

CONCURRENCE IN SENATE AMENDMENTS

AB 2772 (Berman)

As Amended August 17, 2026

Majority vote

SUMMARY

Original Committee of Reference: Business and Professions

Extends the sunset date for the California Council for Interior Design Certification (CCIDC) until January 1, 2031 and makes additional technical changes, statutory improvements, and policy reforms in response to issues raised during CCIDC's sunset review oversight process.

Senate Amendments

Current Committee Recommendation: Concur

- 1) Extend CCIDC's sunset date until January 1, 2031.
- 2) Declare that it is the intent of the Legislature in extending CCIDC's powers and duties through the sunset review process that the council continue to serve as an entity entrusted with administering a state function in its certification of interior design professionals.
- 3) Authorize CCIDC to adopt additional policies and procedures that provide greater transparency to certificate holders and the public in addition to requirements imposed on CCIDC under the Bagley-Keene Open Meeting Act.
- 4) Provide that meetings of CCIDC shall be governed by either Rosenberg's Rules of Order or Robert's Rules of Order, Newly Revised.
- 5) Prohibit the total annual compensation for an individual employed or contracted by CCIDC from exceeding the annual salary provided to specified executives within state government, including the Secretary of the Business and Consumer Services Agency.
- 6) Require CCIDC to provide a meaningful opportunity for public participation in the drafting of bylaws substantially impacting 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.
- 7) Beginning July 1, 2028, require that CCIDC, to the extent practicable, make its records 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.
- 8) Declare that it is the intent of the Legislature that, in addition to having all exemptions under the California Public Records Act apply, CCIDC shall not disclose investigatory records or records containing sensitive information regarding applicants, certificate holders, employers or clients of certificate holders, or other members of the public.
- 9) Require certified interior designers (CIDs) to report to CCIDC within 30 days of any civil action judgment, settlement, arbitration award, or administrative action for an amount or

value of \$5,000 or greater in any action alleging fraud, deceit, negligence, incompetence, or recklessness by the CID in the practice of interior design.

10) Add to the definition of "design professional" within the Civil Code.

COMMENTS

Sunset review. In order to ensure that California's myriad professional oversight entities are meeting the state's public protection priorities, authorizing statutes for these regulatory bodies are subject to statutory dates of repeal, at which point the entity "sunset" unless the date is extended by the Legislature. The sunset process provides a regular forum for discussion around the successes and challenges of various programs and the consideration of proposed changes to laws governing the regulation of professionals. Currently, the sunset review process applies to approximately three dozen different boards, bureaus, and commissions under the Department of Consumer Affairs, as well as the Department of Real Estate and three nongovernmental nonprofit councils, including CCIDC.

On a schedule averaging every four years, each entity is required to present a report to the Legislature's policy committees, which in return prepare a comprehensive background paper on the efficacy and efficiency of their licensing and enforcement programs. Both the Administration and regulated professional stakeholders actively engage in this process. Legislation is then subsequently introduced extending the repeal date for the entity along with any reforms identified during the sunset review process.

California Council for Interior Design Certification. CCIDC was first established in 1992. Unlike the majority of regulatory bodies 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 at the state level, though statute allows only certified individuals to use the term "certified interior designer" or any other language that implies certification by CCIDC.

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.

Issues Raised during Sunset Review. The background paper for CCIDC's sunset review oversight hearing contained a total of 13 issues and recommendations, each of which is eligible to result in statutory changes enacted through CCIDC's sunset bill.

Staff Compensation. Issue #3 in the sunset background paper for CCIDC raised the question of whether the financial compensation for CCIDC's staff should be statutorily limited to ensure parity with comparable leadership at other regulatory entities. 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). However, during multiple prior sunset reviews of another nonprofit council, the California Massage Therapy Council (CAMTC), it was noted that some executives were receiving an extraordinarily high salary; in response, the Legislature enacted legislation to cap the salary of that council's executive staff to the salary provided to the Secretary of what is now the Business and Consumer Services Agency.

The sunset background paper made it clear that the compensation paid to CCIDC's executive staff does not appear to even remotely approach the inappropriate amounts previously paid to 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 nonprofit councils, the sunset background paper suggested it may be prudent to consider whether there is a desire to make that policy consistent for all similar councils established in statute to oversee professionals. A letter submitted to the Assembly Journal in conjunction with the prior legislation stated: "The salary cap established in AB 1504 narrowly addresses the unusual nature of CAMTC, which is entrusted with serving an important function ordinarily administered by a state entity. This language is unique to this circumstance, and is in no way an indication of the Legislature's intention to establish compensation caps on any other nonprofits in the future."

Because CCIDC is similarly entrusted with substantially the same functions as CAMTC, there is an argument that the Legislature should establish a consistent policy. This bill would cap the

salary that may be provided to employees of CCIDC to the amount currently paid to the Secretary of the Business and Consumer Services Agency. While there is no expectation that this would affect any current CCIDC employees, the language reflects the unique nature of CCIDC as a certifying council.

Public Records Act. Issue #4 in the sunset background paper for CCIDC considered whether CCIDC should be required to make its records available for public inspection in a manner consistent with the California Public Records Act. 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. 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."

Language enacted in CAMTC's most recent sunset bill 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 sunset background paper suggested that 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. This bill would require CCIDC to make its records available for public inspection in a manner consistent with the CPRA, as though CCIDC were a public agency for purposes of that act. The bill delays this requirement until July 1, 2028 and includes numerous exemptions to prevent the disclosure of investigatory records or records containing sensitive information regarding applicants, certificate holders, employers or clients of certificate holders, or other members of the public.

Administrative Procedures Act. Issue #5 in the sunset background paper for CCIDC raised the issue of whether the adoption of bylaws by CCIDC's Board of Directors should be subjected to requirements similar to those under the Administrative Procedure Act (APA). The 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 CCIDC.

This bill would require CCIDC to provide a meaningful opportunity for public participation in the development 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 the council to

increase fees, impose additional requirements for certification or approval, or substantively modify the disciplinary processes. CCIDC would specifically be required to publish the complete text of any proposed policies, procedures, rules, or bylaws along with a summary of the changes being considered for a period of at least 45 calendar days. Similar language was previously enacted for CAMTC.

Bagley-Keene Open Meeting Act. Issue #6 in the sunset background paper for CCIDC questioned whether meetings of CCIDC's Board of Directors in compliance with the requirements of the Bagley Keene Open Meeting Act, which 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.

During CCIDC's most recent sunset review in 2022, an issue was raised that it was unclear if CCIDC was abiding by the requirements of Bagley-Keene. Specifically, the provisions of the Council's bylaws providing for public notice and the publication of meeting materials did not appear to conform to the Act. Additionally, because Bagley-Keene is nuanced and complex, many incoming members of boards overseen by the Department of Consumer Affairs are required to attend training programs that cover the important elements of the Act; it did not appear that CCIDC required members of its Board of Directors to take similar training. In response to this prior sunset issue, CCIDC stated that it does cover Bagley-Keene during new director orientation, and CCIDC has implied that their meetings were sufficiently open to the public. However, comments submitted by stakeholders allege that CCIDC has asserted that it is not subject to open meeting laws.

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.

This bill would clarify that CCIDC may adopt additional policies and procedures that provide greater transparency to certificate holders and the public than required by the Bagley-Keene Open Meeting Act. While this language may be of future value, its enactment is also intended to reiterate the existing expectation that CCIDC comply with the requirements of Bagley-Keene. CCIDC is expected to revisit its procedures and bylaws to ensure that all its meetings either meet or exceed the requirements for open meetings.

Stamp Acceptance. Issue #8 in the sunset background paper for CCIDC discussed the longstanding issue of stamp acceptance, which was the primary genesis for CCIDC's creation and 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 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." Stakeholders argue that CIDs are prohibited from being in responsible charge of certain projects, architectural firms do not recognize a CID certification for employment, and that a 15-year review of CID permit submissions in San Francisco resulted in fewer than 50 CIDs filing only 124 permits during that time span.

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."

Notwithstanding the scale of the problem, there have continued to be numerous stakeholder discussions around how to improve recognition of interior designers among local building officials. CCIDC has proposed potential solutions, including adding CIDs to the statutory definition of "registered design professional." This bill would add CIDs to that definition.

Technical Cleanup. Issue #12 in the sunset background paper for CCIDC noted that as the interior design profession continues to evolve and new laws are enacted, provisions of the Business and Professions Code relating to interior design may become outmoded or superfluous. This bill includes several technical, clarifying, or corrective amendments. The bill also makes several declaratory statements about the Legislature's intent in creating and extending CCIDC.

Continued Regulation. Issue #13 in the sunset background paper for CCIDC discussed whether the certification of interior design professionals should be continued and be administered by CCIDC. As discussed in the sunset background paper, CCIDC currently certifies approximately 1,722 interior designers, a substantial minority of what is believed to be the interior design profession statewide. CCIDC 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.

This bill would enhance CCIDC's ability to receive and respond to information about potential misconduct by CCIDC. Under language proposed by CCIDC that has been amended into the bill, CIDs would be required to report to the CCIDC 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 \$5,000 or greater. This language is intended to respond to criticisms that CCIDC is currently ineffective as an investigative and enforcement entity in the oversight of interior design professionals.

This bill would also extend CCIDC's sunset date by four years, establishing a new repeal date of January 1, 2031. The sunset background paper suggested that if the Legislature chooses to extend CCIDC's recognition in statute, it should consider enacting additional reforms to increase the transparency and accountability of CCIDC and support the statewide recognition of CIDs as design professionals. This bill contains reforms of that nature and will ensure that a continued CCIDC will better emulate the state licensing board model in its activities as a quasi-public entity.

According to the Author

"AB 2772 is the sunset bill for the California Council for Interior Design Certification. While interior designers are not required to become certified in California, those who choose to obtain certification are granted the authority to use protected titles in their advertising. In addition to extending its sunset date by 4 years, this bill would recognize the Council's quasi-public status by requiring it to adhere to laws promoting accountability and transparency in state agencies."

Arguments in Support

California Building Officials supports this bill, writing: "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."

Arguments in Opposition

The *International Interior Design Association* (IIDA) opposes this bill, writing: "For decades, IIDA has supported policies that advance professional competency, public safety, and accountability within the commercial interior design profession. Unfortunately, the history of CCIDC demonstrates that the organization has consistently failed to meet these objectives. Across multiple sunset review cycles, the Legislature has identified concerns regarding transparency, governance, financial reporting, public access, and program administration. Despite repeated opportunities to address these issues, many remain unresolved today." IIDA further 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 respectfully recommends that the Legislature allow CCIDC to sunset and evaluate more appropriate approaches to professional regulation and public protection."

FISCAL COMMENTS

Pursuant to Senate Rule 28.8, negligible state costs.

VOTES**ASM BUSINESS AND PROFESSIONS: 18-0-1**

YES: Berman, Johnson, Addis, Ahrens, Alanis, Bains, Bauer-Kahan, Chen, Elhawary, Hadwick, Haney, Hart, Irwin, Jackson, Lowenthal, Macedo, Nguyen, Pellerin

ABS, ABST OR NV: Caloza

ASM APPROPRIATIONS: 15-0-0

YES: Wicks, Hoover, Aguiar-Curry, Calderon, Caloza, Dixon, Fong, Mark González, Krell, Pacheco, Pellerin, Sharp-Collins, Solache, Ta, Tangipa

ASSEMBLY FLOOR: 78-0-2

YES: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Castillo, Chen, Connolly, Davies, DeMaio, Dixon, Elhawary, Ellis, Flora, Fong, Gabriel, Gallagher, Garcia, Gipson, Jeff Gonzalez, Mark González, Hadwick, Haney, Harabedian, Hart, Hoover, Irwin, Jackson, Johnson, Kalra, Krell, Lackey, Lee, Lowenthal, Macedo, McKinnor, Nguyen, Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Michelle Rodriguez, Rogers, Blanca Rubio, Sanchez, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Ta, Tangipa, Valencia, Wallis, Ward, Wicks, Wilson, Zbur, Rivas

ABS, ABST OR NV: Muratsuchi, Celeste Rodriguez

SENATE FLOOR: 35-3-2

YES: Allen, Alvarado-Gil, Archuleta, Arreguín, Ashby, Becker, Blakespear, Cabaldon, Caballero, Cervantes, Choi, Cortese, Dahle, Durazo, Gonzalez, Grayson, Grove, Hurtado, Jones, Laird, Limón, McGuire, McNERney, Menjivar, Padilla, Pérez, Reyes, Richardson, Rubio, Smallwood-Cuevas, Stern, Umberg, Wahab, Weber Pierson, Wiener

NO: Niello, Seyarto, Strickland

ABS, ABST OR NV: Ochoa Bogh, Valladares

ASM BUSINESS AND PROFESSIONS: 14-1-4

YES: Berman, Addis, Ahrens, Bains, Bauer-Kahan, Caloza, Elhawary, Haney, Hart, Irwin, Jackson, Lowenthal, Nguyen, Pellerin

NO: Macedo

ABS, ABST OR NV: Johnson, Alanis, Chen, Hadwick

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