantively modify the disciplinary processes.

To establish that a meaningful opportunity for public participation was offered, this bill requires CCIDC to: 1) publish the complete text of any policies, procedures, rules, or bylaws proposed for adoption, amendment, or repeal along with a summary of the changes being considered for at least 45 calendar days before adoption, amendment, or repeal; 2) accept written public comments during the 45-day period; and 3) allow further public comment during a meeting held for these purposes.

d) Sunset Issue #6: Bagley-Keene Open Meeting Act.

Background: The Bagley Keene Open Meeting Act requires meetings of regulatory bodies to be noticed and made available for attendance or observation by members of the public. The intent of the Act is "that actions of state agencies be taken openly and that their deliberation be conducted openly." These requirements are applied to "state bodies," which are defined within statute as including "a board, commission, committee, or similar multimember body that exercises any authority of a state body delegated to it by that state body." All three nonprofit councils subject to sunset review have statutory language expressly requiring compliance with Bagley-Keene, including CCIDC.

CCIDC's most recent report to the Committees continues to raise questions as to whether the Council is in compliance with Bagley-Keene. For example, CCIDC's report indicates that every member of its Board of Directors has participated in board meetings via the Zoom virtual meeting platform since 2022. This would not be lawful under the current requirements of Bagley-Keene, which provides two options for teleconferencing by public bodies: either every location where a member of a body is participating remotely must be accessible to all members of the public, or a majority of the members of a body to be physically present at the same teleconference location. While these requirements were more flexible during the COVID-19 pandemic, the law has been more restrictive for several years now. CCIDC may simply not be aware of the legal requirements for teleconference meetings.

Recommendation and Proposed Statutory Change: CCIDC should inform the Committees of whether it believes the meetings of its Board of Directors comply with Bagley-Keene and how it will ensure compliance going forward.

To address d), this bill proposes to require meetings of the Council to be governed by either Rosenberg's Rules of Order or Robert's Rules of Order, Newly Revised and authorizes CCIDC to adopt additional policies and procedures that provide greater transparency to certificate holders and the public than those required by the Bagley-Keene Open Meeting Act.

e) Sunset Issue #8: Stamp Acceptance.

Background: The issue of stamp acceptance was the primary genesis for CCIDC's creation, and the issue has been raised in nearly every sunset review of CCIDC by the Legislature. Certification was intended to help alleviate confusion among local building authorities in circumstances where building permits are required and provide assurance in knowing that a CID is competent to provide interior design services in accordance with the state building codes for the work they are allowed to perform. However, there is currently disagreement in regard to whether certification has proven to be an effective solution to challenges with stamp acceptance for interior designers.

Stakeholder comments submitted by IIDA present one perspective as follows: "The Council's voluntary existence creates confusion; they offer stamps that confer no privileges. Authorities Having Jurisdiction often refuse to accept these stamps, given that they are not fully backed by the State. These stamps are precluded from including the seal of California. They note in their report that several jurisdictions routinely reject plans submitted by designers."

CCIDC, meanwhile, asserts that the stamp acceptance issue is "more limited in scope than previously assumed." CCIDC references the small number of plan check denial cases it has reviewed, in which a majority of the rejected plans were subsequently accepted, and argues that "these outcomes suggest that most issues surrounding CID plan submissions arise not from systemic opposition, but rather from misunderstandings or lack of familiarity with the Title Act and the legal scope of [CIDs]. In most cases, effective communication and targeted outreach have led to successful resolution."

Recommendation and Proposed Statutory Change: CCIDC should provide the Committees with what it believes to be the current state of CID stamp acceptance and why it believes including CIDs in the statutory definition of “registered design professional” would resolve ambiguity and promote equitable recognition of CIDs.

To address e), this bill proposes to add certified CIDs to the definition of “design professional,” in Civil Code § 8014. This amendment would place CIDs in the same definition as licensed architects, licensed landscape architects, registered professional engineers, and licensed land surveyors.

f) Sunset Issue #13: Continued Regulation by CCIDC.

Background: CCIDC currently certifies approximately 1,722 interior designers, a substantial minority of what is believed to be the interior design population. The Council operates with a relatively small budget and employs only two staff. CCIDC does not have a formal enforcement program and has only received 223 documented complaints since it was founded. As a voluntary certification program for unlicensed design professionals, CCIDC’s legislative mandate is relatively modest, and its operations appear appropriately tailored to that scale.

CCIDC is one of three private nonprofit corporations that were created through legislation and must undergo sunset review as quasi-public entities. Serious issues have arisen with the conduct of the other councils, prompting reconsideration as to the appropriateness of delegating the state function of overseeing regulated professionals to a nongovernmental entity. While nonprofit councils are certainly more efficient than state bureaucracies, this arguably comes at the cost of transparency, accountability, and due process.

There are numerous reforms, both minor and significant, that may be contemplated by the Committees as CCIDC undergoes its current sunset review. Statute could certainly be revised to require the Council to emulate the state licensing board model, as was done for CAMTC. However, the Legislature should remain mindful that each potential new mandate or structural change could potentially come at the expense of the advantages that come with constructing CCIDC as a nonprofit corporation.

Recommendation and Proposed Statutory Change: The Committees should discuss whether CCIDC should remain established in state law as a quasi-public entity; if that statutory framework is extended, the Committees should consider enacting additional reforms to increase the transparency and accountability of the Council and support the statewide recognition of CIDs as design professionals.

This bill extends the framework for voluntary certification of design professionals to January 1, 2031.

g) Issue Not Included in Sunset: Mandatory Judgment, Settlement, and Arbitration Reporting

Background: CCIDC receives and reviews complaints submitted by members of the public, CIDs, and others within the interior design and construction community. Only a very small number of formal complaints are typically received each year. CCIDC will refer complaints regarding individuals engaging in architectural or engineering work without the appropriate licensing board within the DCA. According to CCIDC, most complaints it received over the past several years have pertained to financial or contractual disputes between clients and interior designers. CCIDC reports that none of the complaints it has received by CCIDC over the past four years have involved violations that posed a direct threat to public health, safety, or welfare.

Over the past four years, only one CID has been subject to disciplinary action. In that case, CCIDC reports that the individual was placed on probation and required to complete two continuing education courses in ethics before their certification was reinstated. In the past, CCIDC has sometimes successfully mediated disputes, resulting in outcomes that CCIDC believes are satisfactory for both the complainant and the CID.

The lack of data concerning a direct threat to public health safety, or welfare, has raised questions of whether this is indicative of no credible threat or if consumers are pursuing other avenues to resolve disputes with CIDs, such as civil action. Additionally, if a CID were to exhibit a pattern of fraud, deceit, negligence, incompetence, or recklessness, that may be cause for disciplinary action, but the consumer's pursuit of redress through the courts prevents CCIDC from taking any action.

Recommendation and Proposed Statutory Change: This bill proposes to require CIDs to report to CCIDC within 30 days of any civil action judgment, settlement, arbitration award, or administrative action resulting in a judgment, settlement, or arbitration award against the CID in any action alleging fraud, deceit, negligence, incompetence, or recklessness in the practice of interior design in an amount of five thousand dollars (\$5,000) or greater. This bill also imposes a reporting process, reporting requirements of insurers, grounds for disciplinary action, and authority for CCIDC to impose civil penalties for non-compliance.

5. **Related Legislation This Year.** AB 1796 (Jackson of 2026) would establish a new category of licensed professional for interior designers within the California Architects Board (CAB), define the scope of practice for professional interior design, and expand the membership of the CAB to include a professional interior designer.

The Committee Background Paper for CCIDC's sunset review oversight this year, Issue #10, titled, "Certification versus Licensure," asked "Should the voluntary certification program administered by CCIDC be converted to a mandatory licensure program administered by a state board?" Given the pending sunset review oversight for CCIDC this year and existence of AB 2772, any changes to the regulation of design professionals would be most appropriate to be made in that bill. The Author did not include the language from AB 1796 in AB 2772.

Licenses and certifications are not mutually exclusive – there are many licensing programs that have voluntary certifications that authorize specified scope and/or authority above and beyond the scope of a license. Notably, AB 2772 amends Civil Code § 8014 to update the definition of “design professional” to include certified interior designers. Should AB 2772 be enacted, a design professional would be defined as a licensed architect, a licensed landscape architect, a certified interior designer, a registered professional engineer, and a licensed land surveyor. Interior designers have long stated that they need to be elevated to licensure to be defined as a “design professional” so their plans will be accepted by local building departments.

This is not the case for at least two reasons: 1) Engineers’ plans are accepted, yet they are listed as registrants, not licensees, under the definition of a design professional and 2) Contractors’ plans are accepted and they are not listed at all. Statutory changes other than licensure may also support the goals of design professionals in marketplace advancement. For example, Title 24 of the California Code of Regulations, also known as the California Building Codes (the regulations of the California Building Standards Commission) could be amended to mandate that local building officials accept interior designers’ plans, but licensure does not guarantee that plans are accepted and that marketplace factors change. Also, the law could be amended to expand opportunities for design professionals to get state contracts for design work, but licensure does not guarantee those opportunities are made available. (*Status: This bill is currently pending in the Senate Committee on Business, Professions and Economic Development.*)

6. **Prior Related Legislation.** SB 816 (Roth, Chapter 723, Statutes of 2023) codified CCIDC’s authority to issue a CID commercial designation.

SB 1437 (Roth, Chapter 311, Statutes of 2022) extended CCIDC’s sunset date.

SB 308 (Lieu, Chapter 333, Statutes of 2013) extended CCIDC’s sunset date, required CIDs to use written contracts when providing interior design services, and required meetings of CCIDC’s board to comply with the Bagley-Keene Open Meeting Act.

SB 1312 (Yee/Calderon of 2008) was introduced as a new effort to reassign responsibility for overseeing interior designers from CCIDC to a state agency. While the sponsor of SB 1312 argued that state oversight of interior designers was insufficient, this committee was skeptical of the purported consumer harm risk raised in the sponsor’s sunrise questionnaire and raised concerns about the membership composition of the new board and the potential consequences of imposing new requirements on all practicing interior designers. (*Status: The bill failed passage in the Senate.*)

AB 2482 (Ma of 2012) was introduced to establish a new California Registered Interior Designers Board within the DCA to license and regulate registered interior designers. While the bill would have established a new licensure category under a state board, later amendments to the bill declared an intent to merely “permit an additional career path” for some interior designers “by providing the opportunity for licensure for those who so choose.” One of the central arguments in support of AB

2482 was that California's status as a national outlier in its oversight of interior designers was impairing the profession. Of the 28 states that were believed at the time to provide for some form of regulation of interior design, only California relied on a private organization rather than a state agency. Supporters of the bill also pointed out that while other states required applicants to pass the NCIDQ examination, California had recently transitioned to exclusively requiring all applicants to pass the Interior Design Examination (IDEX) California, an examination developed by CCIDC that was recognized by no other state or the federal government, resulting in barriers to reciprocity and portability.

Supporters of the bill also continued to blame the state's private certification scheme for the inconsistent acceptance of plans submitted by CIDs to local building departments. Despite these arguments, the Assembly policy committee analysis was critical of the bill: "Similar to the other boards and bureaus under DCA, as drafted, the Board would recognize the public's health, safety and welfare as paramount to its duties. Despite this laudable intent, it is unclear whether the lack of this regulatory board and licensing program therein would constitute tangible harm to the public. It is also unclear if local permitting concerns can be resolved without establishing an entirely new regulatory body." (Status: The measure was never heard in a policy committee of the Legislature.)

SB 363 (Figueroa, Chapter 874, Statutes of 2003) extended CCIDC's sunset date, modified the qualifying education and experience standards for a CID, and required CCIDC to provide a report on the costs and benefits of its examination requirements and feasible alternatives.

SB 136 (Figueroa), Chapter 495, Statutes of 2001 extended CCIDC's sunset date, required CCIDC to report specified information to the Joint Committee and to undergo an independent audit of its finances, and required CCIDC to change from a 501(c)(6) nonprofit corporation to a 501(c)(3) nonprofit corporation.

AB 1096 (Romero of 1999) would have established a Board of Interior Design within the DCA. (Status: This bill was vetoed by the Governor who wrote "This bill would repeal the existing private certification program for interior designers and instead would establish a new state program, the Board of Interior Design, to administer a title act that would limit the use of the term "registered interior designer." This bill creates a new regulatory program for an industry where there is no demonstrated consumer harm. The creation of a new regulatory program and a new state agency at a time when the Legislature is eliminating licensing boards and streamlining regulatory programs is inappropriate. Additionally, this bill does not provide for adequate start-up funding and is unclear as to what, if any, consumer protection would be served. Government intervention in a marketplace should be reserved for cases where there is consumer harm.)

SB 153 (Craven, Chapter 396, Statutes of 1990) established a voluntary certification process for interior designers through CCIDC.

SB 354 (Craven, Chapter 699, Statutes of 1988) required the CSLB to fund a study on the necessity and feasibility of licensing interior designers.

7. **Arguments in Support.** California Building Officials write in support, “Local Building Officials and the California Council for Interior Design Certification (CCIDC) share a common mission of protecting the health, safety, and welfare of the public. California's Certified Interior Designer program establishes meaningful standards for education, examination, and experience that support competent professional practice and promote public confidence. AB 2772 strengthens that successful program by enhancing accountability, reinforcing CCIDC’s public protection mission, and extending California's Certified Interior Designer program through 2031. These improvements support continued collaboration among design professionals, building officials, and public agencies in protecting California consumers.”

The California Council for Interior Design Certification writes in support, “AB 2772 is the product of the Legislature's sunset review process and reflects a thoughtful, balanced approach to strengthening California's long-standing interior design certification program. The bill not only extends the operation of the program through January 1, 2031, but also enhances public protection, strengthens accountability, and modernizes key provisions of California's Title Act for Certified Interior Designers (CIDs).”

The California Legislative Coalition for Interior Designers writes, “CLCID believes that CCIDC is a model consumer protection body. It is laser-focused on its mission, innovates to resolve issues, and operates in a highly efficient manner. CLCID believes that CCIDC has a strong history of maintaining its consumer-centric commitment, while also exercising skilled stewardship over its resources and programs. We are confident that CCIDC has earned a four-year extension.”

8. **Arguments in Opposition.** The International Interior Design Association – Southern California Chapter writes, “After multiple sunset reviews and years of recommendations, CCIDC continues to demonstrate the same structural and operational deficiencies. Continuing to extend the organization without meaningful reform does not serve consumers, design professionals, or the Legislature. For these reasons, IIDA Southern California respectfully recommends that the Legislature allow CCIDC to sunset and evaluate more appropriate approaches to professional regulation and public protection.”

9. **Comments and Suggested Technical Amendments.**

Reference update. As noted above, this bill amends CIV § 8014 to add CIDs to the definition of “design professional.” § 8014 contains an outdated reference to “registered” professional engineers. Professional engineers are licensed and have been since January 1, 1999 with the enactment of BPC § 6706.3, which reads, “Any reference in any law or regulation to a registered engineer, or to a registered civil, electrical, or mechanical engineer, is deemed to refer to a licensed engineer, or to a licensed civil, electrical, or mechanical engineer, as the case may be.”

In order to clarify the licensure of that profession, the bill should be amended to strike “registered” and replace with “licensed”.

“Design professional” means a person licensed as an architect pursuant to Chapter 3 (commencing with Section 5500) of Division 3 of the Business and

Professions Code, licensed as a landscape architect pursuant to Chapter 3.5 (commencing with Section 5615) of Division 3 of the Business and Professions Code, certified as a certified interior designer pursuant to Chapter 3.9 (commencing with Section 5800) of Division 3 of the Business and Professions Code, ~~registered~~ licensed as a professional engineer pursuant to Chapter 7 (commencing with Section 6700) of Division 3 of the Business and Professions Code, or licensed as a land surveyor pursuant to Chapter 15 (commencing with Section 8700) of Division 3 of the Business and Professions Code.

Burdens of Occupational Licensing. California has historically reserved mandatory occupational licensure for professions where the Legislature has determined that licensure is necessary to protect the public from significant risks to health, safety, or financial welfare, while regulating many other occupations through less restrictive mechanisms such as title protection, registration, certification, building codes, inspections, and existing consumer protection laws. Interior design is one example of this longstanding policy approach.

California has long recognized Certified Interior Designers through a voluntary title act, allowing qualified professionals to demonstrate education, experience, and competency without prohibiting others from practicing interior design. Commercial interior design projects involving structural, life-safety, fire protection, accessibility, mechanical, electrical, or plumbing systems remain subject to the California Building Standards Code, local building department review and permitting, and, where required by law, the professional responsibility of licensed architects, engineers, and contractors. As a result, mandatory state licensure of all interior designers would not replace or eliminate these existing public safety safeguards.

California's experience also demonstrates that mandatory state licensure is not the only means of demonstrating professional competency or distinguishing qualified practitioners in the marketplace. For decades, CIDs have distinguished themselves through voluntary certification, education, experience, examination, and nationally recognized credentials such as the NCIDQ examination, while employers, public agencies, and commercial clients have continued to establish their own qualification standards through procurement requirements, contractual specifications, professional portfolios, and demonstrated experience. This marketplace-driven approach has enabled qualified professionals to distinguish themselves and compete for sophisticated commercial projects without prohibiting others from lawfully practicing interior design.

Recent federal and state studies have examined the benefits and tradeoffs associated with occupational licensing, recognizing that while licensing serves an important role in protecting public health, safety, and consumers, burdensome licensing requirements create barriers to employment, workforce mobility, and economic opportunity.

According to the 2015 report *Occupational Licensing: A Framework for Policymakers* issued by the White House, occupational licensing can help protect consumers by establishing minimum standards of competency for certain professions. At the same time, the report concluded that licensing requirements can reduce employment opportunities, restrict worker mobility across state lines,

increase costs for consumers, and create barriers to workforce entry, particularly when licensing requirements exceed what is necessary to protect the public. The report identified veterans, military spouses, immigrants with foreign professional credentials, and individuals with prior criminal convictions among the populations that may be disproportionately affected by occupational licensing requirements.

Similarly, according to the Little Hoover Commission's October 2016 report, *Jobs for Californians: Strategies to Ease Occupational Licensing Barriers*, approximately one in five Californians must obtain government permission before they may legally work in their chosen occupation. The Commission found that while occupational licensing is appropriate and necessary in many professions to protect public health and safety, licensing requirements should be carefully tailored because they may also create significant barriers to employment. The report concluded that licensing requirements often impose substantial education, training, examination, and fee requirements that disproportionately affect lower-income workers and harder-to-employ populations, including veterans, military spouses, formerly incarcerated individuals, and internationally trained professionals seeking to enter California's workforce.

The Little Hoover Commission also found that California compared among the nation's most restrictive states in the number of occupations requiring licensure. Relying on research conducted by the Institute for Justice, the Commission reported that California required licenses for 62 of 102 lower-income occupations evaluated, ranking among the nation's most restrictive states. At that time, applicants for those occupations were required, on average, to pay approximately \$300 in licensing fees, complete approximately 549 days of education or training, and pass at least one licensing examination before entering the profession.

More recently, according to the Institute for Justice's 2022 report, *License to Work*, many states have reduced licensing burdens in recent years, but occupational licensing continues to impose significant education, examination, experience, and fee requirements on workers seeking to enter licensed professions. The report encourages policymakers to periodically review existing licensing requirements to ensure they remain appropriately tailored to protecting consumers while avoiding unnecessary barriers to employment and economic mobility.

Occupational licensing also carries significant ongoing financial obligations for many California professionals beyond the initial licensing process. In addition to education and examination requirements, many licensees must pay recurring renewal fees, complete mandatory continuing education, and satisfy profession-specific training requirements to maintain active licensure. For example, according to the California Bureau of Real Estate Appraisers, Certified Residential and Certified General Real Estate Appraisers currently pay renewal fees exceeding \$1,000 each renewal cycle and must complete 56 hours of continuing education every four years, including mandatory coursework on the Uniform Standards of Professional Appraisal Practice, California law, and valuation bias. Federal law generally requires state licensure only for appraisals performed in connection with federally related real estate transactions. Nevertheless, California appraisers must maintain an active state license, pay substantial renewal fees, and complete extensive continuing education requirements in order to remain eligible to perform those transactions.

Occupational licensing frequently involves substantial continuing financial and administrative obligations throughout a professional's career, beyond the initial costs of obtaining a license.

Mandatory state licensure, standing alone, does not guarantee greater professional advancement, higher compensation, or increased marketplace recognition. In professions such as commercial interior design, advancement is principally driven by education, experience, technical expertise, successful project delivery, professional reputation, voluntary credentials, and client demand. Public agencies and sophisticated commercial clients routinely establish qualification standards through procurement requirements, insurance requirements, contractual specifications, and requests for qualifications that frequently exceed minimum statutory requirements. As a result, mandatory licensure is not, by itself, a guarantee of professional advancement or market success.

SUPPORT AND OPPOSITION:Support:

California Building Officials
California Council for Interior Design Certification
California Legislative Coalition for Interior Designers
Multiple Individuals

Opposition:

International Interior Design Association – Southern California Chapter

-- END --