

California Structural Pest Control Board

Sunset Review Report



November 1, 2013

Submitted to the Senate Committee on
Business, Professions & Economic Development

State of California

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Anna M. Caballero, Secretary, Business, Consumer Services & Housing
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California Structural Pest Control Board

Board Members

Curtis Good, Professional Member
David Tamayo, Public Member
Clifford L. Utley, Professional Member
Marisa Quiroz, Public Member
Ronna Brand, Public Member
Naresh Duggal, Public Member
Mike Duran, Professional Member

Executive Staff

Susan Saylor, Executive Officer
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TABLE OF CONTENTS

Section 1 - Background And Description Of The Board And Regulated Profession	6
MAKE-UP AND FUNCTIONS OF EACH BOARD COMMITTEE	6
Table 1a. Attendance	14
Table 1b. Board Member Roster	27
BOARD MEETINGS AND QUORUM ISSUES	27
MAJOR CHANGES SINCE LAST SUNSET REVIEW	27
Internal Changes	27
Legislation	29
Regulations	30
MAJOR STUDIES	32
NATIONAL ASSOCIATIONS	34
Section 2 - Performance Measures And Customer Satisfaction Surveys	36
PERFORMANCE MEASURES – QUARTERLY AND ANNUAL REPORTS	37
CUSTOMER SATISFACTION SURVEYS	37
Section 3 – Fiscal And Staff	40
FISCAL ISSUES	41
Current Reserve Levels	41
Deficits And Fee Increases/Reductions	41
Table 2. Fund Condition	42
History Of General Fund Loans	42
Amount And Percentage Of Expenditures By Program Component	42
Table 3. Expenditures By Program Component	43
License Renewal Cycles And History Of Fee Changes (10 Years)	47
Table 4. Fee Schedule And Revenue	48
Budget Change Proposals In The Last Four Fiscal Years	48
Table 5. Budget Change Proposals	48
STAFFING ISSUES	49
Section 4 - Licensing Program	52
Licensing Performance Targets/Expectations	53
Applications Processing Times	54
Number Of Licenses Issued And Renewed Each Year	54
Table 6. Licensee Population	54
Table 7a. Licensing Data By Type	55
Table 7b. Total Licensing Data	56
Verification Of Applicant Information	56
Out-Of-State And Out-Of-Country Applicants	58
Use Of “No Longer Interested” Notifications To Department Of Justice	58
Table 8. Examination Data	59
Type(s) Of Examinations Required For Licensure	59
Pass Rate For First Time Vs. Retakes – Last Four Fiscal Years	62
Computer Based Testing	63
Statutes That May Hinder Efficient/Effective Processing Of Applications And Examinations	63
SCHOOL APPROVALS	63
CONTINUING EDUCATION/COMPETENCY REQUIREMENTS	63
Section 5 – Enforcement Program	69

Performance Targets And Expectations	70
Trends In Enforcement Data, Program Improvement, Budgets, Legislation	73
Table 9a. Enforcement Statistics	74
Table 9b. Enforcement Statistics (Continued)	75
Table 9c. Enforcement Statistics (Continued)	76
Table 10. Enforcement Aging	77
Explanation Of Statistics	77
Prioritizing Cases	78
Mandatory Reporting Requirements	78
Statute Of Limitations	78
Efforts To Address Unlicensed Activity	79
CITE AND FINE	80
Cite And Fine Authority	80
Cite And Fine Use and Basis	81
Informal Conferences, Disciplinary Review Committee and Appeals (4 Years)	82
Most Common Citation Violations	83
Average Fine Pre And Post Appeal	83
Franchise Tax Board Intercepts For Outstanding Fines	83
COST RECOVERY AND RESTITUTION	84
Efforts To Obtain Cost Recovery	84
Revocations, Surrenders and Probationers	84
Exceptions to Cost Recovery	85
Franchise Tax Board Intercepts For Cost Recovery	85
Restitution Policies	85
Table 11. Cost Recovery	86
Table 12. Restitution	86
Section 6 - Public Information Policies	87
Board Website: Meetings and Minutes	88
Webcast Of Meetings	88
Annual Meeting Calendar	88
Complaint Disclosure Policies – Minimum Standards For Consumer Complaint Disclosure	88
Disclosure of Licensee Information (Awards, Certificates, or Certifications)	90
Consumer Outreach and Education	90
Section 7 - Online Practice Issues	92
Regulation Of Online Practices, Internet And Unlicensed Activity	93
Section 8 - Workforce Development and Job Creation	95
Workforce Development	96
Board Assessment On The Impact Of Licensing Delays	96
Informing Schools Of Potential Licensees, Licensing Requirements And Process	97
Workforce Development Data – Workforce Shortages and Training Programs	97
Section 9 - Current Issues	99
Uniform Standards For Substance Abusing Licensees	100
Consumer Protection Enforcement Initiative (CPEI) Regulations	100
BreEZe And Secondary IT Issues	101
Section 10 - Board Action and Response to Prior Sunset Issues	102
Background Information On Issue	103
Committee/Joint Committee Recommendations During Prior Sunset Review	103

Action Taken On Recommendations or Findings Under Prior Sunset Review	103
Other Recommendations	103
Section 11 - New Issues	107
Issues Under Prior Sunset Review Not Addressed	108
New Issues Identified In This Report	108
New Issues Not Previously Discussed In This Report	108
New Issues Raised By Committee	108
Section 12 - Attachments	110
Board's Administrative Manual	
Current Organizational Chart – Relationship of Committees and Membership of Each Committee	
Major Studies	
Year-End Organizational Chart (4 Years) Of Staff By Classification and Major Program Area	

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Table 1a. Attendance	14
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Internal Changes	27
Legislation	29
Regulations	30
MAJOR STUDIES	32
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Structural Pest Control Board

BACKGROUND INFORMATION AND OVERVIEW OF THE CURRENT REGULATORY PROGRAM

As of October 1, 2013

Section 1 –

Background and Description of the Board and Regulated Profession

Executive Summary

Background

Over eighty years ago, the pest control industry was largely unregulated. Building departments, health departments, and local law enforcement, whose jurisdiction was limited to their fields of expertise, seldom had the resources or technical knowledge to take appropriate legal action for consumers against unqualified, unlicensed and often unscrupulous individuals. The judicial system provided limited recourse due to the transient nature of these individuals and the veil that so many of these individuals used often helped them to stay one step ahead of prosecution. Many of these individuals targeted homeowners and received payment for services that had not been rendered. A large percentage of them endangered many homeowners due to improper use and handling of pesticides and substandard structural repairs to their homes.

In the residential and commercial real estate market, it was not uncommon for these individuals to use deceptive advertising and other unlawful business practices, as they misrepresented the efficacy of products and/or they completed inspections without fully disclosing the property's condition to the buyer, seller and realtor, resulting in costly financial disputes and exhausting civil litigation proceedings with little or no return.

In addition, these individuals' pest control methods may involve pesticides and/or lethal gases, which if misused can cause serious adverse health and safety consequences (i.e. water quality), even injury or death. Unlike other professions where the potential for consumer harm may be limited to personal property and/or real property damages, the pest control profession and the level of accountability it faces extends even further such that animal life, human life and the environment are outwardly vulnerable. In synopsis, regulation of this industry was a paramount concern.

In 1935, in response to consumer and industry demand, the California Legislature passed the first structural pest control act (Assembly Bill 2382, Chapter 823, Statutes of 1935). This law was made effective January 1, 1936 and was to be administered by the, then, California Pest Control Association. The new law set standards for individuals in the pest control occupation by mandating, among other provisions, that they meet stringent experience and continuing education requirements. Consumers alike were afforded avenues of recourse and

protection that once did not exist, providing the foundation for one of the strongest consumer protection initiatives in recent memory.

Chapter 14 of the Structural Pest Control Act was added to Statutes of 1941, repealing Statutes of 1939, which codified the Business and Professions Code, commencing with Section 8500 and forming the Structural Pest Control Board (Board) as we know it today. The passage of this legislation redirected the Contractors' License Bureau's limited oversight of the pest control industry (previously the Pest Control Association) to focus exclusively on the construction and building occupations.

Description

In conformance to the Structural Pest Control Board 2007 Strategic Plan, the Board's highest priority (Business and Professions Code Section 8520.1) is to protect and benefit the public by regulating the pest control industry. The discharge of the Board's mission and vision is under the leadership of a 7-member appointed board and the executive officer who serves at the board's pleasure. The Board's vision is to strive to be the national regulatory leader by effectively regulating the structural pest control industry, and protecting and informing the public. In achieving these priorities, the Board is exceptionally active in following its core values of integrity, commitment and service.

In addition to licensing of individuals, the Board also regulates structural pest control companies (sole proprietorships, partnerships and corporations) and their branches. Scientific and professional standards assure the public that persons obtain and maintain the skills and knowledge to inspect the structural condition of buildings and other structures for pests and wood-destroying organisms, identify pests and organisms, safely apply chemicals, and recommend and implement other methods to control structural pests. The Board's objective is to license those persons that possess the essential qualifications to professionally perform structural pest control work and to assist consumers through mediation and enforcement services which serve as mechanisms to resolving disputes in the pest control industry at-large.

Structural pest control includes, not by way of limitation, the eradication and/or prevention of structural pests such as cockroaches, ants and rodents or wood-destroying pests such as termites, wood boring beetles and carpenter ants. Wood-destroying infections such as decay or dry rot are also conditions identified and treated by structural pest control licensees. Structural pest control licensees may use fumigation with poisonous or lethal gases or they may use mechanical means such as microwaving, heating and freezing technologies when servicing a property. The profession also includes the performance of structural repairs to structures that are infested or infected. Other structures, including railroad cars, ships, docks, trucks, airplanes, or the contents thereof are inspected and treated by structural pest control licensees. Licensees routinely exercise professional judgment when determining the best method to correct structural pest issues, but they also must adhere to strict standards to insure public safety (especially the use and handling of poisonous or lethal gases). They prepare written reports or findings to consumers and they fully explain their recommendations, allowing consumers to make educated, informed decisions.

The Structural Pest Control Act requires that licensees fulfill continuing education requirements by completing industry-relevant courses permitting licensees to stay fluent with

technology and accepted professional practices. The Board also approves scientific research into new pest control abatement technologies to address new or escalating social or environmental issues, such as professional standards to control bed bugs.

Perhaps the greatest financial investment consumers will ever make is the purchase of a home. A wood-destroying pest and organism inspection is often required by lending institutions for a real estate purchase. Consumers rely on the inspection report when making a decision to buy a home; lenders also rely on the report to determine if the property meets the conditions of the loan. If the report omits information about an infestation or infection, or when treatment or repair to correct those conditions is performed in a substandard manner, the seller and/or buyer can suffer considerable financial injury.

The Structural Pest Control Board has successfully served the interests of consumers for over eighty years, giving consumers options that never existed in prior generations. Since the Board's implementation, consumers have been afforded several avenues of recourse not limited to the judicial system in the resolution of their disputes (including Board mediation and conciliation services, investigations, and administrative orders of correction or restitution). Most importantly, consumers are significantly protected against the health hazards associated with the misuse of pesticides and lethal gases. Moreover, both the consumer and industry benefit from well-versed licensees who must demonstrate levels of competency and continuing education that are considered unparalleled to their national counterparts. The Board remains at the forefront of the industry and continues to set the standard for the practice of structural pest control in the nation and abroad.

Licensing and Examination

The Board assures that the practice of structural pest control is properly regulated in order to protect California's consumers. The Board safeguards consumers by ensuring that persons obtaining a license as an Applicator, Field representative or Operator in the areas of fumigation, general pest, and termite (wood-destroying pests and organisms) possess a professional level of competency through qualifying experience and passing a Board administered licensing examination. The licensing examinations are updated in conformance with federal and state guidelines, meaning that the test questions are validated by staff through standard office procedures to assure examination quality and framework. Occupational analyses are also conducted in accordance with state administrative requirements, thus providing an additional layer to examination quality and content.

The licensing program also ensures that all company registrations, branch office locations and licensees comply with state requirements for maintaining surety bonds and liability insurance in good standing at all times. The Board educates the public about the licensing program by interpreting applicable laws and regulations for the issuance and maintenance of pest control licenses as well as enabling the public access to public records, including opportunity to comment regarding rulemaking for the development of Board licensing regulations. The Board also encourages feedback from the public in legislative matters. Consumer satisfaction surveys help to ensure that the licensing program remains optimally responsive to consumer needs.

Enforcement

The enforcement program educates consumers about the Board's enforcement laws and regulations and, in addition, assists consumers by investigating complaints for possible violations of the Structural Pest Control Act. The Board offers mediation services, which is a statutorily recognized method of resolving disputes fairly and efficiently. The Board also conducts field investigations if mediation is not viable. If a field investigation does not result in the resolution of a complaint, the Board maintains jurisdiction to issue a citation and fine against a company registration and/or licensee, or may recommend disciplinary action to suspend or revoke a company registration and/or license. The California Attorney General supports the Board on disciplinary matters, writs of mandate and formal appeals of citations, while county or city attorneys assist the Board on criminal matters. The enforcement program's field investigations unit is also responsible for 1) the review of specific business records (referred to as "Office Records Checks") of companies for compliance with business requirements, 2) monitoring licensees placed on probation, and 3) investigating complaints against unlicensed practitioners, pursuing administrative fines or criminal filings based on the severity of the violation(s).

The enforcement program also collaborates with local, state and federal agencies on issues of common interest including, but not limited to, relations with the U.S. Department of Housing and Urban Development in connection with termite inspections and property clearances, as well as local community agriculture departments on the enforcement of pesticide use and fumigation violations.

In 2013, the enforcement program, in a joint effort with the Department of Industrial Relations, Division of Labor Standards Enforcement and other sibling agencies, now investigates licensed and unlicensed pest control businesses violating local, state and/or federal laws in employment, insurance and taxation.

Consistent with performance measurements used in the licensing program, the enforcement program also uses consumer satisfaction surveys, allowing the program to be optimally responsive to its stakeholders.

Continuing Education

Continued competency is assured through mandatory continuing education (CE). Licensees must demonstrate knowledge of current laws, regulations and professional practices in order to properly maintain their licenses. The Structural Pest Control Board approves course content and provides a statewide list of course providers on its website to assist upstart and current CE businesses. Continuing education competencies include, but are not limited to, health and safety rules, pesticide use, environmental safety, and Board rules and regulations. CE requirements vary depending on the type and class of license(s) and number of categories held by the individual licensee. The number of required hours varies from 16 to 24 hours of continuing education courses in a three-year renewal period. The Board conducts random audits every renewal period to ensure compliance with license renewal and continuing education requirements. Failure of a licensee to meet the required continuing education requirement may result in the cancellation of the license. Violations of continuing education requirements, such as submitting false continuing education

certificates, may result in a citation and fine or possible disciplinary action to suspend or revoke a license.

Education and Outreach

Information regarding every structure inspected for wood-destroying pests and organisms in California within the last two years is found on the Board's website: www.pestboard.ca.gov. Consumers can request a copy of the actual report as well as a notice that describes any conditions corrected on any structure.

The site provides examination and licensing information, as well as disciplinary information. Forms that a consumer or licensee may need are found on the website. Educational brochures are provided to consumers and real estate agents that explain fumigations, general pests and termites. These brochures are comprised of the most commonly asked questions by consumers, with answers provided.

All board meeting agendas and minutes are posted on the website as well as complete information about the Board's laws and regulations.

Research

Research serves as a vital component of the pest control profession, particularly as it relates to continuing education and professional field practices. Research is defined in pertinent part as a "studious inquiry or examination; especially investigation or experimentation aimed at the discovery and interpretation of facts, revision of accepted theories or laws in the light of new facts, or practical application of such new or revised theories or laws." (Merriam-Webster.com, September 2013).

When particular issues occur in the profession that require clarification, or when new issues arise, Board staff or the industry brings this information forward to board members for consideration; the board members may also initiate research independently. The board members then direct what elements of the research require specific attention. The research approval process is vetted through a request for proposals or invitation for bids and is advertised on a national scale. Following award of the contract(s), information regarding the status of the research is published on the Board's website. Additional information regarding the Board's research program is discussed in "Section 3 – Fiscal and Staff" of this report.

Who the Board Licenses, Titles, Regulates, Etc. (Practice Acts vs. Title Acts)

With the passage of the Structural Pest Control Act in 1936, the legislature recognized the necessity to adopt a Practice Act to establish the building blocks for the practice of structural pest control. The Practice Act laid foundation for, among other areas, requirements in advertising, inspections, and pest control contracts, as well as the principles and methods for the application of pesticides and the axiom for the performance of structural repairs to buildings and other structures. The Practice Act requires that companies be registered with the Board, carrying the requisite surety bond and liability insurance. It creates a vehicle whereby sanctions (suspensions or revocations of licensure) may be imposed for substantial violations of the Board's laws, rules and regulations. The use of citations and/or

finer may be pursued alternatively for less severe violations in the practice of structural pest control.

The Title Act prescribes that the Board issues registrations and licenses in order to clarify or qualify the Practice Act. The Board licenses individuals in the areas of Branch 1 – Fumigation (whole structure treatment with lethal gas), Branch 2 - General Pest (such as ants, cockroaches, mice or rats), and Branch 3 – Termite (such as termites, wood boring beetles, dry rot or fungus). There are three different license types: Applicator, Field Representative and Operator. The Applicator license is generally the entry-level license category issued in Branch 2 and 3 only. The Applicator is a person licensed by the Board to apply a pesticide, or any other medium to eliminate, exterminate, control or prevent infestations or infections (Applicators cannot inject lethal gases used in fumigation). The Field Representative is a full journey level licensee. This individual secures work, makes identifications, makes inspections, submits bids, and contracts for work on behalf of a registered company. The Operator is the highest level. Depending on the license category, the Operator must have at least two years' or as many as four years' qualifying experience. Only a licensed Operator may qualify a company for registration by assuming responsibility for the company and its employees as the company Qualifying Manager.

1. Describe the make-up and functions of each of the board's committees (cf., Section 12, Attachment B).

The Board members appoint select committees, and the Board president appoints standing and select committee members. The standing committees are:

Continuing Education Committee: At the direction of the Board, reviews continuing education laws and regulations, and recommends changes consistent with industry standards.

Technical Advisory Committee: Considers any matter referred by the Board that requires Board action but is of such a technical nature that it requires substantial research, input and consideration by persons qualified in that specific topic to make recommendations to the Board.

Disciplinary Review Committee: A committee defined by statute (8660 B&P) consisting of three members and established for the purpose of reviewing appeals of orders issued by agricultural commissioners acting under authority of 8617 B&P. The committee, as a county adjudicatory body, does not have the authority to suspend or revoke a license issued by the Board; that authority rests solely with the Board.

Research Advisory Panel: A committee defined by the California Code of Regulations (Section 1919) and authorized by B&P Section 8674(t), this panel is assigned by the board on an as-needed basis to approve and to fund structural pest control research programs.

Select committees are appointed on an as-needed basis. The Board established the following select committees:

Pre-Treat Committee (2009): Committee formed to address an industry trend of pre-construction termite treatments being performed at less than label rate of product.

Test Hole Committee (2011): Committee established to consider if statute should be amended to include, for inspection purposes, the use of drilling test holes in structures to determine infestation or infection of wood-destroying pests and organisms. The committee recommended to the Board, and the Board approved, in 2011 that statute should not be amended to include this activity.

Bait Station Committee (2011): Committee established for the purpose of exploring how newly developed bait stations were being marketed and used, and to review existing laws and regulations to make recommendations to the Board on any proposed law and regulation amendments necessary to address the use of bait stations.

Integrated Pest Management Committee (2011 to 2012): Committee established to evaluate and recommend to the Board the use of alternative treatment methods that are safe to humans and the environment. Upcoming meetings will be scheduled and posted on the Board’s website.

Law and Regulations Committee (“Act Review Committee”) 2011 to present: This committee meets as directed by the Board to deliberate and effect additions, revisions or deletions to the Structural Pest Control Act and the California Code of Regulations. The committee is also tasked with recommending legislation as necessary clarifying the statute’s purpose.

An organizational chart of the Board’s current committee structure is provided below:

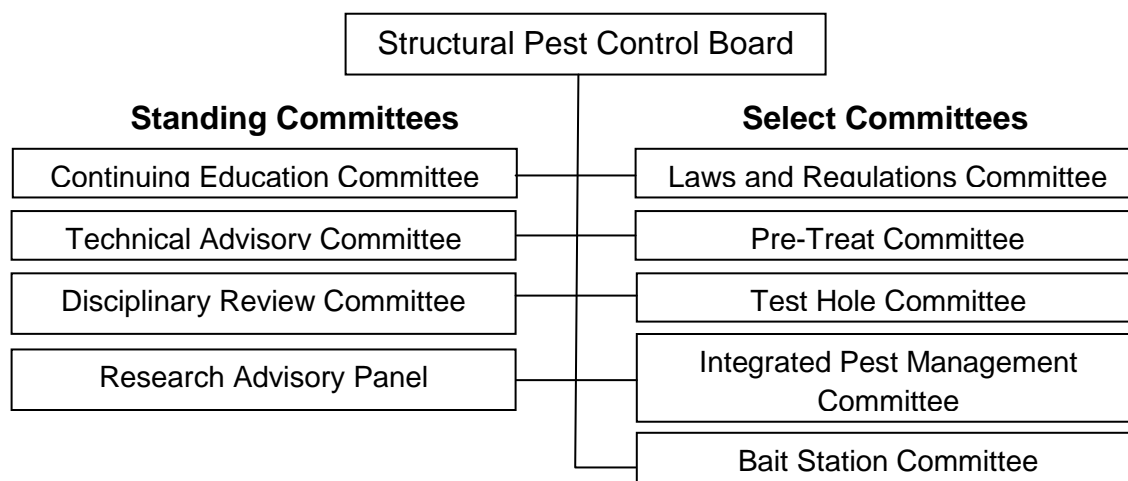


Table 1a. Attendance			
Jean Melton			
Date Appointed to Board:	June 26, 2001		
Term Expiration:	June 1, 2009		
Date Appointed to the Technical Advisory Panel:	May 19, 2009		
Meeting Type	Meeting Date	Meeting Location	Attended?
Technical Advisory Committee Meeting	7/7/2009	Sacramento	Yes
Board Meeting	7/23/2009 & 7/24/2009	Oakland	Yes
Annual Board Meeting	10/21/2009 & 10/22/2009	Riverside	Yes
Board Meeting	12/28/2009	Sacramento	Yes
Board Meeting	1/21/2010	Sacramento	Yes
Technical Advisory Committee	2/9/2010	Sacramento	No
Board Meeting	3/24/2010	Los Angeles	Yes
Board Meeting	4/21/2010 & 4/22/2010	Sacramento	Yes

Bill Morris			
Date Appointed to Board:	June 26, 2001		
Term Expiration:	June 1, 2009		
Meeting Type	Meeting Date	Meeting Location	Attended?
Technical Advisory Committee Meeting	7/7/2009	Sacramento	N/A
Board Meeting	7/23/2009 & 7/24/2009	Oakland	Yes
Annual Board Meeting	10/21/2009 & 10/22/2009	Riverside	Yes
Board Meeting	12/28/2009	Sacramento	Yes
Board Meeting	1/21/2010	Sacramento	Yes
Technical Advisory Committee Meeting	2/9/2010	Sacramento	N/A
Board Meeting	3/24/2010	Los Angeles	No
Board Meeting	4/21/2010 & 4/22/2010	Sacramento	Yes

Terrell Combs-Ferreira	
Date Appointed to Board:	October 20, 2006
Term Expiration:	June 1, 2009

Meeting Type	Meeting Date	Meeting Location	Attended?
Board Meeting	7/23/2009 & 7/24/2009	Oakland	No
Annual Board Meeting	10/21/2009 & 10/22/2009	Riverside	No
Board Meeting	12/28/2009	Sacramento	Yes
Board Meeting	1/21/2010	Sacramento	No
Board Meeting	3/24/2010	Los Angeles	No
Board Meeting	4/21/2010 & 4/22/2010	Sacramento	No

Cliff Utley			
Date Appointed to Board:	January 18, 2007		
Term Expiration:	June 1, 2015		
Meeting Type	Meeting Date	Meeting Location	Attended?
Technical Advisory Committee Meeting	7/7/2009	Sacramento	N/A
Board Meeting	7/23/2009 & 7/24/2009	Oakland	Yes
Annual Board Meeting	10/21/2009 & 10/22/2009	Riverside	Yes
Board Meeting	12/28/2009	Sacramento	Yes
Board Meeting	1/21/2010	Sacramento	Yes
Technical Advisory Committee Meeting	2/9/2010	Sacramento	N/A
Board Meeting	3/24/2010	Los Angeles	Yes
Board Meeting	4/21/2010 & 4/22/2010	Sacramento	Yes
Board Meeting	7/22/2010	Sacramento	Yes
Board Meeting	10/28/2010	San Diego	Yes
Board Meeting	1/20/2011	Sacramento	Yes
Special Teleconference Meeting	4/14/2011	Sacramento	Yes
Board Meeting	4/27/2011 & 4/28/2011	Sacramento	Yes
Special Teleconference Meeting	6/30/2011	Sacramento	Yes
Board Meeting	7/20/2011 & 7/21/2011	Van Nuys	Yes
Board Meeting	10/5/2011 & 10/6/2011	Sacramento	Yes
Board Meeting	12/6/2011	Arcadia	Yes
Board Meeting	1/12/2012	Sacramento	Yes
Board Meeting	4/25/2012 & 4/26/2012	Sacramento	Yes

Board Meeting-Closed Session Only	5/10/2012	Riverside	Yes
Board Meeting	8/9/2012	Sacramento	Yes
Board Meeting	10/24/2012 & 10/25/2012	Los Angeles	Yes
Board Meeting	1/16/2013 & 1/17/2013	Santa Rosa	Yes
Board Meeting	4/24/2013 & 4/25/2013	Sacramento	Yes
Special Teleconference Meeting	6/28/2013	Sacramento	No

Cris Arzate			
Date Appointed to Board:	April 21, 2007		
Term Expiration:	June 1, 2012		
Date Appointed to Act Review Committee:	September 7, 2011		
Date Appointed to Research Advisory Panel:	October 4, 2007		
Meeting Type	Meeting Date	Meeting Location	Attended?
Board Meeting	7/23/2009 & 7/24/2009	Oakland	Yes
Annual Board Meeting	10/21/2009 & 10/22/2009	Riverside	Yes
Board Meeting	12/28/2009	Sacramento	Yes
Board Meeting	1/21/2010	Sacramento	Yes
Board Meeting	3/24/2010	Los Angeles	Yes
Board Meeting	4/21/2010 & 4/22/2010	Sacramento	Yes
Board Meeting	7/22/2010	Sacramento	Yes
Research Advisory Panel	10/6/2010	Sacramento	Yes
Board Meeting	10/28/2010	San Diego	No
Board Meeting	1/20/2011	Sacramento	Yes
Special Teleconference Meeting	4/14/2011	Sacramento	Yes
Board Meeting	4/27/2011 & 4/28/2011	Sacramento	No
Special Teleconference Meeting	6/30/2011	Sacramento	Yes
Board Meeting	7/20/2011 & 7/21/2011	Van Nuys	Yes
Act Review Committee	9/7/2011	Anaheim	No
Board Meeting	10/5/2011 & 10/6/2011	Sacramento	Yes
Act Review Committee	11/16/2011	Sacramento	No

Board Meeting	12/6/2011	Arcadia	Yes
Act Review Committee	1/11/2012	Sacramento	No
Board Meeting	1/12/2012	Sacramento	Yes
Act Review Committee	4/12/2012	Anaheim	No
Board Meeting	4/25/2012 & 4/26/2012	Sacramento	Yes
Board Meeting-Closed Session Only	5/10/2012	Riverside	Yes
Board Meeting	8/9/2012	Sacramento	Yes

Luis Agurto			
Date Appointed to Board:	March 7, 2008		
Term Expiration:	June 1, 2011		
Date Appointed to IPM Committee Program:	November 7, 2011		
Meeting Type	Meeting Date	Meeting Location	Attended?
Board Meeting	7/23/2009 & 7/24/2009	Oakland	Yes
Annual Board Meeting	10/21/2009 & 10/22/2009	Riverside	Yes
Board Meeting	12/28/2009	Sacramento	No
Board Meeting	1/21/2010	Sacramento	Yes
Board Meeting	3/24/2010	Los Angeles	No
Board Meeting	4/21/2010 & 4/22/2010	Sacramento	No
Board Meeting	7/22/2010	Sacramento	Yes
Board Meeting	10/28/2010	San Diego	Yes
Board Meeting	1/20/2011	Sacramento	Yes
Special Teleconference Meeting	4/14/2011	Sacramento	No
Board Meeting	4/27/2011 & 4/28/2011	Sacramento	Yes
Special Teleconference Meeting	6/30/2011	Sacramento	No
Board Meeting	7/20/2011 & 7/21/2011	Van Nuys	No
Board Meeting	10/5/2011 & 10/6/2011	Sacramento	No
Board Meeting	12/6/2011	Arcadia	No
Board Meeting	1/12/2012	Sacramento	No
IPM Certification Program Committee	1/19/2012	Sacramento	Yes
IPM Certification Program Committee	3/14/2012	Sacramento	Yes

Curtis Good			
Date Appointed to Board:	June 29, 2010		
Term Expiration:	June 1, 2013		
Date Appointed to Technical Advisory Committee:	May 19, 2009		
Meeting Type	Meeting Date	Meeting Location	Attended?
Technical Advisory Committee Meeting	7/7/2009	Sacramento	Yes
Technical Advisory Committee	2/9/2010	Sacramento	Yes
Board Meeting	7/22/2010	Sacramento	Yes
Board Meeting	10/28/2010	San Diego	Yes
Board Meeting	1/20/2011	Sacramento	Yes
Special Teleconference Meeting	4/14/2011	Sacramento	Yes
Board Meeting	4/27/2011 & 4/28/2011	Sacramento	Yes
Special Teleconference Meeting	6/30/2011	Sacramento	Yes
Board Meeting	7/20/2011 & 7/21/2011	Van Nuys	Yes
Board Meeting	10/5/2011 & 10/6/2011	Sacramento	Yes
Board Meeting	12/6/2011	Arcadia	Yes
Board Meeting	1/12/2012	Sacramento	Yes
Board Meeting	4/25/2012 & 4/26/2012	Sacramento	Yes
Board Meeting-Closed Session Only	5/10/2012	Riverside	Yes
Board Meeting	8/9/2012	Sacramento	Yes
Board Meeting	10/24/2012 & 10/25/2012	Los Angeles	Yes
Board Meeting	1/16/2013 & 1/17/2013	Sacramento	Yes
Board Meeting	4/24/2013 & 4/25/2013	Sacramento	Yes
Special Teleconference	6/28/2013	Irvine	Yes

David Tamayo			
Date Appointed to Board:	September 9, 2010		
Term Expiration:	June 1, 2016		
Date Appointed to IPM Certification Committee:	November 7, 2011		
Meeting Type	Meeting Date	Meeting Location	Attended?
Board Meeting	10/28/2010	San Diego	Yes

Board Meeting	1/20/2011	Sacramento	Yes
Special Teleconference Meeting	4/14/2011	Sacramento	Yes
Board Meeting	4/27/2011 & 4/28/2011	Sacramento	Yes
Special Teleconference Meeting	6/30/2011	Sacramento	Yes
Board Meeting	7/20/2011 & 7/21/2011	Van Nuys	Yes
Board Meeting	10/5/2011 & 10/6/2011	Sacramento	Yes
Board Meeting	12/6/2011	Arcadia	Yes
Board Meeting	1/12/2012	Sacramento	No
IPM Certification Program Committee	1/19/2012	Sacramento	Yes
IPM Certification Program Committee	3/14/2012	Sacramento	No
IPM Certification Program Committee	4/6/2012	Sacramento	Yes
IPM Certification Program Committee	4/23/2012	Sacramento	Yes
Board Meeting	4/25/2012 & 4/26/2012	Sacramento	Yes
Board Meeting-Closed Session Only	5/10/2012	Riverside	Yes
Board Meeting	8/9/2012	Sacramento	Yes
Board Meeting	10/24/2012 & 10/25/2012	Los Angeles	Yes
Board Meeting	1/16/2013 & 1/17/2013	Sacramento	Yes
Board Meeting	4/24/2013 & 4/25/2013	Sacramento	Yes
Special Teleconference	6/28/2013		No

Naresh Duggal			
Date Appointed to Board:	May 18, 2012		
Term Expiration:	June 1, 2017		
Meeting Type	Meeting Date	Meeting Location	Attended?
Board Meeting	8/9/2012	Sacramento	Yes
Board Meeting	10/24/2012 & 10/25/2012	Los Angeles	Yes
Board Meeting	1/16/2013 & 1/17/2013	Sacramento	Yes
Board Meeting	4/24/2013 & 4/25/2013	Sacramento	Yes

Special Teleconference Meeting	6/28/2013	San Jose	Yes
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Mike Duran			
Date Appointed to Board:	May 18, 2012		
Term Expiration:	June 1, 2015		
Meeting Type	Meeting Date	Meeting Location	Attended?
Board Meeting	8/9/2012	Sacramento	Yes
Board Meeting	10/24/2012 & 10/25/2012	Los Angeles	Yes
Board Meeting	1/16/2013 & 1/17/2013	Sacramento	Yes
Board Meeting	4/24/2013 & 4/25/2013	Sacramento	Yes
Special Teleconference Meeting	6/28/2013	Indio	Yes

Ronna Brand			
Date Appointed to Board:	May 18, 2012		
Term Expiration:	June 1, 2017		
Date Appointed to Act Review Committee:	September 7, 2012		
Meeting Type	Meeting Date	Meeting Location	Attended?
Board Meeting	8/9/2012	Sacramento	Yes
Act Review Committee Meeting	9/19/2012	Sacramento	No
Board Meeting	10/24/2012 & 10/25/2012	Los Angeles	Yes
Act Review Committee Meeting	11/6/2012	Anaheim	Yes
Act Review Committee Meeting	12/11/2012	Sacramento	Yes
Board Meeting	1/16/2013 & 1/17/2013	Sacramento	No
Act Review Committee Meeting	1/18/2013	Sacramento	No
Act Review Committee Meeting	2/21/2013	Sacramento	Yes
Board Meeting	4/24/2013 & 4/25/2013	Sacramento	Yes
Act Review Committee Meeting	4/26/2013	Sacramento	Yes
Act Review Committee Meeting	5/29/2013	Anaheim	Yes

Special Teleconference Meeting	6/28/2013		No
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Marisa Aurora Quiroz			
Date Appointed to Board:	August 18, 2012		
Term Expiration:	June 1, 2016		
Meeting Type	Meeting Date	Meeting Location	Attended?
Board Meeting	10/24/2012 & 10/25/2012	Los Angeles	Yes
Board Meeting	1/16/2013 & 1/17/2013	Sacramento	Yes
Board Meeting	4/24/2013 & 4/25/2013	Sacramento	Yes
Special Teleconference Meeting	6/28/2013	San Diego	Yes

Dennis Robertson			
Date Appointed to Technical Advisory Committee:	May 19, 2009		
Meeting Type	Meeting Date	Meeting Location	Attended?
Technical Advisory Committee	7/7/2009	Sacramento	Yes
Technical Advisory Committee	2/9/2010	Sacramento	Yes

David Roe			
Date Appointed to Technical Advisory Committee:	May 19, 2009		
Meeting Type	Meeting Date	Meeting Location	Attended?
Technical Advisory Committee	7/7/2009	Sacramento	Yes
Technical Advisory Committee	2/9/2010	Sacramento	Yes

Thomas Murray			
Date Appointed to Technical Advisory Committee:	May 19, 2009		
Meeting Type	Meeting Date	Meeting Location	Attended?
Technical Advisory Committee	7/7/2009	Sacramento	No
Technical Advisory Committee	2/9/2010	Sacramento	Yes

Bob Rosenberg			
Date Appointed to IPM Committee:	November 7, 2011		
Meeting Type	Meeting Date	Meeting Location	Attended?
IPM Certification Program Committee	1/19/2012	Sacramento	Yes
IPM Certification Program Committee	3/14/2012	Sacramento	Yes
IPM Certification Program Committee	4/6/2012	Sacramento	Yes
IPM Certification Program Committee	4/23/2012	Sacramento	No

Michael Rust			
Date Appointed to IPM Committee:	November 7, 2011		
Meeting Type	Meeting Date	Meeting Location	Attended?
IPM Certification Program Committee	1/19/2012	Sacramento	Yes
IPM Certification Program Committee	3/14/2012	Sacramento	Yes
IPM Certification Program Committee	4/6/2012	Sacramento	No
IPM Certification Program Committee	4/23/2012	Sacramento	No

Jim Steed			
Date Appointed to IPM Committee:	November 7, 2011		
Meeting Type	Meeting Date	Meeting Location	Attended?
IPM Certification Program Committee	1/19/2012	Sacramento	Yes
IPM Certification Program Committee	3/14/2012	Sacramento	Yes
IPM Certification Program Committee	4/6/2012	Sacramento	No
IPM Certification Program Committee	4/23/2012	Sacramento	No

Caroline Cox	
Date Appointed to IPM	November 7, 2011

Committee:			
Meeting Type	Meeting Date	Meeting Location	Attended?
IPM Certification Program Committee	1/19/2012	Sacramento	Yes
IPM Certification Program Committee	3/14/2012	Sacramento	Yes
IPM Certification Program Committee	4/6/2012	Sacramento	Yes
IPM Certification Program Committee	4/23/2012	Sacramento	Yes

Darren Van Steenwyk			
Date Appointed to IPM Committee:	November 7, 2011		
Meeting Type	Meeting Date	Meeting Location	Attended?
IPM Certification Program Committee	1/19/2012	Sacramento	Yes
IPM Certification Program Committee	3/14/2012	Sacramento	Yes
IPM Certification Program Committee	4/6/2012	Sacramento	Yes
IPM Certification Program Committee	4/23/2012	Sacramento	Yes

Michael Lawton			
Date Appointed to Committee:	October 4, 2007		
Meeting Type	Meeting Date	Meeting Location	Attended?
Research Advisory Panel	10/6/2010	Sacramento	Yes

Mary Louise Flint			
Date Appointed to Committee:	October 4, 2007		
Meeting Type	Meeting Date	Meeting Location	Attended?
Research Advisory Panel	10/6/2010	Sacramento	Yes

Lee Whitmore			
Date Appointed to Committee:	September 7, 2011		
Meeting Type	Meeting Date	Meeting Location	Attended?
Act Review Committee Meeting	9/7/2011	Anaheim	Yes
Act Review Committee Meeting	11/16/2011	Sacramento	Yes
Act Review Committee Meeting	1/11/2012	Sacramento	Yes
Act Review Committee Meeting	4/4/2012	Anaheim	Yes

Act Review Committee Meeting	6/28/2012	Anaheim	Yes
Act Review Committee Meeting	8/22/2012	Anaheim	Yes
Act Review Committee Meeting	9/19/2012	Sacramento	Yes
Act Review Committee Meeting	11/6/2012	Anaheim	Yes
Act Review Committee Meeting	12/11/2012	Sacramento	Yes
Act Review Committee Meeting	1/18/2013	Sacramento	Yes
Act Review Committee Meeting	2/21/2013	Sacramento	Yes
Act Review Committee Meeting	4/26/2013	Sacramento	Yes
Act Review Committee Meeting	5/29/2013	Anaheim	Yes

Darrel Ennes			
Date Appointed to Research Advisory Panel:	October 6, 2010		
Date Appointed to Test Hole Committee	May 26, 2011		
Date Appointed to Act Review Committee	September 7, 2011		
Meeting Type	Meeting Date	Meeting Location	Attended?
Research Advisory Panel	10/6/2010	Sacramento	Yes
Test Hole Committee Meeting	5/26/2011	Anaheim	Yes
Act Review Committee Meeting	9/7/2011	Anaheim	Yes
Act Review Committee Meeting	11/16/2011	Sacramento	Yes
Act Review Committee Meeting	1/11/2012	Sacramento	Yes
Act Review Committee Meeting	4/4/2012	Anaheim	Yes
Act Review Committee Meeting	6/28/2012	Anaheim	Yes
Act Review Committee Meeting	8/22/2012	Anaheim	Yes
Act Review Committee Meeting	9/19/2012	Sacramento	Yes
Act Review Committee Meeting	11/6/2012	Anaheim	Yes
Act Review Committee Meeting	12/11/2012	Sacramento	Yes
Act Review Committee Meeting	1/18/2013	Sacramento	Yes
Act Review Committee Meeting	2/21/2013	Sacramento	Yes
Act Review Committee Meeting	4/26/2013	Sacramento	Yes
Act Review Committee	5/29/2013	Anaheim	Yes

Meeting			
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Allen Kanady			
Date Appointed to Test Hole Committee:	May 26, 2011		
Date Appointed to Act Review Committee:	September 7, 2011		
Meeting Type	Meeting Date	Meeting Location	Attended?
Test Hole Committee Meeting	5/26/2011	Anaheim	Yes
Act Review Committee Meeting	9/7/2011	Anaheim	Yes
Act Review Committee Meeting	11/16/2011	Sacramento	Yes
Act Review Committee Meeting	1/11/2012	Sacramento	Yes
Act Review Committee Meeting	4/4/2012	Anaheim	Yes
Act Review Committee Meeting	6/28/2012	Anaheim	Yes
Act Review Committee Meeting	8/22/2012	Anaheim	Yes
Act Review Committee Meeting	9/19/2012	Sacramento	Yes
Act Review Committee Meeting	11/6/2012	Anaheim	Yes
Act Review Committee Meeting	12/11/2012	Sacramento	Yes
Act Review Committee Meeting	1/18/2013	Sacramento	Yes
Act Review Committee Meeting	2/21/2013	Sacramento	Yes
Act Review Committee Meeting	4/26/2013	Sacramento	Yes
Act Review Committee Meeting	5/29/2013	Anaheim	Yes

Mike Katz			
Date Appointed to Test Hole Committee:	May 26, 2011		
Date Appointed to Act Review Committee:	September 7, 2011		
Meeting Type	Meeting Date	Meeting Location	Attended?
Test Hole Committee Meeting	5/26/2011	Anaheim	Yes
Act Review Committee Meeting	9/7/2011	Anaheim	Yes

Act Review Committee Meeting	11/16/2011	Sacramento	Yes
Act Review Committee Meeting	1/11/2012	Sacramento	Yes
Act Review Committee Meeting	4/4/2012	Anaheim	Yes
Act Review Committee Meeting	6/28/2012	Anaheim	Yes
Act Review Committee Meeting	8/22/2012	Anaheim	Yes
Act Review Committee Meeting	9/19/2012	Sacramento	Yes
Act Review Committee Meeting	11/6/2012	Anaheim	Yes
Act Review Committee Meeting	12/11/2012	Sacramento	Yes
Act Review Committee Meeting	1/18/2013	Sacramento	Yes
Act Review Committee Meeting	2/21/2013	Sacramento	Yes
Act Review Committee Meeting	4/26/2013	Sacramento	Yes
Act Review Committee Meeting	5/29/2013	Anaheim	Yes

Robert Gordon			
Date Appointed to Test Hole Committee:	May 26, 2011		
Date Appointed to Act Review Committee:	September 7, 2011		
Meeting Type	Meeting Date	Meeting Location	Attended?
Test Hole Committee Meeting	5/26/2011	Anaheim	Yes
Act Review Committee Meeting	9/7/2011	Anaheim	Yes
Act Review Committee Meeting	11/16/2011	Sacramento	Yes
Act Review Committee Meeting	1/11/2012	Sacramento	Yes
Act Review Committee Meeting	4/4/2012	Anaheim	Yes
Act Review Committee Meeting	6/28/2012	Anaheim	Yes
Act Review Committee Meeting	8/22/2012	Anaheim	Yes
Act Review Committee Meeting	9/19/2012	Sacramento	Yes

Act Review Committee Meeting	11/6/2012	Anaheim	Yes
Act Review Committee Meeting	12/11/2012	Sacramento	Yes
Act Review Committee Meeting	1/18/2013	Sacramento	Yes
Act Review Committee Meeting	2/21/2013	Sacramento	Yes
Act Review Committee Meeting	4/26/2013	Sacramento	Yes
Act Review Committee Meeting	5/29/2013	Anaheim	Yes

Table 1b. Board/Committee Member Roster					
Member Name (Include Vacancies)	Date First Appointed	Date Re-appointed	Date Term Expires	Appointing Authority	Type (public or professional)
Curtis Good	6-29-10	N/A	6-1-13	Governor	Professional
David Tamayo	9-9-10	6-1-12	6-1-16	Assembly	Public
Clifford L. Utley	1-18-07	3-7-08 and 6-1-12	6-1-15	Governor	Professional
Marisa Quiroz	8-15-12	N/A	6-1-16	Senate	Public
Ronna Brand	5-18-12	7-3-13	6-1-17	Governor	Public
Naresh Duggal	5-18-12	7-3-13	6-1-17	Governor	Public
Mike Duran	5-18-12	N/A	6-1-15	Governor	Professional

2. In the past four years, was the board unable to hold any meetings due to lack of quorum? If so, please describe. Why? When? How did it impact operations?

In the last four years, the Board has successfully maintained a quorum to hold meetings.

3. Describe any major changes to the board since the last Sunset Review, including:

- **Internal changes (i.e., reorganization, relocation, change in leadership, strategic planning)**

The Board's first major internal change occurred in March 2008 where the Board's headquarters moved from the Howe Avenue complex to its current location on Evergreen Street.

On April 14, 2011, the Executive Officer, Kelli Okuma, was succeeded by Interim Executive Officer, Bill Douglas.

On August 8, 2012, Interim Executive Officer, Bill Douglas, was succeeded by Susan Saylor as Acting Executive Officer. Susan Saylor was later appointed to Executive

Officer on August 15, 2013, following an earlier appointment to Interim Executive Officer on October 24, 2012.

Governor's Reorganization Plan No. 2 of 2011-2012 and AB 1317 (Frazier, 2013) set transfer guidelines of the Structural Pest Control Board from the jurisdiction of the Department of Pesticide Regulation to the Department of Consumer Affairs, operative July 1, 2013.

Other changes impacting the Board's operations and/or Strategic Plan since the last sunset review:

1. **SB 2025 (Committee of Business and Professions), Chapter 1012, Statutes of 2002:** Extends the sunset date of the Structural Pest Control Board, B&P Section 8520, from July 1, 2005 to July 1, 2006.
2. **SB 2026 (Committee of Business and Professions), Chapter 1013, Statutes of 2002:** Extends the sunset date of the Structural Fumigation Enforcement Program, B&P Section 8698.6, from July 1, 2003 to July 1, 2006.
3. **SB 229 (Figueroa), Chapter 658, Statutes of 2005:** Extends the sunset date of the Structural Pest Control Board, B&P Section 8520, from July 1, 2006 to July 1, 2011.
4. **SB 230 (Figueroa), Chapter 42, Statutes of 2006:** Extends the sunset date of the Structural Fumigation Enforcement Program, B&P Section 8698.6, from July 1, 2006 to indefinitely. This bill would declare that B&P 8698.6 would take effect immediately as an urgency statute.
5. **AB 87 (Bermudez) Chapter 4806, Statutes of 2006:** This bill exempts structural pest control operators and a person or business certified by the Department of Pesticide Regulation from the licensing requirements (trapping of animals) of the Fish and Game Commission.
6. **AB 126 (Beall), Chapter 379, Statutes of 2007:** This bill adds the County of Santa Clara to the Structural Fumigation Enforcement Program. This bill modifies the sunset date of "indefinitely" to a repeal date of January 1, 2010.
7. **AB 1717 (Committee on Agriculture), Chapter 338, Statutes of 2007:** This bill amends Food and Agricultural Code, Sections 13000, 15204 and 15204.5. This bill extends the statute of limitations for specific violations from two years to four years. It also requires Branch 2 and Branch 3 qualifying managers and registered companies to register with the agricultural commissioner prior to operating a business within that county. This bill requires Branch 1 companies to provide specific notifications in connection with fumigation activities to the agricultural commissioner.
8. **AB 2223 (Horton), Chapter 450 Statutes of 2008:** This bill adds the County of San Diego to the Structural Fumigation Enforcement Program. This bill modifies the sunset date of January 1, 2010 to January 1, 2011.

9. **ABX4, 20 (Strickland and Huber), Chapter 18, Statutes of 2009:** Transferred the Structural Pest Control Board from the jurisdiction of the Department of Consumer Affairs to the jurisdiction of the Department of Pesticide Regulation, operative October 23, 2009.
 10. **SB 294 (Negrete-McLeod), Chapter 695, Statutes of 2010:** Extends the sunset date of the Structural Pest Control Board, B&P Section 8520, from July 1, 2011 to January 1, 2015.
 11. **AB 1736 (Ma), Chapter 238, Statutes of 2010:** This bill specifies that the Governor appoints 3 licensed Board members subject to nominations received from the Department of Pesticide Regulation. In addition, this bill specifies terms of office for Board members as specified. This bill also extends the sunset date of the Structural Fumigation Enforcement Program from January 1, 2011 to January 1, 2014.
 12. **Section 329 of Governors Reorganization Plan No. 2 of 2011-12:** Authorizes a state agency or department or entity to take steps to ensure timely transfer of authority including, but not limited to, the reassignment of duties and to expend funds necessary to ensure such transfer of the Structural Pest Control Board to the Department of Consumer Affairs.
 13. **AB 1317 (Frazier), Enrolled, 2013:** This bill would enact the statutory changes necessary to reflect the changes in law made by the Governor's Reorganization Plan No. 2, and would also make additional conforming name changes to properly reflect the assignment and reorganization of the functions of state government.
- ***All legislation sponsored by the board and affecting the board since the last sunset review.***
 1. **AB 1725 (Matthews) Chapter 443, Statutes of 2004:** Allows for an administrative fine up to \$5,000 for any violation determined by the Board or county agricultural commissioner and the authority for suspension of a pest control business, as prescribed under B&P Sections 8617 and 8662.
 2. **AB 2247 (La Suer), Inactive 11-30-2006:** An act to amend Section 8616.5 of, and to add Section 8617.1 to, the Business and Professions Code, relating to structural pest control.
 3. **SB 1206 (Calderon), Chapter 46, Statutes of 2008:** Authorizes Branch 2 and Branch 3 registered companies to advertise fumigation or any all-encompassing treatment, as specified, if the company complies with specified requirements.
 4. **SB 189 (Lowenthal), Chapter 697, Statutes of 2010:** Requires pest control companies acting as subcontractors or prime contractors, registered pursuant to B&P Section 8506.1, to provide specified lien notices and lien releases under the mechanic's lien laws. This legislation applies to Branch 1 and Branch 3 registered companies (except as specified, this bill is operative July 1, 2012).

5. **AB 417 (Berryhill), Chapter 99, Statutes of 2011:** This bill prohibits cities, counties, and cities and counties from prohibiting a licensee of the Board from engaging in the particular business, occupation, or profession for which he or she is licensed.
 6. **AB 1177 (Cocanegra), Enrolled, 2013:** This bill increases the fee to support the Structural Fumigation Enforcement Program from \$5 to \$8. This bill extends the sunset date of the program from January 1, 2014 to January 1, 2018.
 7. **SB 662 (Galqiani), Chapter 218, Statutes of 2013:** An act to amend B&P Sections 8690, 8691, 8692, 8697, and 8697.3, and to repeal Sections 8693 and 8697.5. This bill makes conforming changes and raises the monetary requirement of a bond from \$4,000 to \$12,500 (including a restoration bond \$8,000 to \$25,000, formerly \$1,000 to \$8,000) and insurance policy (\$500,000, formerly \$25,000) for company registrations. The bill also eliminates the option of obtaining a cash or cash-equivalent deposit in lieu of a bond and/or insurance policy. This bill amends the surety bond amounts and insurance minimum limits in order to cover the costs of structural pest control services and financial claims in the current marketplace, and safeguards consumers by allowing alternatives for the resolution of their financial disputes.
- ***All regulation changes approved by the board since the last sunset review. Include the status of each regulatory change approved by the board.***

Below are two tables outlining regulatory changes. Table 1, in general, is a snapshot of the regulation file number and status. Table 2 provides a description of the regulation change.

Table 1

Office of Administrative Law File Number	California Code of Regulations Section	Status	Effective Date
Z04-0224-02 05-0524-02S	Adopt Sections 1922.3, 1993.1 Amend Sections 1950.5, 1951, 1953	Approved	7/6/05
05-0907-01N	Amend Section 1922.3	Approved	11/19/05
Z05-0517-03 05-1130-02S	Amend Sections 1920, 1970.4, 1991, 1996	Approved	12/30/05
06-02-03-01S	Amend Sections 1914, 1918, 1920, 1950, 1983, 1991, 1993, 1998	Approved	3/21/06
Z05-0809-02	Amend Sections 1922, 1948 (1923 withdrawn)	Approved	7/10/06
06-0726-01S	Amend Sections 1922, 1936, 1948	Approved	8/25/06

2008-0317-01S	Amend Sections 1970, 1970.4(a), 1973(b)	Approved	4/29/08
2008-0606-01S	Adopt Section 1984	Approved	7/9/08
2009-0204-01S	Amend Sections 1937, 1950, and 1950.5	Approved	2/4/09
2009-0608-0101SR	Amend Section 1999.5	Approved	6/8/09
Z-2008-1125-03	Adopt Section 1950.1 Amend Section 1984	Approved	10/16/09
Z-2009-0526-03 2010-0419-02S	Amend Section 1996.3 and 1997	Approved	5/20/10
Z-2009-1119-01 2010-0930-02S	Amend Section 1974 and 1996.1	Approved	11/8/10
Z-2013-032-01S	Amend Section 1920 and 1937.11	Hold	N/A
Z-2013-0717-01SR	Amend Section 1920 and 1937.11	Approved	9/1/2013

Table 2

Fiscal Year	California Code of Regulations	Description of Change
2005-06	1922.3	Adopts language requiring licensees to comply with agricultural commissioner order to take and pass Board approved course of instruction
2005-06	1993.1	Written statements required in WDO Inspection Reports
2005-06	1950.5	Allows continuing education credit for equivalent education
2005-06	1951	Changes licensed operator, etc. to "licensee" and clarifies passing score on exam to 70 percent or higher
2005-06	1953	Amends CE course approvals
2005-06	1922.3	Section 100 Change; Adds "er" to commissioner
2005-06	1920	Criteria to issues fines greater than \$2,500
2005-06	1970.4	Updates the pesticide disclosure form
2005-06	1991	Amends reporting requirements requiring licensees to particularly describe findings and recommendations
2005-06	1996	Requirements for reporting all inspections
2005-06	1914	Allows the issuance of similar business name styles
2005-06	1918	Redefines the responsibility of qualifying managers and supervision of companies with multiple locations
2005-06	1920	Disallows second informal conferences for modified citations
2005-06	1950	Specifies amount of continuing education hours for renewing an applicators license
2005-06	1983	Clarifies differences of bait stations
2005-06	1991	Deletes references to California Code of Regulations 1991(13)
2005-06	1993	Original Inspections: Eliminates reference to filing inspection reports and completion notices and instead

		requires companies to file the addresses of the properties for WDO activities; removes affixing of stamps to the report
2005-06	1998	Revises requirements for noticing to consumers for work completed and not completed
2006-07	1922	Increases fine amounts that Agricultural Commissioners may assess against licensees and companies to a maximum of \$5,000 for certain violations
2006-07	1948	Increases applicator license and renewal fee to \$10 and lowers operator license and renewal fee to \$120
2006-07	1923	Withdrawn
2006-07	1922	Revised Order of Adoption: Increases fine amounts that Agricultural Commissioners may assess against licensees and companies to a maximum of \$5,000 for certain violations
2006-07	1936	Form and date for filing of application for license
2006-07	1948	Revised Order of Adoption: Increases applicator license and renewal fee to \$10 and lowers operator license and renewal fee to \$120
2007-08	1970	Revises the Structural Fumigation Log to include a fumigant calendar; also changes subcontractor notification requirements to a primary contractor
2007-08	1970.4 (a)	Revises Occupants Fumigation Notice Disclosure form to allow for current and future sulfuryl fluoride products
2007-08	1973 (b)	Revises Notice of Re-Entry form to provide written disclosure of current and future sulfuryl fluoride products
2008-09	1984	Adoption of definition for Integrated Pest Management
2008-09	1937	Requires field representatives to complete integrated pest management training as part of pre-licensing requirements
2008-09	1950	Requires all Branch 2 and 3 licensees renewing on/after June 30, 2010 to complete two hours of integrated pest management training
2008-09	1950.5	Adds section (m) for integrated pest management courses
2008-09	1999.5	Amends the definition of false and misleading advertising
2009-10	1950.1	Section adopted to provide exemption to licensees who fail to renew their license due to participation in the U.S. armed services
2009-10	1984	Amends the definition of Structural Integrated Pest Management
2009-10	1996.3	Amends WDO Activity form to indicate new fee increase
2009-10	1997	Amends per activity WDO filing fee from \$1.50 to \$2.50
2010-11	1974	Fumigation Warning Signs must contain trade name of fumigant used and active ingredient
2010-11	1996.1	Completion tags must contain trade name of fumigant used and active ingredient
2013-14	1920	Maximizes the Board's authority to assess fines greater than \$2,500
2013-14	1937.11	Amends the Board's disciplinary guidelines

4. Describe any major studies conducted by the board (cf. Section 12, Attachment C).

The Board publishes the results of all major research/studies on its website: <http://www.pestboard.ca.gov/howdoi/research.shtml>. The following is a description of the various published research studies found or referenced on the Board's website.

2011 - Bedbug Detection Using Airborne Pheromone Cues

New technology using special devices to detect the presence of bedbug emitted pheromones (2-Octenal and 2-Hexenal). This technology shows promise on the accurate detection of otherwise elusive bedbugs.

2011 - Evaluations of Monitors for the Bed Bug, Cimex lectularius Linnaeus

This study compares the efficacy of active and non-active monitors to capture adult bed bugs. Results showed that there was no significant difference on the use of active or non-active monitors.

2009 - Assessment of devices and techniques for improving inspection and evaluation of treatment for inaccessible drywood termite infestations

Laboratory and field studies were conducted to evaluate and/or improve technology for the inspection and treatment of inaccessible drywood termite infestations. The research focused on the usefulness of X-ray and temperature-enhanced infrared technologies in finding drywood termite infestations hidden behind wall coverings, such as drywall, stucco, and wood paneling, in both laboratory and field settings. The resulting research found that the combination of these studies will allow for the better calibration of detection devices that exploit termite feeding and motion.

2009 - Developing Baits for the Control of Yellowjackets in California

Research to identify and develop an effective baiting strategy to control pestiferous yellowjackets in California. Research revealed a variety of bait and control approaches based on seasonal factors, colony type and location. The study found that the most effective bait control used the chemical, fipronil.

2009 - Developing Low Risk Management Strategies for Argentine Ants

A two-year study examining the impact of various ant control treatment strategies. The study revealed that the most effective control of argentine ants was the use of chemical, Termidor.

2009 - Field Evaluations of Localized Treatments for Controlling Drywood Termite Infestations in California

A Study to determine the effectiveness of six different insecticides against natural field infestations found in homes and commercial structures from fourteen cities.

2009 - A Comparison of Baiting and Perimeter Spray Programs for Urban Pest Management of Argentine Ants: A Demonstration and Cost Analysis

This study determined the most effective strategy overall for treatment that used a combination of Termidor spray and Talstar granules.

2009 - Evaluation of Chemical Localized Treatment for Drywood Termite Control

This study attempts to determine the potential efficacy of insecticides from prominent professional-use products. Results revealed that several products were highly effective localized treatments that could be incorporated into an Integrated Pest Management program against drywood termites.

2009 - The role of genetics and cuticular hydrocarbons in argentine ant aggression

The study looks at aggression characteristics of argentine ants when exposed to hydrocarbons. There were four main conclusions: 1) Treatment with synthetic hydrocarbon was sufficient to trigger aggression among normally cooperative nestmats, 2) Different colonies display different reactions to the same hydrocarbon, 3) The level of aggression displayed is proportional to the amount of synthetic hydrocarbon applied, and 4) Combinations of different hydrocarbons trigger higher levels of aggression than individual hydrocarbons.

5. List the status of all national associations to which the board belongs.

The Board does not belong to any national association, but does collaborate and receive input in connection with rules, regulations, legislation and pesticide use issues from the following state and national associations.

1. The Association of Structural Pest Control Regulatory Officials (ASPCRO): A professional association comprised of the structural pest control regulatory officials of any of the fifty states. ASPCRO's purpose, among other areas, is to promote better understanding and efficiency in the administration of laws and regulatory authority between states concerning the control and eradication of pests.
2. Pest Control Operators of California: A non-profit trade association that serves the business and educational needs of pest control operators for over 80 years.
3. National Pest Management Association: A non-profit organization with more than 7,000 members to support the pest management industry's commitment to protection of the public.
4. California Agricultural Commissioners & Sealers Association (CACASA): A voluntary organization comprised of County Agricultural Commissioners and County Sealers of Weights and Measures from 58 counties in the State of California providing a collaborative forum to resolve many public welfare issues.

- Does the board's membership include voting privileges?
None
- List committees, workshops, working groups, task forces, etc., on which board participates.
None
- How many meetings did board representative(s) attend? When and where?
None
- If the board is using a national exam, how is the board involved in its development, scoring, analysis, and administration?
None

Section 2 – Performance Measures and Customer Satisfaction Surveys

PERFORMANCE MEASURES – QUARTERLY AND ANNUAL REPORTS	37
CUSTOMER SATISFACTION SURVEYS	37

Section 2

Performance Measures and Customer Satisfaction Surveys

6. Provide each quarterly and annual performance measure report as published on the DCA website.

Since changing jurisdiction from the Department of Consumer Affairs to the Department of Pesticide Regulation, effective October 23, 2009 (ABX4, 20), the Board has returned to the Department of Consumer Affairs (DCA), effective July 1, 2013, under the Governor's 2011-2012 Reorganization Plan No 2. The Board met with the DCA Administration in June 2013 to plan implementation of the DCA's performance measure tracking reports. Steps to re-establish and integrate computer systems to share, compile and validate data will undergo testing through December 31, 2013. The Board estimates that full reporting of performance measurement data will be available in the first quarter of 2014.

The Agency Statistical Profile report (ASP), furnished on a fiscal year basis, will be unaffected by the DCA performance measures report integration efforts. It is anticipated that FY 2013-14 ASP report will be released for publication on the Board's website, August 1, 2014.

7. Provide results for each question in the customer satisfaction survey broken down by fiscal year. Discuss the results of the customer satisfaction surveys.

Not all percentages tabulated in the surveys will equal 100 percent because the respondents only answered questions applicable to their concerns. Surveys are conducted approximately three to five times a year, and this may contribute to varying responses as well. In the Licensing Division, the Board mails out approximately 200 survey cards at a time, every two to three months, and usually receives back between 20-25 percent of the survey cards. In the Enforcement Division, approximately 50 to 100 cards are mailed out in two to three month intervals, depending on workload. The Enforcement Division receives back approximately 25 percent of the survey cards.

The Board, in an effort to improve survey responsiveness, is considering the use of online and free-of-charge websites, such as Survey Monkey, to administer the survey research and assessment process. Conducting surveys electronically improves storage, access and comparative analysis. The Board's target approval rating is set at 85 percent.

Licensing Survey Results

Question	2009/2010		2010/2011		2011/2012		2012/2013	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Was staff courteous?	87%	3%	96%	3%	95%	1%	93%	3%
2 Did staff understand your questions?	85%	1%	94%	1%	92%	1%	88%	0%
3 Did staff clearly answer your questions?	82%	3%	90%	4%	90%	1%	87%	1%
4 Did staff promptly return your telephone call?	61%	7%	68%	7%	75%	1%	65%	8%
5 Did staff efficiently and promptly handle your transaction?	78%	5%	84%	6%	90%	3%	79%	6%
6 How long did it take to complete its action on your file? (Average)	License Type	No. of days	License Type	No. of days	License Type	No. of days	License Type	No. of days
	Company Registration	18 days	Company Registration	26.5 days	Company Registration	20 days	Company Registration	16 days
	Field Representative License	17 days	Field Representative License	19 days	Field Representative License	18 days	Field Representative License	24 days
	Operator License	19 days	Operator License	22 days	Operator License	47 days	Operator License	23 days
	Applicator License	16 days	Applicator License	9 days	Applicator License	15 days	Applicator License	12 days

Complaint Survey Results from Consumers

Question	2009/2010		2010/2011		2011/2012		2012/2013	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Was our representative courteous?	93%	4%	92%	6%	94%	0%	93%	2%
2 Do you feel the representative understood your problem?	89%	10%	89%	10%	88%	6%	85%	5%
3 Did our representative fully explain our role and jurisdiction over your problem?	87%	12%	92%	5%	90%	8%	83%	13%
4 Did our representative deal with your problem in a fair and reasonable manner?	87%	13%	88%	11%	84%	8%	83%	14%
5 Were you satisfied with the results?	74%	25%	82%	17%	84%	16%	76%	22%
6 If you experience structural pest control problems in the future, would you contact the Board?	88%	12%	89%	11%	87%	9%	76%	10%
7 Will you recommend our services to others?	83%	13%	89%	11%	87%	9%	74%	11%
8 How long did it take the Board to complete its action on your problem?*(Average)	54 days		38 days		34 days		146 days**	

**Under Item number 8 of the survey (146 days), only one response was received, resulting in a number that is not indicative of the average actual investigative timeframe, which is approximately 42 days in that quarterly time period.

Complaint Survey Results from Companies

Question	2009/2010		2010/2011		2011/2012		2012/2013	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Was our representative courteous?	100%	0%	97%	3%	100%	0%	95%	5%
2 Do you feel the representative understood the aspects of the case?	97%	0%	93%	7%	100%	0%	93%	7%
3 Did our representative deal with the case in a fair and reasonable manner?	97%	0%	92%	6%	100%	0%	93%	7%
4 Were you given adequate time to resolve the consumer complaint?	97%	0%	95%	3%	95%	0%	98%	2%
5 Were you satisfied with the results?	97%	0%	87%	13%	97%	3%	93%	5%

Section 3 – Fiscal and Staff

FISCAL ISSUES	41
Current Reserve Levels	41
Deficits And Fee Increases/Reductions	41
Table 2. Fund Condition	42
History Of General Fund Loans	42
Amount And Percentage Of Expenditures By Program Component	42
Table 3. Expenditures By Program Component	43
License Renewal Cycles And History Of Fee Changes (10 Years)	47
Table 4. Fee Schedule And Revenue	48
Budget Change Proposals In The Last Four Fiscal Years	48
Table 5. Budget Change Proposals	48
STAFFING ISSUES	49

Fiscal Issues

8. Describe the board's current reserve level, spending, and if a statutory reserve level exists.

As specified in Business and Professions Code Section 8674 (t)(2)(E), the Board shall maintain "a reserve in an amount sufficient to pay for costs arising from unanticipated occurrences associated with administration of the program." The board maintains a current contingent fund level of 3.2 months for economic uncertainties and to support unencumbered balances of continuing appropriations. Each fiscal year the Board determines its fund balance by adding the difference between its actual current fiscal year's expenditures and revenues to its beginning fund balance. This fund balance (or reserve) is then carried into the next fiscal year cycle.

9. Describe if/when a deficit is projected to occur and if/when fee increase or reduction is anticipated. Describe the fee changes (increases or decreases) anticipated by the board.

The Board does not anticipate a budget deficit in the current year nor forecasts a budget deficit in fiscal years 2013-14 or 2014-15. The Board will be seeking legislation during the 2014 legislative session to increase examination fees to support computer based testing (CBT). In their April 2013 meeting, board members voted to approve an increase to the current examination fee for each license type to a maximum statutory limit of \$100 for Operators, \$75 for Field Representatives and \$60 for Applicators; current statutory maximum is \$25. Actual fees for these examinations will be based on actual costs to administer the examinations (currently \$37.50 under contract with Consumer Affairs and an outside vendor for CBT) and sundry costs for staffing. If legislation to increase fees is approved, the Board will finalize a cost analysis and subsequently promulgate regulations to support the Board's fully loaded costs to administer the examination program.

Note: As indicated above, the Board proposes to seek legislation in the 2014 to establish continuing appropriations for the conduct of CBT with full budget authority beginning July 1, 2015. In the interim, the Board, in a joint effort with the DCA, is planning a pilot CBT offering in January 2014 as part of its public policy analysis and review to substantiate operating expenses and equipment and personnel years. The Board may formally request funding through a legislative BCP or through equivalent budget augmentation channels. The Board will continue to assess its fund condition to ensure that it does not operate in a deficiency during the CBT Pilot.

The CBT is a cutting-edge technology that is anticipated to significantly reduce the risks of examination subversion (cheating) while also enabling a more seamless and simplified approach to test validation, scheduling and monitoring for Board staff and

examinees. There will be 17 CBT sites in the state of California and 22 sites in other states. The Board currently only has 2 examination sites and so CBT will be a major improvement in testing availability and efficacy, particularly for out-of-state candidates who will save on costs associated with airfare and other travel to California to take an examination. The establishment of CBT supports the Board's 2007 Strategic Plan.

Table 2. Fund Condition						
(Dollars in Thousands)	FY 2009/10	FY 2010/11	FY 2011/12	FY 2012/13	FY 2013/14	FY 2014/15
Beginning Balance	1631	744	703	874	973	975
Revenues and Transfers	2501	3608	3760	3760	3760	3748
Total Revenue	\$4132	\$ 4352	\$4463	\$4634	\$ 4697	\$4711
Budget Authority	[4211]	[4215]	[4195]	[4265]	[4502]	[4711*]
Total Resources	4132	4352	4463	4634	4709	4711
Expenditures	3405	3649	3589	3661	3734	3808
Loans to General Fund	0	0	0	0	0	0
Accrued Interest, Loans to General Fund	0	0	0	0	0	0
Loans Repaid From General Fund	0	0	0	0	0	0
Fund Balance	\$727	\$703	\$874	\$973	\$975	\$915
Months in Reserve	2.6	2.3	2.9	3.2	3.1	2.9
* Projected Budget Authority						

10. Describe history of general fund loans. When were the loans made? When were payments made? What is the remaining balance?

The Board has not issued any general fund loans in the preceding four fiscal years. The Board, however, issued a general fund loan in FY 2002-03 in the amount of \$2.0 million. The 2002-03 Budget Act package included \$2.6 billion of loans and transfers from special funds to help address the General Fund deficit. The loan was paid-in-full through the 2006-07 Budget Act.

11. Describe the amounts and percentages of expenditures by program component. Use Table 3. Expenditures by Program Component to provide a breakdown of the expenditures by the board in each program area. Expenditures by each component (except for pro rata) should be broken out by personnel expenditures and other expenditures.

Table 3. Expenditures by Program Component

	FY 2009/10		FY 2010/11		FY 2011/12		FY 2012/13	
	Personnel Services	OE&E	Personnel Services	OE&E	Personnel Services	OE&E	Personnel Services	OE&E
Enforcement	691824	443457	800260	749906	824974	524068	794482	489798
Examination	N/A	151179	N/A	163027	N/A	132625	N/A	127637
Licensing	498172	438776	576255	356028	528046	462755	508529	414335
Administration *	442819	254758	512227	284461	594051	292778	572095	305969
DCA Pro Rata	N/A	393966	N/A	448068	N/A	389852	N/A	492046
Diversion (if applicable)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
TOTALS	\$1632815	\$1682136	\$1888742	\$2001491	\$1947071	\$1802078	\$1875106	\$1829785

*Administration includes costs for executive staff, board, administrative support, and fiscal services.

Note: In Fiscal Year 2009-10, expenditures decreased due to the Governor's Executive Order S-13-09, which required 3-day furloughs for a period of 18 months for state employees. In Fiscal Year 2012-13, expenditures decreased due to the Governor's Executive Order S-15-10, which required a 1-day Personal Leave Program, resulting in a 1-day reduction of state pay, for a period of 12 months for state employees.

The Board derives its budget from special funds and is wholly independent of the State General Fund. The Board is responsible for three special funds: 1) Structural Pest Control Professions and Vocations Fund ("Support Fund"), 2) Education and Enforcement Fund, and 3) Research Fund.

Support Fund

The Support Fund is the primary fund for the Board, accounting for approximately 75 percent of the Board's annual budget. The Support Fund, as a primary revenue source, is supported by Wood-Destroying Pests and Organisms (WDO) filing fees. Unlike most professional licensing boards, the Board does not generate the bulk of its funding from licensing fees. In fact, the Board only charges a licensing fee of \$10 (its lowest licensing fee) for its second largest class of licensees – the Applicators. Rather, the Board generates the vast majority of its revenue from the aforementioned WDO activity filing fees, which is a small fee (\$2.50) that's assessed each time a pest control company inspects a property or completes work on a property. The Board averages approximately 106,400 WDO activity filings per month over the last 5 budget years (BY 2008-2012); this is a 12-month average of 1,276,800 filings. The average total revenues received for filings since the passage of the Board's fee increase of \$2.50 (formerly \$1.50), effective July 1, 2010, is \$3.192 million, in contrast to \$1.915 million pre-increase in fees. This increase in fees helped to stabilize the support fund due to a decrease in actual and projected revenues for budget years 2009, 2010 and 2011 and also from a decrease in the Board's license population by approximately 20 percent, previously over 25,000 in 2008 down to approximately 19,000 in 2013. The Board estimates that the

decrease in the license population, specifically Applicator licenses, occurred due to the housing crisis, notably the sharp decrease in housing prices and the volatility of the banking industry, hardships of the U.S. recession.

**DEPARTMENT OF CONSUMER AFFAIRS
SCHEDULE OF WORKLOAD AND REVENUE STATISTICS**

BOARD/FUND STRUCTURAL PEST CONTROL BOARD
LICENSE CATEGORY **SUPPORT**

Account Number	Revenue Category	Actual Workload				Estimated Workload		Fees		Estimated Revenue	
		2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2012/13	2013/14	2013/14	2014/15
125600XA	DUP/LIC. CERT.	802	744	696	720	740	740	\$2.00	\$2.00	\$1,480	\$1,480
125600XG	PENALTY ASSESSMENTS			VARIOUS	VARIOUS	1	1	VARIOUS	VARIOUS	\$4,000	\$4,000
125600SP	WDO Filing Fee	1,332,027				0		\$1.50	\$1.50	\$0	\$0
	***** WDO Filing Fee		1,222,878	1,326,355	1,262,031	1,350,000	1,350,000	\$2.50	\$2.50	\$3,375,000	\$3,375,000
125600XL	CHANGE OF REQ. CO. OFFICERS	30	32	36	29	30	30	\$25.00	\$25.00	\$750	\$750
125600XM	CHANGE OF BOND & INS.	338	558	890	526	350	350	\$25.00	\$25.00	\$8,750	\$8,750
125600XN	CONTINUING ED. COURSE APPR.	470	425	368	475	400	400	\$25.00	\$25.00	\$10,000	\$10,000
125600XP	CONTINUING ED. PROVIDER	7	5	24	9	8	8	\$50.00	\$50.00	\$400	\$400
125600XY	CITE & FINE	VARIOUS	VARIOUS	VARIOUS	VARIOUS	VARIOUS	VARIOUS	VARIOUS	VARIOUS	\$80,000	\$80,000
125600X2	CHANGE OF PR OFFICE ADD.	257	265	254	278	250	250	\$25.00	\$25.00	\$6,250	\$6,250
125600X3	CHANGE OF BR. OFFICE ADDRESS	24	23	30	23	25	25	\$25.00	\$25.00	\$625	\$625
125600X4	CHANGE OF QUALIFYING MANAGE	116	113	101	122	110	110	\$25.00	\$25.00	\$2,750	\$2,750
125600X5	CHANGE OF REGISTERED CO.	21	25	20	15	25	25	\$25.00	\$25.00	\$625	\$625
										\$0	\$0
125700XA	EXAM FEE OPERATOR	623	678	669	742	650	650	\$25.00	\$25.00	\$16,250	\$16,250
125700XC	EXAM FEE FIELD REP	4,032	4,069	4,760	4,668	4,000	4,000	\$10.00	\$10.00	\$40,000	\$40,000
125700XH	CONT ED EXAM BR OPERATOR	19	14	0	2	10	10	\$25.00	\$25.00	\$250	\$250
125700XJ	CONT. ED. EXAM BR FIELD REP	9	14	11	2	20	20	\$10.00	\$10.00	\$200	\$200
125700XK	COMPANY REGISTRATION	212	257	244	241	240	240	\$120.00	\$120.00	\$28,800	\$28,800
125700XL	ORIG LIC FIELD REP	1,253	1,298	969	851	1,300	1,300	\$30.00	\$30.00	\$39,000	\$39,000
125700XM	BRANCH OFF REG	24	62	31	54	30	30	\$60.00	\$60.00	\$1,800	\$1,800
125700X9	EXAM APPLICATOR	0	3	0	0	0	0	\$15.00	\$15.00	\$0	\$0
1257002W	**ORIG LIC APPLICATOR	1,477	1,537	1,667	1,867	1,400	1,400	\$10.00	\$10.00	\$14,000	\$14,000
1257002Y	***ORIG LIC OPERATOR	203	173	158	156	180	180	\$120.00	\$120.00	\$21,600	\$21,600
										\$0	\$0
125800XB	TRIENNIAL REN - FIELD REP.	2,716	2,564	2,784	2,551	2,600	2,600	\$30.00	\$30.00	\$78,000	\$78,000
1258001F	**TRIENNIAL REN - APPLICATOR	765	542	593	603	700	700	\$10.00	\$10.00	\$7,000	\$7,000
125800XA	***TRIENNIAL REN - OPERATOR	1,090	1,069	1,070	1,040	900	900	\$120.00	\$120.00	\$108,000	\$108,000
125900XD	DELINQUENT REN FIELD REP	212	157	141	149	180	180	\$15.00	\$15.00	\$2,700	\$2,700
125900DF	DELINQUENT REN OPERATOR	0	0		0	0	0	\$75.00	\$75.00	\$0	\$0
125900BM	****DELINQUENT REN APPLICATOR	180	183	185	185	160	160	\$5.00	\$5.00	\$800	\$800
125900BN	****DELINQUENT REN OPERATOR	39	48	47	53	40	40	\$60.00	\$60.00	\$2,400	\$2,400
142500	MISC. SERVICES TO THE PUB	VARIOUS	VARIOUS	VARIOUS	VARIOUS	VARIOUS	VARIOUS	VARIOUS	VARIOUS	\$3,500	\$3,500
161400	MISC. REV.	VARIOUS	VARIOUS	VARIOUS	VARIOUS	VARIOUS	VARIOUS	VARIOUS	VARIOUS	\$1,800	\$1,800
Note: General Fund Loan \$2,000,000 returned to Board in FY06/07, included in total revenue.											
Total Revenue		\$2,500,965	\$3,607,392	\$3,752,142	\$3,759,651					\$3,856,730	\$3,856,730

* Actuals for FY 05/06 & 06/07 very high and low, ATS does not allow monies to be cashed in advance for next FY for renewals

** Original and Triennial Applicator fee established January 1, 2007

*** Original and Triennial Operator renewal fee reduced from \$150. To \$120. Effective September 25, 2006.

**** Delinquent renewal fee for Operators reduced from \$75 to \$60 effective September 25, 2006.

***** Delinquent renewal fee for Applicators established January 1, 2007.

***** WDO filing fee increased to \$2.50 effective July 1, 2010

Support fund revenues routinely fluctuate as they are directly tied to the housing market in California. The Board has historically reduced and increased the WDO Activity Fee as a means of controlling the reserve levels, which previously in 2007-08 constituted over 50 percent of the Board's reserves. In accordance with B&P Section 128.5, the Board will adjust any excess revenues or reserves if they exceed 3 months' revenues as per the DCA policy. Presently, there is no need to make these adjustments. The Board's current reserve level is approximately 25 percent of its overall budget. The following table (See next page) describes actual workload and revenues of the Board's Support Fund.

Support Fund Condition

As specified in Business and Professions Code Section 8674 (t)(2)(E), the Board shall maintain “a reserve in an amount sufficient to pay for costs arising from unanticipated occurrences associated with administration of the program.”

The statutory reserve fund limit for the Structural Pest Control Board, according to the State’s Administrative Manual, is 24 months (interpretation of B&P Code Section 128.5). However, this provision provides that the Board will adjust its reserve level in order to maintain an acceptable fund condition.

There is no statute requiring the Board to maintain a minimum fund balance, however, a fund reserve of at least three months (maximum of six months) is considered fiscally prudent by the DCA. The Board’s FY 2012-13 ending fund balance of approximately \$973 thousand is equivalent to 3 months’ reserves

Education and Enforcement Fund

The Education and Enforcement Fund is supported by a licensee’s purchase of a pesticide use stamp. Funds derived from the pesticide use report filing fee and all proceeds from county agricultural civil penalties collected are deposited into the Education and Enforcement Account. The Board manages the account (1) for the purposes of training as provided in B&P Section 8616, (2) for reimbursement to the Director of Pesticide Regulation for work performed as the agent of the Board pursuant to B&P Sections 8616, 8616.4, 8616.5 and 8617 and Section 15202 of the Food and Agricultural Code, and (3) for reasonable expenses incurred by the Disciplinary Review Committee. There is no reimbursement from this fund for inspections and routine investigations.

The cost of the pesticide use report filing fee (\$4.00) is set in regulation; the statutory maximum is (\$5.00), B&P Section 8674(r). The majority of this fund supports the Memorandum of Understanding between the Board, the Department of Pesticide Regulation and the County Agricultural Commissioners for pesticide use enforcement efforts. The additional cost per every pesticide use stamp purchased of \$2.00, B&P Section 8674(t), supports the Research Fund, a fund created by statute and is continuously appropriated for the sole purpose of structural pest control research projects.

Education and Enforcement Fund Condition

The statutory reserve fund limit for the Board’s education and enforcement fund, according to the State’s Administrative Manual, is 24 months (interpretation of B&P Code Section 128.5). The education and enforcement fund is supported by pesticide use stamp fees and pesticide fines. There is no statute requiring the Board to maintain a minimum fund balance, however, a fund reserve of at least three months (maximum of six months) is

considered fiscally prudent by the DCA. The Board's FY 2012-13 ending fund balance is \$373,526.

Estimated revenues for stamp fees in FY 2013-14 and FY 2015-16 is \$240,000, respectively while pesticide fines are estimated at \$100,000. These are fiscally prudent estimates and marginally lower than the previous four years' fiscal actuals. This ensures that the Board does not overestimate its fund revenues, decreasing the need for category fund transfers or adjustments. The Board anticipates that pesticide use stamp fees and the assessment of pesticide fines will steadily increase each year by as much as 5 percent as the economy continues to rebuild from the 2008 market crash.

BOARD/FUND:		EDUCATION AND ENFORCEMENT									
LICENSE CATEGORY:											
Account Number	Revenue Category	Actual Workload				Est. Workload		Fees		Est. Revenue	
		09/10	10/11	11/12	12/13	13/14	14/15	13/14	14/15	13/14	14/15
125600XD	Pesticide Use Stamps	61,410	61,385	66,119	67,129	60,000	60,000	\$4.00	\$4.00	\$240,000	\$240,000
										Est. Revenue	
125600XF	Pesticide Fines	\$ 64,536	\$ 95,638	\$127,116	\$103,127			various	various	\$ 100,000	\$ 100,000
	Total Revenue	\$314,690	\$341,076	\$391,590	\$373,526					\$340,000	\$340,000
	Includes Interest on Fund										

Research Fund

Research serves as vital component of the pest control profession, particularly as it relates to continuing education and professional field practices. It ultimately serves as a guide, if not the answer, for pest control professionals on matters of decision making and shaping their business operational needs.

Research is defined as a “studious inquiry or examination; especially investigation or experimentation aimed at the discovery and interpretation of facts, revision of accepted theories or laws in the light of new facts, or practical application of such new or revised theories or laws.” (Merriam-Webster.com, September 2013).

Defined in California Code of Regulations, Section 1919, the research advisory panel shall consist of one member from the Structural Pest Control Board, two representatives from the structural pest control industry, one representative from the Department of Pesticide Regulation and one representative from the University of California.

The panel, or other entity designated by the Board, solicits on behalf of the Board all requests for proposals, and presents to the panel all proposals that meet the criteria established by the panel, following the expiration of the advertising period. The panel reviews the proposals and recommends to the board which proposals to accept. The recommendations are accepted upon a two-thirds vote of the board members. The board members direct the panel, or other entity designated by the members, to prepare and issue the research contracts and authorizes the transfer of funds from the Structural Pest

Control Research Fund to the applicants whose proposals were accepted by the Board. Information regarding the status of research is published on the Board's website.

Research Fund Condition

The additional cost per every pesticide use stamp sold of \$2.00, B&P Section 8674(t), supports the Research Fund, a fund that is continuously appropriated for structural pest control research projects.

Adjusted (actual) revenues for FY 2012-13 were \$135,064. The reserve balance tends to fluctuate as monies are allocated to fund research projects throughout a fiscal year. FY 2013-14 and 2015-16 revenue estimates are \$120,000 respectively.

BOARD/FUND:		RESEARCH FUND									
LICENSE CATEGORY:											
Account Number	Revenue Category	Actual Workload				Est. Workload		Fees		Est. Revenue	
		09/10	10/11	11/12	12/13	13/14	14/15	13/14	14/15	13/14	14/15
125600X9	Pesticide Use Stamp	61,400	61,437	66,177	67,156	60,000	60,000	\$2.00	\$2.00	\$120,000	\$120,000
	Total Revenue	\$125,525	\$124,318	\$133,349	\$135,064					\$120,000	\$120,000
	Includes Interest on Fund										

12. Describe license renewal cycles and history of fee changes in the last 10 years. Give the fee authority (Business and Professions Code and California Code of Regulations citation) for each fee charged by the board.

Field Representative and Operator license renewal fees are due triennially with the last renewal cycle in June 2013. Applicators are issued a three-year license based on the day of issuance. Fee changes occurring in the last 10 years are illustrated below:

1. Operator Delinquent Renewal Fees decreased in 2006 from \$75 to \$60;
2. Applicator examination/license fees increased in 2007 from \$0 to \$10 (and conforming reduction of the Operator examination fee from \$150 to \$120); and,
3. Applicator Delinquent Renewal fee increased in 2007 from \$0 to \$5.

*Note: Approximately 85 percent of Field Representative renewal fees were allocated to a special revenue account administered by the Department of Pesticide Regulation when the Board was subject to its jurisdiction until July 1, 2013. These funds will be adjusted and appropriately reflected as a line item in the Board's Support Fund by close of FY 2013-14.

Table 4. Fee Schedule and Revenue

Fee	Current Fee Amount	Statutory Limit	FY 2009/10 Revenue	% of Total Revenue	FY 2010/11 Revenue	% of Total Revenue	FY 2011/12 Revenue	% of Total Revenue	FY 2012/13 Revenue	% of Total Revenue
WDO Filing	\$2.50	\$2.50	\$1,998,041	70%	\$3,057,195	75%	\$3,315,886	75%	\$3,155,077	74%
Duplicate license	\$ 2	\$2	\$1,604	.5%	\$1,488	.5%	\$1,391	.5%	\$1,440	.5%
Change of licensee name	\$ 2	\$ 2	\$0	0%	\$0	0%	\$0	0%	\$0	0%
Operator's examination	\$ 25	\$ 25	\$15,575	.5%	\$16,950	1%	\$16,725	1%	\$18,550	1 %
Operator's license	\$120	\$150	\$24,360	.5%	\$20,760	1%	\$18,900	1%	\$18,740	1%
Operator's Renewal	\$120	\$120	\$130,880	4.5%	\$115,720	3%	\$13,200	1%	\$10,868	1%
Company office registration	\$120	\$120	\$25,440	.5%	\$30,840	1%	\$29,280	1%	\$28,920	1%
Branch office registration	\$ 60	\$ 60	\$1,440	.5%	\$3,720	.5%	\$1,860	.5	\$3,240	1%
Field representative's examination	\$ 10	\$ 15	\$40,320	1.5%	\$40,690	1%	\$47,600	1.5%	\$46,683	1.5%
Field representative's license	\$ 30	\$ 45	\$37,590	.5%	\$38,940	1%	\$29,070	1%	\$25,530	1%
Renewal field representative's license	\$ 30	\$ 45	\$81,480	3%	\$75,895	2%	\$13,200	1%	\$6,720*	1%
Change of registered company's name	\$ 25	\$ 25	\$525	.25%	\$625	.25%	\$500	.5%	\$375	.25%
Change of principal office address	\$ 25	\$ 25	\$6,425	.5%	\$6,625	.25%	\$6,350	.5%	\$6,950	1%
Change of branch office address	\$ 25	\$ 25	\$600	.5%	\$575	.25%	\$750	.5%	\$575	.25%
Change of qualifying manager	\$ 25	\$ 25	\$2,900	.5%	\$2,825	.25%	\$2,525	1%	\$3,050	.5%
Change of registered company's officers	\$ 25	\$ 25	\$750	.5%	\$800	.25%	\$900	.5%	\$725	.25%
Change of bond or insurance	\$ 25	\$ 25	\$8,450	.5%	\$13,950	1%	\$22,252	1%	\$13,150	1%
Continuing education provider	\$ 50	\$ 50	\$350	.25%	\$225	.25%	\$600	.25%	\$450	.25%
Continuing education course approval	\$ 25	\$ 25	\$11,750	.5%	\$10,625	.5%	\$9,200	1%	\$11,875	1%
Pesticides use report filing	\$ 6	\$ 6	\$368,440	13%	\$368,412	9%	\$396,828	9%	\$402,826	10%
Applicator's License	\$ 10	\$ 50	\$14,770	.5%	\$15,370	1%	\$16,665	1%	\$18,670	1%
Renewal applicator's license	\$ 10	\$ 50	\$7,650	.5%	\$5,415	.5%	\$5,930	1%	\$6,030	1%
Challenge Exam Applicator	\$15	\$15	\$0	0%	\$0	0%	\$0	0%	\$0	0%
Challenge Exam Operator	\$25	\$50	\$475	.25%	\$350	.25%	\$0	0%	\$50	.25%
Challenge Exam Field Representative	\$10	\$50	\$90	.25%	\$140	.25%	\$110	.25%	\$20	.25%

13. Describe Budget Change Proposals (BCPs) submitted by the board in the past four fiscal years.

The Board has not submitted any budget change proposals in the past four fiscal years; however, the Board anticipates submitting a BCP in Budget Year 2014-15 or 2015-16 for the development of a consumer arbitration program, under the authority of B&P 465 et seq. The purpose of the arbitration program is described under Section 5, Item Number 30 of this report. The Board may also submit a BCP to augment its budget to support and manage the CBT program and for position authority to establish 2 additional investigative positions to address the underground economy. The last two items are discussed later in this report. This BCP will be submitted for the 2014-15 Budget Act.

Staffing Issues

14. Describe any staffing issues/challenges, i.e., vacancy rates, efforts to reclassify positions, staff turnover, recruitment and retention efforts, succession planning.

The state of California's workforce has undergone great transition in the last 5 years alone, inclusive of budget deficits, furloughs, layoffs and retirements to name a few. Health benefits and overall retirement pensions have diminished in value, causing associative difficulties in recruitment efforts. State government has attempted to make up the stagger by redefining and redeveloping criteria for employment to attract the most qualified candidates, but unfortunately many of the statement of duties require greater responsibilities, with the same level of compensation as the former incumbent, and this sometimes detracts or causes disinterest in overall recruitment efforts. As a state agency, the Board is no exception to these challenges, particularly for recruitment of professional class positions (i.e. Staff Services Analysts or Associate Governmental Program Analysts).

The Board is considering reclassifying certain positions as they become vacant in order to incentivize upward mobility and to attract and/or retain the most qualified candidates. The Board recognizes that although reclassifications may result in slightly higher compensation levels (between 5 and 10 percent on average), the Board also recognizes the extreme challenges and costs associated with on-the-job training and protracted vacancies. The Board comprehends that there is a balance between each but, from an operational perspective, envisions greater utility in the responsiveness of candidates for professional positions offering higher compensation levels.

The Board also recognizes instances where training and development assignments, out-of-class assignments, cross-training and voluntary external training have absolute purpose. Such offerings show that the Board places great value in its workforce, recognizes their independent needs, and provides a bridge of knowledge for succession planning purposes. These leadership concepts also strengthen morale building efforts and team contributions.

The Board, as a small regulatory body, does not encounter the same degree of organizational complexities often found in larger state entities. Because of this one factor alone, the Board has enjoyed the ability to quickly recruit candidates in the paraprofessional and technical classifications, which tend to have a large volume of interested candidates (i.e. office assistants and office technicians).

In the professional classifications, the Board is evaluating how it can best recruit the most qualified candidates; these classifications tend to have a lower volume of qualified candidates. The Board is reviewing the usefulness of not solely reclassifying positions and revising minimum qualifications, but, on a case-by-case basis, to offer positions in generalist classes as opposed to specialist classes (i.e. staff services analysts, associate governmental program analysts and the staff services manager series). The generalist classes are statewide recognized job specifications intended to appeal to the masses, and, in some cases, can replace specialist classification competencies, enhancing

recruitment possibilities. Specialist classifications are job specifications requiring specialized skills, certifications or credentials, which can be limiting factors for recruitment purposes.

Workload issues, though challenging in this recession, have been managed very successfully by Board employees working collaboratively, volunteering for new assignments and commitment to extra hours of work as necessary. The Board has adopted prescriptive measures to use time management essentials and assignment of priorities to carry out day-to-day duties. The Board has also retained a part-time contract employee from the American Association of Retired Persons and occasionally uses retired annuitants to carry out clerical tasks, such as mailings and filings, allowing licensing and enforcement staff to more effectively remain focused on their primary responsibilities.

15. Describe the board's staff development efforts and how much is spent annually on staff development (cf., Section 12, Attachment D).

The Board sets aside \$60,000 annually for County Agriculture Training and \$4,000 annually for staff training and development. County agriculture training is an historical and well established training program designed to shape the landscape of the structural pest control industry. For at least two decades, the Board has provided field training for every aspect of structural pest control to county agricultural employees and Board employees. This training (which typically last three days) is hands-on, providing mock demonstrations of field practices that are typically encountered by county inspectors, including the use of tarpaulin and fumigation of buildings, inspection of pest control vehicles and inspection of structures. Training is provided by members of the pest control industry, Department of Pesticide Regulation and staff of the Board. The training is designed to not only educate county programs, but also to provide them the tools necessary to effectively carry out their enforcement goals and objectives. The Education and Enforcement fund account provides the necessary funds for this training effort, B&P Section 8505.17. This training remains very successful to this day.

With the exception of internal on-the-job training and its cross-training measures, the Board has not established an official internal workforce training program, but does have ready access to an external program under the DCA. This program is very successful assisting employees alike in training and development needs and is free of charge. This DCA program is called, Strategic Organization, Leadership and Individual Development (SOLID). SOLID provides a very comprehensive and wide array of programs for workforce development and leadership building, providing Board staff pathways to gaining exceptional knowledge and aptitude from SOLID's organizational foci. SOLID offers traditional training by classroom instruction and also workshops, and training through its e-learning portal. Webinars/webcasts of live training sessions and archived sessions are readily available to Board employees at all hours of the day, year-round. Course content includes, but is not limited to, Time Management Essentials, Procurement, Business Writing, Resume Preparation, Stress in the Workplace, How to Write Procedures, Conflict Resolution, Negotiation Skills, and Telephone Customer Service Techniques.

SOLID Planning Solutions also provides training in the following areas, not by limitation:

1. Strategic Planning;
2. Meeting and Event Facilitation;
3. Process Improvement;
4. Leadership Competencies;
5. Upward Mobility; and,
6. Board Member Orientation Training.

The executive officer and management staff readily encourage employees to harness all that is available through this proven and reputable program.

Section 4 – Licensing Program

Licensing Performance Targets/Expectations	53
Applications Processing Times	54
Number Of Licenses Issued And Renewed Each Year	54
Table 6. Licensee Population	54
Table 7a. Licensing Data By Type	55
Table 7b. Total Licensing Data	56
Verification Of Applicant Information	56
Out-Of-State And Out-Of-Country Applicants	58
Use Of “No Longer Interested” Notifications To Department Of Justice	58
Table 8. Examination Data	59
Type(s) Of Examinations Required For Licensure	59
Pass Rate For First Time Vs. Retakes – Last Four Fiscal Years	62
Computer Based Testing	63
Statutes That May Hinder Efficient/Effective Processing Of Applications And Examinations	63

Section 4 Licensing Program

16. What are the board's performance targets/expectations for its licensing¹ program? Is the board meeting those expectations? If not, what is the board doing to improve performance?

As per the Board's 2007 Strategic Plan:

- 1.1 - Utilize the Department of Consumer Affairs' information technology system, which would be tailored to most efficiently meet the Board's specific needs.
- 5.1 - Improve the security, accessibility, cost-effectiveness, and validity of the examination process.
- 5.2 - Implement computer-based testing.

The Board currently uses Consumer Affairs' CAS system (called Consumer Affairs System) for querying licensing data, reporting and measures and the ATS (Applicant Tracking System) to manage applicant processing, data and fee administration. The Board is awaiting full implementation of BreEZe, an enterprise solution, to replace all components of CAS and major components of ATS.

Under Strategic Plan, Item 1.1, the Board is working with the Department of Consumer Affairs' (DCA) to have full access to their relational database program called, "BreEZe." BreEZe is an enterprise solution (information technology) that will enable the Board to use a fully comprehensive data system to administer its program, including applications processing, fees administration, and complaint intake and tracking. The Board anticipates to be moved into the testing phase of this program as early as September 2014.

For the remaining items of the strategic plan, the Board is seeking legislation in the 2014 legislative session to increase its examination fees so that it may administer computer based testing or CBT with appropriate expenditure authority by January 1, 2015. In the interim, the Board, in a joint effort with the DCA, will start CBT in January 2014 as part of its public policy analysis and review to substantiate operating expenses and equipment and personnel years. This effort also will support any required appropriations through a legislative BCP or through equivalent budget augmentation channels.

¹ The term "license" in this document includes a license certificate or registration.

17. Describe any increase or decrease in average time to process applications, administer exams and/or issue licenses. Have pending applications grown at a rate that exceeds completed applications? If so, what has been done to address them? What are the performance barriers and what improvement plans are in place? What has the board done and what is the board going to do to address any performance issues, i.e., process efficiencies, regulations, BCP, legislation?

In accordance with Board policy, the Board processes approximately 99 percent of all applications received within a 6-month time period with approximately 74 percent approved. An incomplete application over 6 months old (including failure to pass the pest control examination) is automatically voided and a new application is required. Applicants whose applications have been approved and who have successfully passed the examination have up to one-year to complete their applications; beyond one-year, the application is voided. A majority of applications submitted are processed within 14 days, at least 16 days faster than the Board’s target of 30 days. Processing delays are rare; however, if they occur, they are usually a result of factors beyond the Board’s or applicant’s control (i.e. response to fingerprinting submissions provided by sibling agencies). Applicants are encouraged to begin the fingerprint background check as the first step in the examination / licensure process to minimize any delays. Because the Board’s actual processing times are relatively very low [prior to] and since the last sunset review (a period of over 13 years), board members have not directed the Board to adopt regulations for the establishment of application processing baselines.

18. How many licenses or registrations does the board issue each year? How many renewals does the board issue each year?

Table 6. Licensee Population					
		FY 2009/10	FY 2010/11	FY 2011/12	FY 2012/13
Applicator	Active	5,265	4,931	4,893	5,051
	Out-of-State *				
	Out-of-Country *				
	Delinquent *				
Field Representative	Active	10,719	10,877	10,764	10,549
	Out-of-State *				
	Out-of-Country *				
	Delinquent *				
Operator	Active	3,467	3,547	3,550	3,601
	Out-of-State *				
	Out-of-Country *				
	Delinquent *				
Principal Registration	Active	2,513	2,575	2,629	2,713
	Out-of-State *				
	Out-of-Country *				
	Delinquent *				
Branch Offices	Active	458	441	439	437
	Out-of-State *				
	Out-of-Country *				
	Delinquent *				
* This data is not tracked by the Board					

The Board has issued, on average, approximately 2,329 licenses each year; this number includes all Applicator, Field Representative and Operator licenses. The Board processes approximately 4,275 renewals each year. Licenses are valid in three-year cycles. Please see Table 7a. and Table 7b. below.

Table 7a. Licensing Data by Type											
	Application Type	Received	Approved	Closed	Issued	Pending Applications			Cycle Times		
						Total (Close of FY)	Outside Board control*	Within Board control*	Complete Apps	Incomplete Apps	combined, IF unable to separate out
FY 2010/11	Applicator	N/A	N/A	1,568	1,112	-	-	-	-	-	-
	Renewal	N/A	N/A		611	-	-	-	-	-	-
	Field Representative	N/A	N/A	1,117	1,299	-	-	-	-	-	-
	Renewal	N/A	N/A		2,564						
	Operator	N/A	N/A	110	183						
	Renewal	N/A	N/A		517						
FY 2011/12	Applicator	N/A	N/A	1,081	1,093						
	Renewal	N/A	N/A		573						
	Field Representative	N/A	N/A	931	972						
	Renewal	N/A	N/A		2,784						
	Operator	N/A	N/A	106	132						
	Renewal	N/A	N/A		1,622						
FY 2012/13	Applicator	N/A	N/A	902	1,108						
	Renewal	N/A	N/A		563						
	Field Representative	N/A	N/A	1,233	916						
	Renewal	N/A	N/A		2,551						
	Operator	N/A	N/A	113	172						
	Renewal	N/A	N/A		1,040						

* Optional. The board does not track pending applications and cycle times for complete or incomplete applications.

Table 7b. Total Licensing Data			
	FY 2010/11	FY 2011/12	FY 2012/13
Initial Licensing Data:			
Initial License/Initial Exam Applications Received	6,449	7,586	7,679
Initial License/Initial Exam Applications Approved	4,969	5,710	5,369
Initial License/Initial Exam Applications Closed	*	*	*
License Issued	See Table 7a	See Table 7a	See Table 7a
Initial License/Initial Exam Pending Application Data:			
Pending Applications (total at close of FY)	*	*	*
Pending Applications (outside of board control)*	*	*	*
Pending Applications (within the board control)*	*	*	*
Initial License/Initial Exam Cycle Time Data (WEIGHTED AVERAGE):			
Average Days to Application Approval (All - Complete/Incomplete)	*	*	*
Average Days to Application Approval (incomplete applications)*	*	*	*
Average Days to Application Approval (complete applications)*	*	*	*
License Renewal Data: 10/11, 11/12, 12/13			
License Renewed	3,692	4,979	4,154
* Optional. The does not track exam pending applications for close of FY within or outside the boards control.			

19. How does the board verify information provided by the applicant?

Certificates of course completion must accompany the application for an operator’s license. Applications for licensure as a field representative and operator must also be accompanied by a Certificate of Experience, completed and signed under penalty of perjury by the qualifying manager (licensed operator) of the company under which the applicant gained the required training and experience. Any discrepancies noted by staff during the application review process as it relates to possible authenticity of the signature or experience qualifications are researched further by contacting qualifying managers to confirm accuracy of the information. License files may be reviewed to confirm periods of employment. If experience is obtained from out-of-state employment, verification of licensure from that state regulatory agency is obtained.

- a. What process is used to check prior criminal history information, prior disciplinary actions, or other unlawful acts of the applicant?

The applicant must respond to the question on the application, “Have you ever been convicted of a felony or a misdemeanor other than a minor traffic infraction?” If yes, they are to attach a signed, detailed statement regarding all felonies and

misdemeanor convictions. If the applicant says no and the Board later receives a background check hit, the Board then sends written correspondence to the applicant requesting an explanation. For prior disciplinary actions, the Board reviews CAS records for pending complaints, citations and accusations. If records reveal any pending actions or unsatisfied obligations, the applicant is asked to correct the issues. If the Board believes that an applicant has falsified any information in the application regarding criminal history or past/present disciplinary actions, the application will be referred for denial or a statement of issues. Pursuant to the Administrative Procedures Act, the applicant may appeal the Board's proposed action.

b. Does the board fingerprint all applicants?

Effective July 1, 2004, all license applicants must be fingerprinted for a criminal history background check through the Board's Criminal Offender Record Information program (CORI). Staff reviews the criminal history record from the Department of Justice and the Federal Bureau of Investigation, and makes the determination to issue or deny the license. All license applications are screened through the Board's enforcement records to determine if the applicant has had any prior disciplinary actions or outstanding enforcement actions that may be grounds for denial of the application.

c. Have all current licensees been fingerprinted? If not, explain.

The Board's fingerprint legislation became effective on July 1, 2004. Because this law could not be enforced retrospectively, only applicants filing applications for licensure on or after July 1, 2004 were subject to the requirements of this legislation. The DCA sought authority in FY 2007-08 to allow affected boards and bureaus to require all licensees who have not been previously fingerprinted to submit fingerprints as part of the renewal of their licenses; however, this legislation did not pass. The Board is considering the promulgation of regulations as a means to require licensees, previously not subject to prior legislation, to submit their fingerprints as a condition of licensure renewal.

d. Is there a national databank relating to disciplinary actions? Does the board check the national databank prior to issuing a license? Renewing a license?

The Board does not use a national databank for disciplinary actions nor in connection with license issuance or renewals. However, the Board requires applicants to disclose prior disciplinary actions (including misdemeanors and felonies) from all states and regulatory bodies. The Board may randomly review these applications to verify the information contained therein. The Board may take appropriate disciplinary action if it confirms any form of misrepresentation in the application or renewal of a license.

e. Does the board require primary source documentation?

The Board requires source documentation on all its forms for the maintenance, issuance or renewal of a license. This documentation requires certification under

penalty of perjury, signed by the applicant or licensee, for truth and accuracy of the information contained. At various stages of an examination or licensing process, the Board may require that the licensee or applicant provides evidence of valid photo identification, generally a driver's license. Photo identification is mandatory for all examination applications, specifically at the examination sites.

When the Board's investigators conduct audits at the examination sites, it will request and verify source documentation supporting that the candidate is authorized to be at the examination site, usually valid photo identification and examination papers.

Finally, the Board accepts source documents furnished by the applicant or licensee from current and previous employers and similar documents attesting to the experience, education and qualifications of the applicant or licensee.

20. Describe the board's legal requirement and process for out-of-state and out-of-country applicants to obtain licensure.

If the applicant is already licensed in a different state, the Board will send a request to the applicant's current/previous employer requesting a License History on that state regulatory authority's letterhead, if applicable. Whether or not the person holds a license, the licensing unit routinely requests from the applicant a detailed statement from his/her employer stating the exact duties the individual performed. Certificates of training, any schooling in pest control and a penalty of perjury statement from the applicant is required. The licensing unit also reviews that state's website to view its requirements for licensure and also checks the rules and regulations for the state to see if they meet the Board's requirements. The Board encourages the applicant to submit as much information that he/she believes is relevant to prevent any application processing delays. If the application is approved, the applicant is scheduled to take the appropriate license examination.

21. Does the board send No Longer Interested notifications to DOJ on a regular and ongoing basis? Is this done electronically? Is there a backlog? If so, describe the extent and efforts to address the backlog.

The Board sends NLIs to DOJ by regular mail or by facsimile on a regular basis. Presently, the NLI form does not enable the Board to send this confidential information electronically. The Board processes as many as 5 NLIs per day. There is no backlog.

NLI Automated Process through BreEZe:

An automated NLI process is currently in the development and will be a feature in BreEZe. The Board is in phase 3 of the BreEZe implementation which is anticipated to move into production by September 2014.

Table 8. Examination Data

The Board does not track information below concerning examination data.

Table 8. Examination Data				
California Examination (include multiple language) if any:				
License Type		N/A	N/A	N/A
Exam Title		N/A	N/A	N/A
FY 2009/10	# of 1 st Time Candidates	N/A	N/A	N/A
	Pass %	N/A	N/A	N/A
FY 2010/11	# of 1 st Time Candidates	N/A	N/A	N/A
	Pass %	N/A	N/A	N/A
FY 2011/12	# of 1 st Time Candidates	N/A	N/A	N/A
	Pass %	N/A	N/A	N/A
FY 2012/13	# of 1 st time Candidates	N/A	N/A	N/A
	Pass %	N/A	N/A	N/A
Date of Last OA		N/A	N/A	N/A
Name of OA Developer		N/A	N/A	N/A
Target OA Date		N/A	N/A	N/A
National Examination (include multiple language) if any:				
License Type		N/A	N/A	N/A
Exam Title		N/A	N/A	N/A
FY 2009/10	# of 1 st Time Candidates	N/A	N/A	N/A
	Pass %	N/A	N/A	N/A
FY 2010/11	# of 1 st Time Candidates	N/A	N/A	N/A
	Pass %	N/A	N/A	N/A
FY 2011/12	# of 1 st Time Candidates	N/A	N/A	N/A
	Pass %	N/A	N/A	N/A
FY 2012/13	# of 1 st time Candidates	N/A	N/A	N/A
	Pass %	N/A	N/A	N/A
Date of Last OA		N/A	N/A	N/A
Name of OA Developer		N/A	N/A	N/A
Target OA Date		N/A	N/A	N/A

22. Describe the examinations required for licensure. Is a national examination used? Is a California specific examination required?

The Board does not maintain reciprocal agreements with other states; therefore, the Board does not administer a national examination. The Board's examination

requirements are guided by California statute, commencing with B&P sections 8562 and 8564 and California Code of Regulations, Section 1937. In addition to measuring proficiencies in traditional pest control methods, each licensing exam requires specific proficiencies in integrated pest management, including water quality safety. Below is a description of each license type issued by the Board and a more detailed explanation of experience requirements necessary prior to admittance to take the California-based examination.

The Board licenses and regulates applicators, field representatives and operators in the areas of Branch 1 – Fumigation, Branch 2 – General Pest, and Branch 3 – Termite (Wood-Destroying Pests and Organisms).

Applicator's License

Branch 2 & 3

Education – None

Experience – None

Examination – Must successfully pass written examination with score of 70% or better. The examination will ascertain that an applicant has sufficient knowledge in pesticide equipment, pesticide mixing and formulation, pesticide application procedures, integrated pest management and pesticide label directions.

Field Representative's License

Branch 1

Education – None

Experience – Six months' training and experience in the practice of fumigating with poisonous or lethal gases under the immediate supervision of an individual licensed to practice fumigating. Of this six months' experience, a minimum of 100 hours of training and experience must be in the area of preparation, fumigation, ventilation, and certification.

Examination – Must successfully pass written examination with score of 70% or better. The examination will ascertain that an applicant is qualified in the use and understanding of the safety laws of the state, provisions of the Structural Pest Control Act, poisonous and other dangerous chemicals used in pest control, the theory and practice of pest control, and other state laws, safety or health measures, or practices as are reasonable within the scope of structural pest control.

Branch 2

Education – None

Experience – A minimum of 40 hours of training and experience in the practice of pesticide application, Branch 2 pest identification and biology, pesticide application equipment, and pesticide hazards and safety practice, of which 20 hours are actual field work

Examination – Must successfully pass written examination with score of 70% or better. The examination will ascertain that an applicant is qualified in the use and understanding of the safety laws of the state, provisions of the Structural Pest Control Act, poisonous and other dangerous chemicals used in pest control, the theory and practice of pest control, and other state laws, safety or health measures, or practices as are reasonable within the scope of structural pest control.

Branch 3

Education – None

Experience – A minimum of 100 hours of training and experience in the practice of pesticide application, Branch 3 pest identification and biology, pesticide application equipment, pesticide hazards and safety practices, structural repairs, and structural inspection procedures and report writing, of which 80 hours are actual field work.

Examination – Must successfully pass written examination with a score of 70% or better. The examination will ascertain that an applicant is qualified in the use and understanding of the safety laws of the state, provisions of the Structural Pest Control Act, poisonous and other dangerous chemicals used in pest control, the theory and practice of pest control, and other state laws, safety or health measures, or practices as are reasonable within the scope of structural pest control.

Operator's License

Branch 1

Education – Successful completion of board-approved course in the areas of pesticides, pest identification and biology, contract law, rules and regulations, business practices, and fumigation safety.

Experience – Two years' actual experience in the practice relating to the control of household and wood-destroying pests or organisms by fumigation with poisonous or lethal gases. One-year of experience must have been as a licensed field representative in Branch 1 (B&P Section 8562).

Examination – Must successfully pass written examination with a score of 70% or better. The examination will ascertain that the applicant is qualified in the use and understanding of the English language, including reading, writing, and spelling, the building and safety laws of the state and any of its political subdivisions, the labor laws of the state, the provisions of the Structural Pest Control Act, poisonous and other dangerous chemicals used in pest control, the theory and practice relating to the control of household and wood destroying pests or organisms by fumigation with poisonous or lethal gases, and other state laws, safety or health measures, or practices that are

reasonably within the scope of structural pest control, including an applicant's knowledge of the requirements regarding health effects and restrictions.

Branch 2

Education – Successful completion of board-approved course in the areas of pesticides, pest identification and biology, contract law, rules and regulations, and business practices.

Experience – Two years' actual experience in the practice relating to the control of household pests, excluding fumigation with poisonous or lethal gases. One-year of the required two years' experience must have been as a field representative in Branch 2.

Examination – Must successfully pass written examination with a score of 70% or better. The examination will ascertain that the applicant is qualified in the use and understanding of the English language, including reading, writing, and spelling, the building and safety laws of the state and any of its political subdivisions, the labor laws of the state, the provisions of the Structural Pest Control Act, poisonous and other dangerous chemicals used in pest control, the theory and practice relating to the control of household pests, and other state laws, safety or health measures, or practices that are reasonably within the scope of structural pest control, including an applicant's knowledge of the requirements regarding health effects and restrictions.

Branch 3

Education – Successful completion of board-approved course in the areas of pesticides, pest identification and biology, contract law, rules and regulations, business practices, and construction repair and preservation techniques.

Experience – Four years' actual experience in the practice relating to the control of wood destroying pests or organisms by the use of insecticides, or structural repairs and corrections, excluding fumigation with poisonous or lethal gases. Two years of the required four years' experience must have been as a field representative in Branch 3.

Examination – Must successfully pass written examination with a score of 70% or better. The examination will ascertain that the applicant is qualified in the use and understanding of the English language, including reading, writing, and spelling, the building and safety laws of the state and any of its political subdivisions, the labor laws of the state, the provisions of the Structural Pest Control Act, poisonous and other dangerous chemicals used in pest control, the theory and practice relating to the control of wood destroying pests or organisms by the use of insecticides, or structural repairs and corrections, and other state laws, safety or health measures, or practices that are reasonably within the scope of structural pest control, including an applicant's knowledge of the requirements regarding health effects and restrictions.

23. What are pass rates for first time vs. retakes in the past 4 fiscal years? (Refer to Table 8: Examination Data)

The Board does not track this information.

24. Is the board using computer based testing? If so, for which tests? Describe how it works. Where is it available? How often are tests administered?

The Board is currently not using CBT; however, as part of its transition plan after returning to Consumer Affairs, effective July 1, 2013, it is currently working with Consumer Affairs' Office of Professional Examination Services to establish a contract with an outsider vendor for CBT, an objective of the Board's 2007 Strategic Plan. The contract process requires appropriate approvals and budget act authority (legislation) before it can be fully ratified. It is anticipated that CBT will be in place by beginning of fiscal year 2015-16 if not sooner following legislative and budgetary approvals.

The preliminary vision for the testing environment is to offer the state examination for all license types, a maximum of one time per month. There will be 39 testing sites nationally, 17 testing sites in California and the 22 testing sites in other states. The exam facilities will use current state-of-the-art testing security measures to ensure exam integrity. Because of the sensitive nature of examination security, the facility's security measures are kept confidential in accordance with state and federal laws.

Note: If administratively feasible, the Board is seeking legislation in the 2014 legislative session to increase its examination fees so that it may administer computer based testing or CBT with appropriate expenditure authority by January 1, 2015. In the interim, the Board, in a joint effort with the DCA, will start CBT in January 2014 as part of its public policy analysis and review to substantiate operating expenses and equipment and personnel years. This effort also will support any required appropriations through a legislative BCP or through equivalent budget augmentation channels. The Board will continue to assess its fund condition to ensure that it does not operate in a deficiency.

25. Are there existing statutes that hinder the efficient and effective processing of applications and/or examinations? If so, please describe.

None

School approvals

26. Describe legal requirements regarding school approval. Who approves your schools? What role does BPPE have in approving schools? How does the board work with BPPE in the school approval process?

The Board has no authority over school approvals or their operation and curriculum, nor any relationship with the Bureau for Private Postsecondary Education (BPPE).

27. How many schools are approved by the board? How often are schools reviewed?

The Board currently has 118 CE approved providers listed on its website. The Board does not conduct scheduled reviews of continuing education providers; however, the Board's staff evaluates and approves each course offering, including the course syllabus

and curriculum vitae. Board investigators periodically audit CE course providers to ensure compliance with Board requirements.

28. What are the board's legal requirements regarding approval of international schools?

The Board does not currently approve international schools.

Continuing Education/Competency Requirements

29. Describe the board's continuing education/competency requirements, if any. Describe any changes made by the board since the last review.

Note: Since the last sunset review, the Board adopted Section 1984 of the California Code of Regulations, approved by the Office of Administrative Law (OAL) on July 9, 2008. This section was adopted by the Board to pioneer alternatives, such as environmentally safe pesticides, to support integrated pest management (IPM). This section was subsequently amended, approved by OAL on October 16, 2009, to better clarify the intent and purpose of IPM. The Board revised IPM continuing education and competency requirements to assure that licensees maintain an acceptable level of knowledge in this field.

Continued competency in the practice of structural pest control is assured through mandatory continuing education. Continuing education requirements vary depending on the type of license and number of categories held by the individual licensee. The number of required hours varies from 16 to 24 hours in a three-year renewal period. The Board conducts random audits every renewal period to ensure compliance with license renewal requirements.

The board requires licensees to complete continuing education specific to the technical branches they are licensed in, every three years. Applicators are required to complete 12 hours of continuing education of which, 6 hours must cover pesticide application and use, 4 hours must cover the board's rules and regulations, and 2 hours must cover integrated pest management. Field Representatives and Operators must complete 8 hours covering the board's rules and regulations, 4 hours specific to each technical branch they are licensed in, and 2 hours covering integrated pest management.

a. How does the board verify CE or other competency requirements?

Every licensee is required, as a condition to renewal of a license, to certify that he or she has completed the continuing education requirements. A licensee who cannot verify completion of continuing education by producing certificates of activity completion, whenever requested to do so by the Board, may be subject to disciplinary action. Each year the board conducts continuing education audits that require a percentage of licensees to produce their certificates of activity completion.

b. Does the board conduct CE audits on its licensees? Describe the board's policy on CE audits.

The board conducts annual CE audits on all classes of licensees. The board's policy is to conduct audits following renewals to insure licensees are accurately reporting their continuing education. The audits are conducted by taking a list of every licensee who renewed that year, and randomly selecting a percentage of them who will be required to provide proof of their CE having been completed. Percentages vary from year-to-year based on staff workload. Percentages by year are broken down below.

Fiscal Year 2009-10	Percentage Audited	Total Number Audited
Applicators	25%	87
Field Representatives	15%	376
Operators	25%	237

Fiscal Year 2010-11	Percentage Audited	Total Number Audited
Applicators	25%	112
Field Representatives	15%	388
Operators	25%	258

Fiscal Year 2011-12	Percentage Audited	Total Number Audited
Applicators	25%	95
Field Representatives	23%	615
Operators	23%	268

Audits for Fiscal Year 2012-13 have not been conducted yet.

c. What are consequences for failing a CE audit?

The consequences for failing a CE audit depend on the severity of the failure to meet requirements. The range of penalties varies from a citation and fine all the way up to license revocation.

d. How many CE audits were conducted in the past four fiscal years? How many fails?

There were 9 audits conducted in the last 4 fiscal years, and 3 more that will be conducted during fiscal year 2012-13. So, 12 total. The number of licensees who failed to meet their CE requirements during those audits is shown below.

Fiscal Year 2009-10	Percentage of Failures	Total Number Failed
Applicators	7%	6
Field Representatives	7%	26
Operators	2%	5

Fiscal Year 2009-10	Percentage of Failures	Total Number Failed
Applicators	12%	13
Field Representatives	2%	8
Operators	2%	4

Fiscal Year 2011-12	Percentage of Failures	Total Number Failed
Applicators	20%	19
Field Representatives	10%	64
Operators	12%	33

Fiscal Year 2012-13: Has not been conducted yet.

e. What is the board's course approval policy?

The Board's course approval policy is set under California Code of Regulations Section 1950.5. This sections states in relevant part:

All educational activities must be submitted to the Board for approval. Each activity approved for technical or rules and regulations must include a written examination to be administered at the end of the course.

Examinations administered at the end of the course must consist of ten questions per one hour of instruction, with 40 questions minimum for any activity of instruction of four hours or more. Licensees must obtain a passing score of 70% or better in order to obtain a certificate of course completion. If the examination is failed, the licensee shall be allowed to be reexamined by taking a different examination within sixty days.

The following is an outline of course requirements:

- a. Accredited college courses – 10 hours for each 2 semester-unit course; 16 hours for each 3 semester-unit course.
- b. Adult education courses – 6 hours
- c. Professional seminars or meetings – up to a maximum of 6 hours per seminar or meeting. Additional hours may be approved depending on the complexity of the activity and its relevance to new developments in the field of pest control.
- d. Technical seminars or meetings – up to a maximum of 6 hours per seminar or meeting. Additional hours may be approved depending on the complexity of the activity and its relevance to new developments in the field of pest control.
- e. Operators' courses approved by the Board pursuant to section 8565.5 of the code – 1 hour per hour of instruction.
- f. Correspondence courses developed by the Board pursuant to section 8565.5 of the code – full credit per branch.
- g. Correspondence courses approved by the board – hours will be assigned depending on the complexity of the course and its relevance to new developments in the field of pest control.
- h. Association meetings – 1 hour for every hour of instruction up to a maximum of 4 hours per meeting.
- i. Structural Pest Control Board meetings – 1 general hour and 1 rule and regulation hour per meeting, up to a maximum of 4 hours per renewal period (excluding Board Members.) this activity is exempt from examination requirements pursuant to this section.

- j. Structural Pest Control Board Committee meetings – 1 hour per meeting, up to a maximum of 2 hours per renewal period (excluding Board Members).
- k. In-house training in technical subjects – 1 hour per hour of instruction.
- l. Board approved Rules and Regulations courses – 1 hour for every hour of instruction.
- m. Integrated Pest Management courses – 1 hour for every hour of instruction.
- f. Who approves CE providers? Who approves CE courses? If the board approves them, what is the board application review process?

The Board has staff dedicated to review and approve CE courses. The Board applies the provisions of Section 1950 and 1953 of the California Code of Regulations. Section 1953 states in relevant part:

- A. Providers of activities of continuing education in pest control shall request approval as a provider and of activities on forms provided by the Board. The form is reviewed for completion by the Education Program Coordinator and then submitted to the Executive Officer for final review and approval. An approval letter is sent to the provider, outlining the criteria and approval process for submitting instructor and CE course applications. Requests for approval of activities must be submitted to the Board no later than 60 days prior to presentation of the activity unless exception is granted by the Registrar.
- B. All providers must notify the Board 30 days prior to the presentation of any board approved activity unless exception is granted by the Registrar.
- C. All providers must submit a course attendance roster to the Structural Pest Control Board within five working days after every course instructed.
- D. After giving the provider a written notice and an opportunity to respond, the Board may withdraw approval of any activity.
- E. Unless otherwise indicated, approval of each activity shall remain in effect for 3 years.
- F. In order to be approved, activities must be:
 - 1. Directly related to the field of structural pest control;
 - 2. Provided by an institution, association, university, or other entity assuming full responsibility over the course program;
 - 3. Composed of a formal program of learning which requires:
 - a. Attendance and participation,
 - b. At least one hour of instruction,
 - c. A syllabus (detailed outline of the main points of the curriculum),
 - d. A certificate of completion; and,
 - 4. Conducted by an instructor who has qualified by meeting two of the following experience requirements:

- a. Completion of training in the subject of the activity,
 - b. Six months' experience working in the area covered by the activity within the preceding three years,
 - c. Experience teaching an activity of similar content within the preceding five years,
 - d. Completion of any post-secondary studies related to the subject matter of the activity,
 - e. Author of the activity being reviewed, or a credentialed instructor.
- g. How many applications for CE providers and CE courses were received? How many were approved?

The Board does not maintain a database to track the total number of CE provider applications submitted nor the actual number of CE courses received for approval in the last four years. According to hard copy records, the Board has 725 courses approved for CE education: <http://www.pestboard.ca.gov/ce/ceaa2.pdf>. The Board also maintains a list of approved CE instructors.

- h. Does the board audit CE providers? If so, describe the board's policy and process.

The Board's investigators periodically audit CE providers (up to 12 times per year) to ensure compliance with the Board's laws, rules and regulations. Board investigators, who also hold pest control licenses (inactive status by state policy), are also required per Board policy to maintain CE requirements.

The CE audit process may be either: 1) Educational or informational, or 2) Investigative. Educational or informational is a process by which Board's administrative or investigative staff responds to frequently asked questions or provides general guidance to the CE provider to ensure compliance with statutory or regulatory requirements.

The Investigative process is initiated either proactively whereby CE providers are investigated randomly or, as issues are raised to the Board by formal or informal complaints, reactively to consider the imposition of course decertification or criminal prosecution. Board investigators use recognized investigative techniques and sources of information (i.e. law enforcement or the judicial system) to assist in gathering all facts associated with a given investigation to assess whether violations of law should be pursued.

- i. Describe the board's effort, if any, to review its CE policy for purpose of moving toward performance based assessments of the licensees' continuing competence.

Section 5 – Enforcement Program

Performance Targets And Expectations	70
Trends In Enforcement Data, Program Improvement, Budgets, Legislation	73
Table 9a. Enforcement Statistics	74
Table 9b. Enforcement Statistics (Continued)	75
Table 9c. Enforcement Statistics (Continued)	76
Table 10. Enforcement Aging	77
Explanation Of Statistics	77
Prioritizing Cases	78
Mandatory Reporting Requirements	78
Statute Of Limitations	78
Efforts To Address Unlicensed Activity	79
CITE AND FINE	80
Cite And Fine Authority	80
Cite And Fine Use and Basis	81
Informal Conferences, Disciplinary Review Committee and Appeals (4 Years)	82
Most Common Citation Violations	83
Average Fine Pre And Post Appeal	83
Franchise Tax Board Intercepts For Outstanding Fines	83
COST RECOVERY AND RESTITUTION	84
Efforts To Obtain Cost Recovery	84
Revocations, Surrenders and Probationers	84
Exceptions to Cost Recovery	85
Franchise Tax Board Intercepts For Cost Recovery	85
Restitution Policies	85
Table 11. Cost Recovery	86
Table 12. Restitution	86

Section 5 Enforcement Program

30. What are the board's performance targets/expectations for its enforcement program? Is the board meeting those expectations? If not, what is the board doing to improve performance?

Under the Board's 2007 Strategic Plan, it established a performance goal of:

4.1 - Achieve needed disposition of complaints in order to protect consumers and meet statutory requirements.

From 2001 through 2004, the Board received on average of approximately 1,240 complaints annually. Since the housing crisis in 2008, complaints dropped to an all-time low of 377 in FY 2008-09 but have steadily increased from that point forward to a high of 518 in FY 2012-13. The Board estimates, based on current intake, that complaints will increase to 600 by end of FY 2013-14.

The Board believes that there are two issues affecting the intake of complaints and, ostensibly, California's economy. The first is "As-Is" sales and the other is the underground pest control industry.

The Board believes that the rising trend of "As-Is" sales are nullifying the need for WDO inspections; specifically, the buyer, seller or lender is waiving pest control contractual contingencies so that there are fewer requirements in the sale or purchase of a home. These waivers preclude the Board from maintaining substantive jurisdiction, even in cases where there may have been a WDO inspection performed. It is not uncommon, as per the Board's experience, for the buyer to correct any conditions that would otherwise prevent the sale of property as this action serves as an incentive to stimulate the purchase of the property from the seller, particularly in a declining market. In essence, a pest control company performing an inspection, excluding treatment and/or repairs, cannot be administratively disciplined for any of its findings or recommendations if the buyer/seller agrees in advance that they will not use the pest control report or if they agree to hold the pest control company harmless as a condition of sale. The Board's sole jurisdiction is to hold the pest control company responsible for the content and format of the report, but this does not administratively assist the consumer if a financial dispute occurs. The consumer's only recourse would be to pursue the dispute in civil court.

In accordance with Business and Professions Code, Section 465 et seq., the Board is looking at innovative ways to improve complaint responsiveness while improving customer service and minimizing state costs. The Board plans to research private mediation, conciliation and arbitration programs (or "alternative dispute resolution") as an additional means to dispute resolution and to continue to maintain substantive jurisdiction on complaints, even for "As-Is" sales or when the purchase agreement contains waiver clauses.

The implementation of an alternative dispute resolution program, such as arbitration, better serves the consumer, particularly if the financial disputed amount is outside of the small claims court's jurisdiction. Arbitration is not the answer to all investigative matters, but is a program that can be used to resolve specific financial disputes. Other jurisdictions, including the Contractors State License Board, have implemented an arbitration program and have enjoyed successes. An arbitration program, when properly administered, can save on investigative costs, fleet costs, attorney general costs and Office of Administrative Hearings costs, which are variable costs and can contribute to difficult budgeting and expenditure decisions. The utility of an arbitration program is the control of expenses by having a fixed sum of monies, under contract, with a private vendor who takes on the responsibility of the administration of the hearings and decisions (or awards) under the final review and supervision of the Board.

The Board may refer consumers to community based programs as well, such as court mediation or conciliation programs. The Board would maintain contact with the consumer to ensure that the court-administered program is the best alternative.

The second issue is the underground pest control industry. These are individuals or companies who fail to report, for instance, income or fail to report taxes, such as unemployment tax. The underground economy includes licensed and unlicensed practitioners, an area of the industry that appears to be growing, especially in the last year, due to rising unemployment, the decline in savings and retirement, and the reduction of various income assistance programs (such as unemployment compensation).

According to the California Employment Development Department:

“Reports on the underground economy [a ten billion dollar industry] indicate it imposes significant burdens on revenue needed to fund critical state programs and businesses that comply with the law. When businesses operate in the underground economy, they gain an unfair, competitive advantage over businesses that comply with labor, licensing, and payroll tax laws. This causes unfair competition in the marketplace and forces law-abiding businesses to pay higher taxes and expenses.

Workers of noncompliant businesses are also affected. Their working conditions may not meet the legal requirements, which can put them in danger. Their wage earnings may be less than what is required by law, and benefits they are entitled to can be denied or delayed because their wages are not properly reported. Consumers can also be affected when contracting with unlicensed businesses. Licensing provisions are designed to ensure sufficient skill and knowledge to protect consumers.”

The Board believes that in order to appropriately combat these issues, it must obtain the resources necessary to effect positive change. In 2013, the Board began partnering with the Department of Industrial Relations, Division of Labor Standards Enforcement, and sibling agencies to counteract the negative effects of the underground economy. In order to achieve affirmative results, the Board endeavors to initiate proactive investigations, as opposed to the traditional reactive investigations, that would not solely

be based on administrative or criminal sanctions, but would alternatively, and where appropriate, encourage and educate unlicensed practitioners on the virtues of securing licensure and likewise would incentivize currently licensed practitioners to satisfy any outstanding obligations.

The Board currently maintains a staff of 8 field investigators (“Specialists”) to investigate complaints and to enforce administrative or criminal actions. The Board plans to expand the scope of its field operations, to support the underground economy efforts and to address the provision of complaint intake and investigations, by seeking position authority for 2 additional field investigators in FY 2014-15 or FY 2015-16. The Board anticipates that it can recover underground economy outstanding liabilities greater than the amount to fund these positions, which the Board estimates will be at least two times the costs of the positions (approximately \$76,000, including salaries, wages and benefits per position times 2).

The Board’s performance target and expectations are based on CPEI or the Consumer Protection Enforcement Initiative. The Department of Consumer Affairs (DCA) compiled a list of attributes/milestones for performance measures and accountability for each board and bureau, as illustrated on DCA’s website:

http://www.dca.ca.gov/about_dca/cpei/quarterly_reports.shtml.

The Board acknowledges these milestones as mission-critical performance targets and they are described as:

1. **Volume: No limit** (Number of complaints received)
2. **Intake: 7 Days** (Average cycle time from complaint receipt to the date the complaint was assigned to staff in the complaint unit)
3. **Intake & Investigation: 120 Days** (Average cycle time from complaint receipt to closure of the investigation process. Does not include cases sent to the Attorney General or other forms of formal discipline)
4. **Formal Discipline: 540 Days is a benchmark** (Average number of days to complete the entire enforcement process for cases resulting in formal discipline (Includes intake and investigation by the Board and prosecution by the AG))
5. **Probation Intake: 10 Days is a benchmark** (Average number of days from monitor assignment, to the date the monitor makes first contact with the probationer)
6. **Probation Violation Response: 10 Days is a benchmark** (Average number of days from the date a violation of probation is reported, to the date the assigned monitor initiates appropriate action)

In addition to the above performance measurement targets, the Board, on a monthly basis, generates statistical reports to monitor the intake of complaints, the quality of mediation and investigations performed, and the life cycle or age of the complaints received. The Board keeps track of all cases settled, the number of cases receiving

restitution and investigative cost recovery. Since FY 2009-10, the Board saved more than \$316,342.00 for the consumer, recovered costs of \$86,218.00 and received restitution in the amount of \$17,617.00. The Board also uses customer satisfaction surveys to monitor performance and to make any quality control improvements in the program, such as expanding its enforcement program by addressing issues in the underground economy.

31. Explain trends in enforcement data and the board's efforts to address any increase in volume, timeframes, ratio of closure to pending, or other challenges. What are the performance barriers? What improvement plans are in place? What has the board done and what is the board going to do to address these issues, i.e., process efficiencies, regulations, BCP, legislation?

Statistics reveal that Board complaints are steadily rising since the market crash of 2008, the period when the Board's receipt of complaints hit an all-time low of 377. The Board's Intake and Investigations units have produced a significant decrease in the average age of open complaints, decreasing from 191 in FY 2011-12 to 116 in FY 2012-13, a significant 39 percent decrease. Overall complaint age and average days to close show improvement from one fiscal year to the next. The Board estimates that these numbers are likely to remain fairly static in the current year.

Following its return to the DCA, effective July 1, 2013, the Board is working with the DCA to establish web-based performance measurements data to provide full transparency and to fully monitor its program and implement quality controls as needed. The Board estimates that it will begin posting performance measurement data on the DCA's website in the first quarter of 2014. Data shows that the disposition of Attorneys General cases still remain an issue. The Board recognizes that – due to furloughs, budget impasses and decline in recruitment efforts statewide for virtually all state agencies – this has impacted performance timelines and the adjudication of cases. The Board will consult with the DCA to set a performance target of 540 days as a milestone for case disposition. The Board will monitor case adjudication to ensure that cases continually move through the attorney's general office and through the Office of Administrative Hearing's consent calendar.

The Board does not foresee any performance barriers; however, it does envision improved performance by way of increased enforcement in the underground economy. Board members believe that the underground economy is a serious issue in the pest control industry. As such, the Board has established a relationship with the Department of Industrial Relations to combat the underground economy. The Board anticipates establishing formal relations with sibling agencies (i.e. Franchise Tax Board) to improve proactive investigations and also to provide overall public outreach and consumer education. Position-wise, the Board will be seeking position authority in FY 2014-15 or FY 2015-16 for at least two field investigators to support the underground economy efforts.

Table 9a. Enforcement Statistics			
	FY 2010/11	FY 2011/12	FY 2012/13
COMPLAINT			
Intake (Use CAS Report EM 10)			
Received	464	480	518
Closed	495	520	519
Referred to INV	494	480	518
Average Time to Close	164	191	116
Pending (close of FY)	235	195	194
Source of Complaint (Use CAS Report 091)			
Public	438	392	431
Licensee/Professional Groups	13	30	37
Governmental Agencies	42	58	50
Other	0	0	0
Conviction / Arrest (Use CAS Report EM 10)			
CONV Received	50	29	21
CONV Closed	52	21	27
Average Time to Close	51	110	178
CONV Pending (close of FY)	4	12	6
LICENSE DENIAL (Use CAS Reports EM 10 and 095)			
License Applications Denied			
SOIs Filed	12	14	12
SOIs Withdrawn	2	4	4
SOIs Dismissed	0	0	0
SOIs Declined	0	0	0
Average Days SOI	557	577	460
ACCUSATION (Use CAS Report EM 10)			
Accusations Filed	53	34	37
Accusations Withdrawn	4	5	2
Accusations Dismissed	0	2	0
Accusations Declined	0	1	1
Average Days Accusations	489	600	674
Pending (close of FY)	51	32	29

As discussed previously, the Board is considering the use of alternative dispute resolution services or arbitration to improve its overall enforcement schema. Budget augmentation and legislation will be sought in FY 2015-16 once the program concept is approved by the Board in upcoming/future board and/or committee meetings.

Table 9b. Enforcement Statistics (continued)			
	FY 2010/11	FY 2011/12	FY 2012/13
DISCIPLINE			
Disciplinary Actions (Use CAS Report EM 10)			
Proposed/Default Decisions	20	34	27
Stipulations	11	25	28
Average Days to Complete	504	597	635
AG Cases Initiated	65	48	49
AG Cases Pending (close of FY)	59	47	41
Disciplinary Outcomes (Use CAS Report 096)			
Revocation	27	44	43
Voluntary Surrender	3	4	6
Suspension	3	0	0
Probation with Suspension	5	15	1
Probation	6	14	23
Probationary License Issued	9	11	2
Other	N/A	N/A	N/A
PROBATION			
New Probationers	20	40	26
Probations Successfully Completed	11	17	10
Probationers (close of FY)	83	83	70
Petitions to Revoke Probation	6	6	3
Probations Revoked	2	7	4
Probations Modified	0	2	0
Probations Extended	1	2	1
Probationers Subject to Drug Testing	0	2	0
Drug Tests Ordered	0	0	0
Positive Drug Tests	0	0	0
Petition for Reinstatement Granted	0	3	4
DIVERSION			
New Participants	N/A	N/A	N/A
Successful Completions	N/A	N/A	N/A
Participants (close of FY)	N/A	N/A	N/A
Terminations	N/A	N/A	N/A
Terminations for Public Threat	N/A	N/A	N/A
Drug Tests Ordered	N/A	N/A	N/A
Positive Drug Tests	N/A	N/A	N/A

Table 9c. Enforcement Statistics (continued)			
	FY 2010/11	FY 2011/12	FY 2012/13
INVESTIGATION			
All Investigations (Use CAS Report EM 10)			
First Assigned	494	459	530
Closed	494	519	512
Average days to close	164	191	116
Pending (close of FY)	235	175	193
Desk Investigations (Use CAS Report EM 10)			
Closed	291	260	333
Average days to close	51	51	46
Pending (close of FY)	51	45	38
Non-Sworn Investigation (Use CAS Report EM 10)			
Closed	195	255	179
Average days to close	326	331	245
Pending (close of FY)	182	130	153
Sworn Investigation			
Closed (Use CAS Report EM 10)	8	4	0
Average days to close	352	336	0
Pending (close of FY)	2	0	2
COMPLIANCE ACTION (Use CAS Report 096)			
ISO & TRO Issued	1 (ISO)	N/A	N/A
PC 23 Orders Requested	N/A	N/A	N/A
Other Suspension Orders	N/A	N/A	N/A
Public Letter of Reprimand	N/A	N/A	N/A
Cease & Desist/Warning	80	84	68
Referred for Diversion	N/A	N/A	N/A
Compel Examination	N/A	N/A	N/A
CITATION AND FINE (Use CAS Report EM 10 and 095)			
Citations Issued	111	169	133
Average Days to Complete	N/A	N/A	91
Amount of Fines Assessed	\$223,341	\$221,858	\$132,063
Reduced/Modified Amount	\$35,990	\$38,068	\$18,285
Withdrawn Amount	\$19,758	\$41,517	\$625
Amount Collected	\$95,638	\$127,116	\$103,127
CRIMINAL ACTION			
Referred for Criminal Prosecution	3	3	1

Table 10. Enforcement Aging						
	FY 2009/10	FY 2010/11	FY 2011/12	FY 2012/13	Cases Closed	Average %
Attorney General Cases (Average %)						
Closed Within:						
1 Year	41	21	30	20	112	55%
2 Years	23	14	18	16	71	35%
3 Years	7	3	2	4	16	8%
4 Years	0	0	2	0	2	1%
Over 4 Years	0	0	0	1	1	.05%
Total Cases Closed	71	38	52	41	202	
Investigations (Average %)						
Closed Within:						
90 Days	228	303	273	342	1,146	61%
180 Days	46	69	65	69	249	13%
1 Year	34	55	80	65	234	12.5%
2 Years	27	45	93	33	198	11%
3 Years	13	15	7	3	38	2%
Over 3 Years	2	7	1	0	10	.01%
Total Cases Closed	350	494	519	512	1,875	

32. What do overall statistics show as to increases or decreases in disciplinary action since last review.

The statistics show that disciplinary actions have slightly decreased due to the Board exercising its citation authority. Since the Board's use of citations in 1999, it has improved the Board's discretion to impose alternative penalty sanctions in lieu of the more severe consequences associated with suspensions and revocations. Citations improve the Board's ability to gain compliance for lesser violations which may be a benefit to consumers; citations also save the high costs of disciplinary actions, saving the state of California monies to focus on major violators.

Disciplinary actions vary over time as they are dynamic factors (numbers that cannot be controlled and are affected by various social, behavioral and economic variables). The decrease in such actions is a possible indicator of strengths in other aspects of the Board's program, such as improved relevancy in examinations content or continuing education subject matter, or perhaps more socially responsible licensees. The decline in the Board's licensing population may be a contributing factor, if not exclusively. The Board will continue to measure, where administratively feasible, factors that may contribute to the increase or decrease in disciplinary actions.

33. How are cases prioritized? What is the board's compliant prioritization policy? Is it different from DCA's Complaint Prioritization Guidelines for Health Care Agencies (August 31, 2009)? If so, explain why.

The Board's case prioritization policy is consistent with the DCA's guidelines, appropriate for the license population it is charged to oversee. The Board applies cases by level of priority, 1) Urgent, 2) High, and 3) Routine. Urgent priority cases include fumigation deaths, arrests or convictions, or unlicensed activity (elder abuse or significant financial damages). High priority cases include probation violations, unlicensed activity (moderate financial damages) or fraud. Routine cases include advertising violations, improper inspections or unlicensed activity (minor or no financial damages). The Board does not service patients nor is involved in equivalent healing arts' practitioners' moral turpitude or ethics requirements.

34. Are there mandatory reporting requirements? For example, requiring local officials or organizations, or other professionals to report violations, or for civil courts to report actions taken against a licensee. Are there problems with receiving the required reports? If so, what could be done to correct the problems?

Board licensees are required by statute to disclose (by written report) its findings or recommendations for all items of WDO and pest control inspections, including work completed or not performed.

Pursuant to B&P 8690, surety bond companies and insurance providers are required to notify the Board within 10 days of any change or cancellation.

County agricultural commissioners are governed by their ordinances and/or policies when to report pesticide use violations to the Board. The Board's laws do not prescribe any mandatory or duty reporting requirements for cities, counties, or cities and counties for pesticide use violations.

Courts of competent jurisdiction do not have legal obligations to report violations or actions that it may take against a pest control company. However, the Board may embrace any court action pursuant to B&P Section 8632 to discipline a licensee.

Except for its licensees, the Board's laws, rules and regulations do not place duty onto others.

35. Does the board operate with a statute of limitations? If so, please describe and provide citation. If so, how many cases were lost due to statute of limitations? If not, what is the board's policy on statute of limitations?

Statute of limitations authority is defined in B&P Section 8621. All complaints against licensees or registered companies shall be filed with the board within two years after the act or omission alleged as the ground for disciplinary action. "Act or Omission" is typically established from the actual date of inspection, contract or when treatment or repairs ceased. In matters alleging fraud, the Board has jurisdiction for a period of four years after commission of the fraudulent act or omission.

The board shall file an accusation, a disciplinary action to suspend or revoke a license and/or registration, within one year after the complaint has been filed with the board, except that with respect to an accusation alleging a violation of B&P Section 8637, the accusation may be filed within two years after the discovery by the Board of the alleged facts constituting the fraud or misrepresentation.

Under B&P 8568, the Board has jurisdiction to deny an application or renewal of a license or registration in accordance with the statute of limitations governing administrative actions pursuant to 11500 of the Government Code.

36. Describe the board's efforts to address unlicensed activity and the underground economy.

The Board is focused on the underground economy, both licensees and non-licensees. These are individuals or companies who fail to report, for instance, income or fail to report taxes, such as unemployment tax. The underground economy appears to be growing, especially in the last year, due to rising unemployment, the decline in savings and retirement, and the reduction of various income assistance programs (such as unemployment compensation).

According to the California Employment Development Department:

“Reports on the underground economy [a ten billion dollar industry] indicate it imposes significant burdens on revenue needed to fund critical state programs and businesses that comply with the law. When businesses operate in the underground economy, they gain an unfair, competitive advantage over businesses that comply with labor, licensing, and payroll tax laws. This causes unfair competition in the marketplace and forces law-abiding businesses to pay higher taxes and expenses.

Workers of noncompliant businesses are also affected. Their working conditions may not meet the legal requirements, which can put them in danger. Their wage earnings may be less than what is required by law, and benefits they are entitled to can be denied or delayed because their wages are not properly reported. Consumers can also be affected when contracting with unlicensed businesses. Licensing provisions are designed to ensure sufficient skill and knowledge to protect consumers.”

The Board believes that in order to appropriately combat these issues, it must obtain the resources necessary to effect positive change. In 2013, the Board began partnering with the Department of Industrial Relations, Division of Labor Standards Enforcement, and sibling agencies to counteract the negative effects of the underground economy. In order to achieve affirmative results, the Board endeavors to initiate proactive investigations, as opposed to the traditional reactive investigations, that would not solely be based on administrative or criminal sanctions, but would alternatively, and where appropriate, encourage and educate unlicensed practitioners on the virtues of securing licensure and likewise would incentivize currently licensed practitioners to satisfy any outstanding obligations.

The Board currently maintains a staff of 8 field investigators (“Specialists”) to investigate complaints and to enforce administrative or criminal actions. The Board plans to expand the scope of its field operations, to support the underground economy efforts and to address the provision of complaint intake and investigations, by seeking position authority for 2 additional field investigators in FY 2014-15 or FY 2015-16. The Board anticipates that it can recover underground economy outstanding liabilities greater than the amount to fund these positions, which the Board estimates will be at least two times the costs of the positions (approximately \$76,000, including salaries, wages and benefits per position times 2).

The Board also will be intensifying its office records check program given that the addition of field investigators will promote these activities. An office record check is a field enforcement activity concerned with a licensee’s record keeping. Licensees must keep all inspection reports, field notes, contracts, documents, and notices of work completed for a period of three years, in accordance with B&P Section 8652. These records can sometimes reveal that a licensee may be operating without an insurance policy, surety bond or qualifying manager. In such cases, licensees may be regarded as unlicensed practitioners.

Cite and Fine

37. Discuss the extent to which the board has used its cite and fine authority. Discuss any changes from last review and last time regulations were updated. Has the board increased its maximum fines to the \$5,000 statutory limit?

The Office of Administrative Law approved the Board’s cite and fine authority on September 12, 1998, promulgating section 1920 of the California Code of Regulations (CCR). In lieu of the Board filing formal disciplinary action for small or moderate violations, a citation without a fine or a citation with a fine is used alternatively. This process allows the Board to impose reasonable sanctions against licensees without the need to pursue formal discipline to suspend or revoke a license. This program also saves the state of California on the substantial costs associated with formal actions which are usually at least three times the costs of citation actions. The citation and fine program provides an effective method to appropriately address violations that would not warrant more serious discipline in order to protect the public.

The citation and fine program was used minimally the first year it was instituted, in 1999, but its use has increased dramatically during recent years. Please see Table 9c above for statistical information.

It should be noted that a single case could result in multiple citations. It is common for a company to have multiple licensees inspecting a single property, so a single case could have a citation issued to each licensee, as well as to the company and the company’s qualifying managers.

Section 1920 CCR was amended to allow the Board to issue citations greater than \$2,500 up to \$5,000, effective September 1, 2013.

38. How is cite and fine used? What types of violations are the basis for citation and fine?

A citation and fine is used to pursue small to moderate violations. They are also used if a licensee has little or no history of past violations. Violations must not involve fraud or misrepresentation, criminal acts, elder abuse, substantial financial damages or other commonly recognized egregious violations if they are to be considered for the citation and fine process. Under CCR 1920, the Board considers the severity of the violation when basing its decision on the citation and/or fine:

1. The citation involves a violation that has an immediate relationship to the health and safety of another person;
2. The cited person has a history of two or more prior citations of the same or similar violations;
3. The citation involves multiple violations of the law or regulations that demonstrate a willful disregard; or,
4. The citation involves a violation or violations perpetrated against a senior citizen or person with a disability. [No acts of fraud or elder abuse]
5. In determining whether a citation shall contain an order of abatement or a fine and if a fine is to be imposed, the Board shall consider the following factors:
 - a) Gravity of the violation.
 - b) History of previous violations of the same or similar nature.
 - c) The good or bad faith exhibited by the cited person.
 - d) Evidence that the violation was willful.
 - e) The extent to which the cited person cooperated with the Board's investigation.
 - f) The extent to which the cited person has mitigated or attempted to mitigate any damage caused by his or her violation.
 - g) Such other factors as the Registrar or Deputy Registrar considers relevant.

39. How many informal office conferences, Disciplinary Review Committees reviews and/or Administrative Procedure Act appeals in the last 4 fiscal years?

In the last four fiscal years, the Board has participated in 4 Disciplinary Review Committee matters. These cases are listed below:

- **Mission City Fumigation** [Docket No. S-023](#)
Agricultural Commissioner of Alameda County, County File No. 2011110
Scott Howell, owner and operator of Mission City Fumigation in Solvang, California appealed to the Disciplinary Review Committee (DRC) the structural civil penalty decision of the Alameda County Agricultural Commissioner. The DRC upheld the CAC's civil penalty action for violation of Title 16, California Code of Regulations section 1970.4 by failing to have the properly signed form (Occupant's Fumigation Notice and Pesticide Disclosure Notice) in the possession of the licensed fumigator when the fumigant was released. The DRC's decision became final on May 30, 2012.
- **License to Kill. Administrative,** [Docket No. S-022](#)
Agricultural Commissioner of San Diego county, file number 122-SCP-SD-10/11
License to Kill appealed to the Director the structural civil penalty decision of the San Diego County Agricultural Commissioner. The Director upheld the CAC's civil penalty action for violation of 3 CCR section 6600. The Director's decision became final on November 14, 2011.
- **Scott Howell, Administrative,** [Docket No. S-021](#)
Agricultural Commissioner of Santa Barbara county, County file no. 12-SCP-SB-08/09
Scott Howell, owner and operator of Mission City Fumigation in Solvang, California appealed to the DRC the structural civil penalty decision of the Santa Barbara County Agricultural Commissioner. The DRC overruled the County Agricultural Commissioner's civil penalty action for violation of Food and Agricultural Code section 12973, and found no violation occurred. The DRC's decision became final on March 29, 2011.
- **Scott Howell, Administrative,** [Docket No. S-020](#)
Agricultural Commissioner of Alameda county, County File No. 2010912
Scott Howell, owner and operator of Mission City Fumigation in Alameda County appealed to the DRC the structural civil penalty decision of the Alameda County Agricultural Commissioner (CAC). The DRC upheld the CAC's civil penalty action for violation of FAC 12973. The DRC reinstated the CAC's fine, overruling the hearing officer's reduction of the fine. The DRC's decision became final on September 7, 2010.

A fifth DRC case is pending appeal. It is anticipated that the appeal hearing will be publicly noticed on or after November 1, 2013 on the Department of Pesticide Regulation's website.

The Board has conducted 84 informal conferences and 8 administrative appeals (petitions for reconsideration and writs of mandamus) in the last four years.

40. What are the 5 most common violations for which citations are issued?

Business and Professions Code:

Note: Ranked in order of the most common to the least common in the top 5 violations

1. Section 8516, inspection reports (wood-destroying pests or organisms), represents 24% average of citations issued.
2. Section 8638, violation of contracts, represents 19.3% average of citations issued.
3. Section 8550, unlicensed activity represents 5.3% average of citations issued.
4. Section 1990, termite report findings represents 4.7% average of citations issued.
5. Section 8518, notice of work completed, represents 4% average of citations issued.

41. What is average fine pre and post appeal?

The Board does not include in the below statistics where, upon its motion, it has withdrawn a citation or citation appeal in the interests of justice. These statistics include citations which have been modified by the Board or as a result of an adopted proposed decision by an administrative law judge. Citations which have been vacated or dismissed in an informal conference or formal hearing are included in the statistics.

Average Fine Pre Appeal			
2009-2010	2010-2011	2011-2012	2012-2013
\$1488	\$1983	\$1840	\$1008
Average Fine Post Appeal			
2009-2010	2010-2011	2011-2012	2012-2013
\$575	\$1,537	\$661	\$478

42. Describe the board's use of Franchise Tax Board intercepts to collect outstanding fines.

The Board, while under the jurisdiction of the DPR, has not used Franchise Tax Board intercepts to collect outstanding fines. The Board, however, is considering the utility of using the Franchise Tax Board, the Board of Equalization and/or private collection agencies for this purpose. The Board, when administratively feasible, will survey the costs of these programs to determine its best course of action and will attempt to implement a collection program as early as January 1, 2015.

Cost Recovery and Restitution

43. Describe the board's efforts to obtain cost recovery. Discuss any changes from the last review.

The Board seeks cost recovery for each accusation case filed with the Attorney's General Office; however, the administrative law judge, based on court testimony and/or findings of fact, may or may not order cost recovery in the proposed decision. If the cost recovery order is contrary to the amount sought by the Board, the Board has no discretion to set aside the judge's decision unless it elects to non-adopt the proposed decision in its entirety. The Board, historically, has not attempted to set aside and issue its own decision if the issue is only cost recovery; decisions that are set aside involve other matters of law.

The Board, when considering settlement or stipulation terms, may waive or reduce cost recovery upon a respondent's showing of good cause. In general, good cause may exist if the cost recovery order is likely to inhibit the respondent's ability to comply with the order of restitution to the consumer. There have been no changes in the Board's policy from the last review.

44. How many and how much is ordered for revocations, surrenders and probationers? How much do you believe is uncollectable? Explain.

Over the last three years, the Board's average cost recovery order, whether issued by an administrative law judge or by Board stipulation, is approximately \$1,282. This figure represents approximately one-third of the Board's disciplinary cases, excluding the costs of statement of issues cases which by Board policy are not recoverable. Since 2010-11, the Board has averaged 38 revocations (revocations that are stayed with conditions and unconditionally) and 29 new probationers each year. The Board maintains an accounting of all cost data in the Consumer Affairs System (CAS), but does not have full reporting capability, a limitation in CAS, to cross-reference cases which have overlapping progress payments from one year to the next, also with different revocation or surrender effective dates. The number of probationers reported in each fiscal year cycle is not a 1:1 ratio of the number of stayed revocations or surrenders ordered, as probation tolling time varies from 1 year to 3 years and can be extended under specific conditions.

The Board's authority to recover costs is conditioned on the respondent's desire to restore or reinstate his/her license. Board statistics, Table 9b, outline that 20.3 percent of probationers have their licenses fully restored and approximately 6 percent of unconditionally revoked/surrendered licensees have their licenses reinstated. Restoration or reinstatement of licensure, in general, means that the respondent complied with conditions of cost recovery, with few if any exceptions.

45. Are there cases for which the board does not seek cost recovery? Why?

The Board seeks cost recovery on all accusation cases, excluding statement of issues cases. It is the Board's policy that cost recovery cannot be enforced on statement of issue cases.

46. Describe the board's use of Franchise Tax Board intercepts to collect cost recovery.

The Board does not use Franchise Tax Board intercepts to collect investigative cost recovery. The Board, however, is considering the utility of using the Franchise Tax Board, the Board of Equalization and/or private collection agencies for this purpose. The Board, when administratively feasible, will survey the costs of these programs to determine its best course of action and will attempt to implement a collection program as early as January 1, 2015.

47. Describe the board's efforts to obtain restitution for individual consumers, any formal or informal board restitution policy, and the types of restitution that the board attempts to collect, i.e., monetary, services, etc. Describe the situation in which the board may seek restitution from the licensee to a harmed consumer.

The Board seeks restitution upon verification of damages stemming from structural pest control inspections, fumigations or other pest control activities (i.e. pigeon exclusion). This is achieved by the Board in several ways:

- 1) If ordered by an administrative law judge;
- 2) Accepting any unsatisfied court judgments in favor of the complainant;
- 3) Valid estimates of repairs or corrections from other companies;
- 4) When Board field investigators have determined a loss following their inspection of the property;
- 5) If the consumer has paid more than the actual value of services rendered, the difference being the restitution amount;
- 6) The Board may require restitution in negligence cases where a company fails to pay a consumer, supplier, employee or subcontractor;
- 7) If a court of competent jurisdiction ordered restitution on an administrative, criminal or civil case, the Board ensures that the outstanding obligations are settled before an applicant or licensee is permitted to practice pest control; and,
- 8) If the applicant or licensee has a past or pending administrative action with the Board, he/she must comply with the previously imposed restitution order(s).

Restitution orders are based on pest control services rendered, or lack thereof. They also include, not by way of limitation, monetary damages that may occur as a result of failures of a structural pest control company to properly repair or correct structural deficiencies to a building, omissions in an inspection report that results in additional costs, purchase agreements that may unlawfully prejudice the consumer financially, or mechanic's liens which are recorded and perfected against a consumer's property that do not have a lawful basis.

Table 11. Cost Recovery				
	FY 2009/10	FY 2010/11	FY 2011/12	FY 2012/13
Total Enforcement Expenditures	N/A	542558	391807	399636
Potential Cases for Recovery *	N/A	53	88	75
Cases Recovery Ordered	12	7	12	19
Amount of Cost Recovery Ordered	\$83,877.97	\$53,087.26	\$50,109.27	\$131,434.00
Amount Collected	\$48,171.40	\$58,721.21	\$25,774.20	\$31,421.25
* "Potential Cases for Recovery" are those cases in which disciplinary action has been taken based on violation of the license practice act.				

Table 12. Restitution				
	FY 2009/10	FY 2010/11	FY 2011/12	FY 2012/13
Amount Ordered	0	\$14,715	\$2,000	0
Amount Collected	0	0	0	\$1,000*

* The amount collected in FY 2012-13 is for a prior year order.

Section 6 – Public Information Policies

Board Website: Meetings and Minutes	88
Webcast Of Meetings	88
Annual Meeting Calendar	88
Complaint Disclosure Policies – Minimum Standards For Consumer Complaint Disclosure	88
Disclosure of Licensee Information (Awards, Certificates, or Certifications)	90
Consumer Outreach and Education	90

48. How does the board use the internet to keep the public informed of board activities? Does the board post board meeting materials online? When are they posted? How long do they remain on the website? When are draft meeting minutes posted online? When does the board post final meeting minutes? How long do meeting minutes remain available online?

The Board continually updates its website to reflect upcoming Board activities, changes in laws or regulations, licensing and registration, and other relevant information of interest to our stakeholders. Board meeting calendars are reviewed and approved by the Board in its annual meeting, conducted in October of each year, and are posted on the website immediately thereafter. Prior to all Board meetings, the agenda is posted on the Board's website. This information is posted at least 10 calendar days prior to the meeting, and additional post-agenda items are added as they become available. This information remains available on the website indefinitely; the Board has archived information dating back to 2002. Minutes from each Board meeting are posted on the Board's website once they have been formally approved and adopted by the Board at the subsequent meeting. Once posted, they are kept on the website indefinitely.

49. Does the board webcast its meetings? What is the board's plan to webcast future board and committee meetings?

The Board currently does not webcast its meetings. The Board plans to convene in its first or second Board meeting in 2014 to discuss costs and timelines for implementation of webcasting.

50. Does the board establish an annual meeting calendar, and post it on the board's web site?

The Board posts an annual calendar on its website: <http://www.pestboard.ca.gov/about/meetings.shtml>. The 2014 annual meeting calendar will be posted following the Board's October 2013 Annual Board Meeting.

51. Is the board's complaint disclosure policy consistent with DCA's Recommended Minimum Standards for Consumer Complaint Disclosure? Does the board post accusations and disciplinary actions consistent with DCA's Web Site Posting of Accusations and Disciplinary Actions (May 21, 2010)?

The Board's Consumer Complaint Disclosure policy and Accusation and Disciplinary Actions policy are consistent with DCA's standards. When feasible and to the extent permitted by law, the Board discloses license or complaint information in writing, in person or by telephone (including fax or e-mail). The Board will disclose complaint information after a formal investigation has been concluded and when it has been determined that one or all of the following applies: 1) The complaint has resulted in a violation or warning; or 2) The complaint has been referred to citation; or 3) The complaint has been referred to the Attorney General for filing of an Accusation or

Statement of Issues; or 4) The complaint has been referred to another law enforcement entity or regulatory body for the assessment of fines or for prosecution.

Below is a breakdown of the Board's overall disclosure policy and its specific parameters as established by the executive officer. The policy allows members of the public to obtain from board records information regarding complaints made against pest control companies and their licensees, their history of administrative actions taken by the board, and license status.

"Complaint" means a written allegation which has been investigated and has been referred for administrative action against the licensee. "Administrative action" means referral of the complaint for the issuance of a citation, accusation, statement of issues, or for the initiation of criminal action or injunctive proceedings.

The Board maintains records showing the complaints received against licensees and, with respect to such complaints, shall make available to members of the public, upon request, the following information:

- (1) The nature of all complaints on file against a licensee which have been investigated and referred for administrative action against the licensee. Information regarding complaints which are in the process of being screened, mediated, arbitrated or investigated shall not be disclosed.
- (2) Such general cautionary statements as may be considered appropriate regarding the usefulness of complaint information to individual consumers in their selection of a pest control company.
- (3) Whenever complaint information is requested, the information disclosable under items (c) and (d) below shall also be released.
 - (b) If a complaint results in an administrative action and is subsequently determined by the Board, the Office of the Attorney General or a court of competent jurisdiction not to have merit, it shall be deleted from the complaint disclosure system.
 - (c) The executive officer shall maintain records showing a history of any administrative actions taken against all current license holders and shall make available to members of the public, upon request, all the following information:
 - (1) Whether any current license holder has ever been disciplined and, if so, when and for what offense;
 - (2) Whether any current licensee has ever been cited, and, if so, when and for what offense, and, whether such citation is on appeal or has been complied with;
 - (3) Whether any current license holder is named as a respondent in any currently pending administrative action.

(d) The executive officer shall maintain records showing certain licensing and bonding information for all current license holders and shall make available to members of the public, upon request, all the following information regarding current license holders:

- (1) The name of the licensee as it appears in the Board's records;
- (2) The registration number and license number;
- (3) The license type and/or class held;
- (4) The company's address of record;
- (5) The branch office's address of record;
- (6) The personnel under the company registration or branch;
- (7) The date of original licensure;
- (8) Whether a bond or cash deposit is maintained and, if so, its amount;
- (9) If the licensee holds a current or cancelled bond, the name and address of the bonding company and the bond's identification number, if any.

(e) Limitation of access to information. Further, the executive officer may set reasonable limits upon the number of requests for information and the information to be disclosed.

52. *What information does the board provide to the public regarding its licensees (i.e., education completed, awards, certificates, certification, specialty areas, disciplinary action, etc.)?*

The Board provides public information regarding its licensees and registered companies upon request. Public information includes: name; license or registration number; address of record; status; date license or registration was issued; expiration or cancellation date; bond and insurance information; training and education information; information regarding citations, fines and orders of abatement; accusation and state of issues information; and information regarding the final disposition in any disciplinary action. License and company registration verification information can be found by the public on the Board's website: www.pestboard.ca.gov.

53. *What methods are used by the board to provide consumer outreach and education?*

The Board currently provides five consumer publications and forty-three forms and publications to its license population. Executive staff of the Board also attends a variety of consumer and professional outreach events. These events have included presentations at board meetings, committee meetings, agricultural commissioners' offices, professional associations, and consumer events. County training as mandated by B&P Section 8698.5, the Structural Fumigation Enforcement Program, is also provided. Consumer satisfaction surveys, website news and newsletters, are also used.

The Board, also, will be scaling up its education and outreach campaign through proactive activities in the underground economy. In addition to law enforcement efforts to appropriately discipline illegal business enterprise, the Board will also help these businesses, on a case-by-case basis and only when appropriate, to comply with the pest control act. The Board's investigators will provide information about, and not limited to, the performance of inspections, the use of pesticides and the proper manner to conduct a pest control business. The Board will be requesting, as discussed earlier, position authority for at least two investigators to ensure success in these efforts.

Section 7 – Online Practice Issues

Regulation Of Online Practices, Internet And Unlicensed Activity 93

54. Discuss the prevalence of online practice and whether there are issues with unlicensed activity. How does the board regulate online practice? Does the board have any plans to regulate Internet business practices or believe there is a need to do so?

The practice of pest control using alternative methods, such as environmentally safe pesticides has been gaining momentum in the last five years. California, along with many other states and localities, are looking closely into this topic and how it ultimately affects consumers and the pest control industry as a whole. These alternative methods have been grouped into a category referred to as Integrated Pest Management or IPM, where certain devices, liquids (or gases) or other applications, depending on their use, may be exempt from statute while others may require licensure. As discussed earlier, and similar to other regulatory agencies' objectives, the Board is concerned about the underground economy and its potential to attract interest in the practice of illicit pest control business practices. The Board has seen an increase in businesses claiming that the IPM programs they use are exempt from licensure. Likewise, there is a growing trend that IPM advertisements (whether in a classified directory, newspaper or via Internet) are exempt from licensure on the basis that the individual is not actually performing the services or is merely selling or supplying devices or non-pesticides to others. The Board defines IPM pursuant to section 1984 of the California Code of Regulations as:

“Structural integrated pest management means a systematic decision making approach to managing pests, which focuses on long-term prevention or suppression with minimal impact on human health, property, the environment, and non-target organisms. Structural IPM incorporates all reasonable measures to prevent pest problems by properly identifying pests, monitoring population dynamics, and using cultural, physical, biological or chemical pest population control measures to reduce pests to acceptable levels. If a pesticide application or other intervention is determined to be necessary, the selection and application of the intervention shall be performed in a manner that minimizes risk to people, property, the environment, and non-target organisms, while providing effective pest management.”

Though the use of IPM measures is recognized by Board regulation, the Board will be tasked on educating individuals and entities about the requirements of proper licensing and advertising for online practices, even advertising to provide such services as subcontractors or labor pool employees and other online advertising methods that could constitute misrepresentation of a product's or device's potency or usability. Online/Internet advertising is a major concern as virtually every illegal business does not have a physical location. The online ads (including websites) can be posted and removed in minutes; business names can be changed in an instant while telephone numbers (many now are virtual numbers) can be changed at will, nullifying the purpose and effect of telephone disconnect administrative actions.

As discussed earlier, in order to effectively combat these issues, the Board must take a proactive approach to consumer and industry education, not limited to provision of administrative or disciplinary actions. Networking, along with the effective use of

resource allocation, with other state agencies, such as the Franchise Tax Board or Industrial Relations, to contest illegal business enterprise is not only essential, it is the Board's duty. To effectively carry out these objectives, the Board is seeking additional resources, at least two investigators, to take an affirmative approach and contribution that leads to a reasonable reduction of illegal pest control businesses. The Board will be seeking position authority in FY 2014-15 and 2015-16 to justify these positions.

The present issue facing the Board concerning the non-use of pesticides (or exempt products that may be used in lieu of pesticides) for structural pest control may affect the Branch 2 license and possibly the Branch 3. B&P Section 8555 (g) was held by the courts as an unconstitutional section in 2008 (*Merrifield v. Lockyer*, 547 F.3d 978, 990-92 (9th Cir. 2008)) as it did not, in effect, exempt certain non-pesticide use occupations from the requirement of licensure (inasmuch as the law had lacked a rational basis). Unlicensed and unqualified practitioners could easily evade the provisions of the statute's purpose by claiming that the services they provide are exempt under this court's decision and, likewise, this would also apply to any online/Internet advertising or like practices.

The Board is proposing revisions to B&P Section 8555 (g), under the authority of its Act Review Committee, whereby the licensing issue is rectified by deletion of the invalid, non-rational, provisions. The revision should be effective, upon successful legislation, by no later than January 1, 2015, unless an urgency bill is passed, which allows an earlier effective date. To this end, the Board will continue to embark on consumer and industry education, as previously mentioned, relating to the online advertisement of IPM and unlicensed businesses/services and the appropriate regulation of such businesses/services.

Section 8 – Workforce Development and Job Creation

Workforce Development	96
Board Assessment On The Impact Of Licensing Delays	96
Informing Schools Of Potential Licensees, Licensing Requirements And Process	97
Workforce Development Data – Workforce Shortages and Training Programs	97

55. What actions has the board taken in terms of workforce development?

The Board continues to adopt procedures to ensure a more streamlined internal process in an effort to register businesses and license applicants so that they may enter the pest control workforce. The Board monitors all aspects of its licensing and enforcement operations, consistently addressing issues to ensure the most salient process contributing to workforce development, both internally (its employees) and externally (consumers, licensees and county government).

As provided under Section 4 of this report, and later under item number 58 of this section, the Board maintains oversight of the continuing education program and the approval of schools in pest control. Through education and outreach, and through information contained on its website, the Board provides a pipeline of information about pest control principles and practices allowing it to disseminate this information in every manner possible, laying many of the components to stimulate the job market.

For consumers, the Board's resources give helpful information about how to obtain a license and also provide information about the elements of the complaint handling process. Indirectly, the Board has been contacted by consumers, also complainants, about how to start a pest control business. Consumers have also inquired about job openings with the Board.

For licensees and county government, the Board's resources foster pest control employer-based training as well as hands-on training which is available through Board-sponsored county training. Volunteers from the pest control industry, employees of the Board and the Department of Pesticide Regulation work collaboratively in the provision of skills and needs based training for county inspectors.

For Board employees, particularly investigators (who are also licensees), they must maintain proficiencies in CE and they receive direct education in the form of the conduct of investigations, the interpretation of laws and regulations, and outreach campaigns making them accountable to learn and apply the intangibles of the profession.

The Board also is a beneficiary of the DCA programs, particularly workforce programs, which provide the Board's employees the critical skill-sets and vision to educate and inform its employees and the public at-large so that they may make informed decisions on employment or the creation of jobs. This program is called, Strategic Organization, Leadership and Individual Development. This program is discussed in detail in item number 58 of this section.

56. Describe any assessment the board has conducted on the impact of licensing delays.

The Board has not conducted any assessment regarding the impact of licensing delays, due to a lack of operational necessity. Board renewals are processed within the Board's target of 24 hours. Many renewals are processed on the same day. Because the

Board's actual processing times are very low, board members have not directed the Board to adopt regulations for the establishment of processing baselines.

57. Describe the board's efforts to work with schools to inform potential licensees of the licensing requirements and licensing process.

With nearly 120 schools involved in some facet of pest control in California, it is the Board's policy to take a neutral position, particularly because the Board maintains general oversight of many of these programs and also must maintain the integrity of license examination security. Therefore, the Board does not collaborate with schools directly or formally regarding licensing opportunities. Rather, communication is achieved informally by such methods as the Board's website information, forms and publications, or, situationally, in person or by telephone. The Board recognizes that schools, as a matter of practice, are very resourceful, capable of accessing all the necessary tools from Board resources as well as from pest control associations to inform potential licensees of Board processes.

58. Provide any workforce development data collected by the board, such as:

- a. Workforce shortages**
- b. Successful training programs.**

The Board, as a small entity of 29.5 employees, does not rely on strategic workforce management systems to assist in global workforce planning/decisions. These functions generally rest with the DCA's Office of Human Resources as part of administrative support or pro rata. Over the last four years, the Board has successfully filled its vacancies, on average, in less than one month using standard office procedures and chain-of-command communications practices amongst its employees and the Office of Human Resources of the DCA. The Board currently has a vacant Staff Services Manager I position (Assistant Executive Officer), vacant as of August 16, 2013, that will be advertised for recruitment purposes as soon as the Board fully assesses its resource needs.

With the exception of internal on-the-job training and its cross-training measures, the Board has not established an official internal workforce training program. However, a very successful external training and development program is offered by the DCA to its employees and board members, free of charge. The DCA's program is called, Strategic Organization, Leadership and Individual Development (SOLID). SOLID provides a very comprehensive and wide array of programs for workforce development and leadership building; the Board staff has gained exceptional knowledge and aptitude from SOLID's organizational foci. SOLID offers traditional training by classroom instruction and also workshops, and training through its e-learning portal. Webinars/webcasts of live training sessions and archived sessions are readily available to Board employees at all hours of the day, year-round. Course content includes, but is not limited to, Time Management Essentials, Procurement, Business Writing, Resume Preparation, Stress in the Workplace, How to Write Procedures, Conflict Resolution, Negotiation Skills, and Telephone Customer Service Techniques.

SOLID Planning Solutions also provides training in the following areas, not by limitation:

1. Strategic Planning;
2. Meeting and Event Facilitation;
3. Process Improvement;
4. Leadership Competencies;
5. Upward Mobility; and,
6. Board Member Orientation Training.

The executive officer and management staff readily encourage employees to harness all that is available through this proven and reputable program.

In the external workforce or as otherwise known as the Board's stakeholders and the general public at-large, a historical and well established training program has helped to shape the landscape of the structural pest control industry. For at least two decades, the Board has provided field training for every aspect of structural pest control to county agricultural programs. This training (which typically last three days) is hands-on, providing mock demonstrations of field practices that are typically encountered by county inspectors, including the use of tarpaulin and fumigation of buildings, inspection of pest control vehicles and inspection of structures. Training is provided by members of the pest control industry, Department of Pesticide Regulation and staff of the Board. The training is designed to not only educate county programs, but also to provide them the tools necessary to effectively carry out their enforcement goals and objectives. The Education and Enforcement fund account provides the necessary funds for this training effort, B&P Section 8505.17. This training remains very successful to this day.

In the licensee workforce, the Board continues to work with the industry on prevailing issues of workforce safety, illness and injury prevention programs, and the practices associated with the pest control profession. The Board keeps licensees informed of changes in law and regulations and provides vehicles whereby licensees have opportunities to engage and comment on any material or relevant issues through board and committee meetings, rulemaking and legislation.

The Board also establishes cornerstone research into pest control practices which ostensibly serves as education and vital information to licensees on pest control trends and practices, particularly environmental safety on the use of pesticides. Consistent with public meetings or forums, licensees are availed opportunity to comment on research efforts and learn new and innovative methods in the practice of pest control, information that is subsequently relayed by pest control companies to their employees to promote job safety and growth.

The Board also mandates continuing education (CE) programs to ensure that licensees remain as fluent about industry practices as technology allows. CE programs are designed fundamentally to allow licensees to be knowledgeable about their profession, but also safeguards the licensees, consumers and the environment on the proper use and handling of pesticides. CE and other training efforts provided by the Board also elicit effective employer-based training programs whereby employers grasp the training modules and resources (schools and associations included) to effectively train and develop their workforces.

Section 9 – Current Issues

Uniform Standards For Substance Abusing Licensees	100
Consumer Protection Enforcement Initiative (CPEI) Regulations	100
BreZE And Secondary IT Issues	101

59. *What is the status of the board's implementation of the Uniform Standards for Substance Abusing Licensees?*

SB 1441 (Chapter 548, Statutes of 2008) was authored by Senator Ridley-Thomas, Chair of the Senate Business, Professions and Economic Development Committee. SB 1441 created the Substance Abuse Coordination Committee and required the committee, by January 1, 2010, to formulate uniform and specific standards in specified areas that each healing arts board shall use in dealing with substance-abusing licensees.

Although the Board was not part of that legislation, it still has the responsibility to refine its internal measures to determine acceptable criteria for rehabilitation that would be acceptable for reinstatement of suspended or revoked licenses, including applicants with a substance abuse background. The Board, in the course of continually developing procedures in its Criminal Offender Record Information Program, will be analyzing and developing criteria surrounding whether the substance abuse crime or act is substantially related to the duties, functions or qualifications of a licensee.

The Board does not cooperate with any vendor for the management of diversion programs aimed at assisting substance abusing licensees to recover from their addictions, but the Board is receptive to programs that are geared to provide professional clinical guidance or opinion to Board staff when evaluating the circumstances associated substance abuse issues and also to assist the Board in assessing if/when these individuals should be fit for reinstatement of a license or granting of an application for licensure.

60. *What is the status of the board's implementation of the Consumer Protection Enforcement Initiative (CPEI) regulations?*

Senator Negrete-McLeod introduced SB 1111 on February 17, 2010 to establish the Consumer Health Protection Enforcement Act. The purpose of the act was to broaden the scope of authority for disciplinary decisions, probation and collection of outstanding liabilities (i.e. fines, restitution and cost recovery), and using in unusual cases collection agencies to assist in collection efforts. On May 19, 2010, SB 1111 was placed inactive. The DCA reviewed SB 1111 and determined that some of the provisions of this bill could be implemented through regulatory changes. The DCA Legal Affairs Division was directed to develop the specific language and the Initial Statement of Reasons to serve as a template for boards/bureaus to use. The Board, as part of its transition back to Consumer Affairs on July 1, 2013, will be assessing the status and implementation of this directive to determine how it may be used to improve its overall enforcement program.

61. *Describe how the board is participating in development of BreZE and any other secondary IT issues affecting the board.*

The Board is in phase 3 of the BreEZe project, which is anticipated to be released by September 2014. The executive officer participates in monthly and quarterly meetings concerning the progress of the BreEZe implementation. The cost of the system has been encumbered in the Board's 2013-14 budget. The healing arts boards and bureaus are currently in phases 1 and 2 and they continue to assist in the development and critical analysis of system functionality and efficacy.

Section 10 – Board Action and Response to Prior Sunset Issues

Background Information On Issue	103
Committee/Joint Committee Recommendations During Prior Sunset Review	103
Action Taken On Recommendations or Findings Under Prior Sunset Review	103
Other Recommendations	103

Section 10 Board Action and Response to Prior Sunset Issues

Include the following:

1. Background information concerning the issue as it pertains to the board.
2. Short discussion of recommendations made by the Committee/Joint Committee during prior sunset review.
3. What action the board took in response to the recommendation or findings made under prior sunset review.
4. Any recommendations the board has for dealing with the issue, if appropriate.

The following are excerpts of a background paper, dated January 5, 2005, from the Joint Committee on Boards, Commissions and Consumer Protection. The commission raised three issues concerning its sunset review of the Structural Pest Control Board.

ISSUE #1: The Governor's California Performance Review (CPR) recommended that the Structural Pest Control Board be eliminated, and its license functions and oversight responsibilities for structural pest control businesses be transferred to the Department of Pesticide Regulation within the California Environmental Protection Agency, or its successor.

Issue #1 question for the Board and DCA: Should the Board be eliminated and its function transferred to the Department of Pesticide Regulation? Why or why not? What is the necessity of having a separate Board regulate structural pest control, while the rest of the pest control industry is regulated by the Department of Pesticide Regulation?

Background: Governor Schwarzenegger created the California Performance Review (CPR) in February of 2004 through an executive order to "restructure, reorganize and reform state government to make it more responsible to the needs of its citizens and business."

One of its more than 1,200 recommendations included in the report, which was completed in August, was to eliminate the Board and transfer its functions to the Department of Pesticide Regulation (DPR). According to the CPR report, DPR is recognized the U.S. Environmental Protection Agency and state law as the lead agency responsible to regulate the possession, sale and use of all pesticides in California. DPR licenses about 4,100 pest control businesses and 18,000 individuals including pest control companies, gardeners, pesticide brokers, commercial applicators and agricultural pest control advisors spraying pesticides outside of the home. The CPR report states that DPR and the Board have parallel regulatory and enforcement authorities, and that California is one of only five states that do not have consolidated certification, training, and enforcement programs for agricultural, non-agricultural and structural pest control. According to the CPR report, combining licensing and oversight functions over the state's pesticide management activities in DPR would increase efficiency and result in consistent, statewide administration of

pesticide regulations and statutes. The CPR notes that there is no General Fund savings from this recommendation (both DPR and the Board are funded through fees, not the General Fund), but estimates special fund savings at \$512,000 annually from transferring the functions performed by the part-time Board to the DPR, consolidating the examination and licensing programs, and eliminating five positions that perform some of the Board's functions and provide support for Board member activities and meetings.

Status: ABX4, 20 (Strickland and Huber), Chapter 18, Statutes of 2009:

Since the last sunset review, the Board, under the jurisdiction of the DCA, was transferred via legislation to the jurisdiction of the Department of Pesticide Regulation, operative October 23, 2009. The Board returned to the DCA, effective July 1, 2013, under the Governor's 2011-2012 Reorganization Plan No 2 and AB 1317. **AB 1317 (Frazier), Enrolled, 2013:** This bill would enact the statutory changes necessary to reflect the changes in law made by the Governor's Reorganization Plan No. 2, and would also make additional conforming name changes to properly reflect the assignment and reorganization of the functions of state government.

ISSUE #2: Passage rates for Board exams, an issue in the last sunset review, continue to be very low. While the Board is continuing to look at this issue, completing occupational analyses for most of its exams with the remaining occupational analyses pending, low scores raise troubling concerns about the adequacy of preparation for pest control license applicants.

Issue #2 question for the Board: What further steps can be taken to improve the passage rate for the Board's examinations? Do the low passage rates indicate applicants are not adequately trained prior to sitting for licensure?

Background: In the last sunset review, the Committee identified the low passage rates for the field representatives and operators as a concern, and directed the Board to conduct occupational analyses of these examinations and also review whether any changes should be made to licensure requirements or any other aspect of the examination and licensing process. For the four years prior to the last review (95/96 to 98/99), the average pass rate for the operator exam was between 24% and 27%; the average pass rate for this exam from 2000-01 to 2003-04 was virtually unchanged at 25% to 26%. Similarly, the field representative exam's average pass rate from 95/96 to 98/99 was 32% to 37%; it dropped to between 25% and 32% during the 00/01 to 03/04 period. The only real significant change was with the applicator license exam, which during the last review was very high at between 85% and 88% from 95/96 to 98/99; in 2000/01 it remained at 85%, but then dropped to 44% in 2001/02, and 51% in both 02/03 and 03/04. Pursuant to the request of the Committee, the Board asked the Office of Examination Resources (OER) in the DCA to conduct an occupational analysis for each of its licensing examinations. According to the Board, OER completed the analyses and validation reports for the tests in Branch 2 in 2001 and for Branch 3 in 2002 and 2003. OER was working on the Branch 1 series when it experienced staffing shortages that prevented it from

completing the review. The Board reports that it is working with OER to finalize the occupational analyses.

Status: The Board finalized the occupational analyses in approximately 2006 and continues to monitor pass and fail rates among its license examinations. In fiscal years 2009, 2010 and 2011, the Board, under contract with a private provider, Comira, updated the occupational analyses for the Operator and Field Representative examinations. In February 2013, the Board learned that its examination was compromised. An investigation is currently pending due to this issue. In the interim, the Board is working with the DCA's Office of Professional Examination Services to review the pass/fail rates on an ongoing basis to compile necessary data to update its examination content and to ensure examination security.

The Board will be seeking legislation during the 2014 legislative session to support computer based testing (CBT), an enterprise solution intended to eliminate examination subversion and to support ongoing occupational analyses. Fees for these examinations will be based on actual costs to administer the examinations (currently \$37.50 under contract with Consumer Affairs and an outside vendor for CBT) and sundry costs for staffing. If legislation is approved, the Board will finalize a cost analysis and subsequently promulgate regulations to support the Board's fully loaded costs to administer the examination program.

Note: As indicated above, the Board proposes to seek legislation in the 2014 to establish continuing appropriations for the conduct of CBT with full budget authority beginning July 1, 2015. In the interim, the Board, in a joint effort with the DCA, is planning a pilot CBT offering in January 2014 as part of its public policy analysis and review to substantiate operating expenses and equipment and personnel years. The Board may formally request funding through a legislative BCP or through equivalent budget augmentation channels. The Board will continue to assess its fund condition to ensure that it does not operate in a deficiency during the CBT Pilot.

The CBT, as a cutting-edge technology, promotes a more seamless and simplified approach to test validation, scheduling and monitoring for Board staff and examinees in addition to significantly reducing examination subversion. There will be 17 CBT sites in the state of California and 22 sites in other states. The Board currently only has 2 examination sites and so CBT will be a major improvement in testing availability and efficacy, particularly for out-of-state candidates who will save on costs associated with airfare and other travel to California to take an examination. The establishment of CBT supports the Board's 2007 Strategic Plan.

ISSUE #3: The Board experienced a setback in its efforts to have an academic institution prepare its RFPs for grants from its Research Fund when U.C. Berkley's Forest Products Laboratory botched its first RFP after being chose as the responsible entity, and then budgetary issues led to U.C. Berkeley to close the Forest Products Laboratory due to budget cutbacks.

Issue #3 question for the Board: Does the Board continue to believe, in light of its experience with the Forest Products Laboratory, that an academic/research

institution is better able to determine which projects should be funded and to assume the management of these research grant contracts?

Background: During the last sunset review, the Board indicated to Committee staff that the function of choosing appropriate research projects does not fit well within the Board's regulatory role, and they do not always have the expertise to determine which research projects are more appropriate than others. The Board thought that an academic/research institution with expertise in the areas of structural pest control, entomology and chemical usage would be more qualified to make such decisions and be able to adequately monitor such projects. The Committee concurred in the Board's recommendations, and legislation was adopted to allow the Board to identify another entity to assume the responsibility for determining research projects and managing the resulting contracts. The Board chose the University of California, Berkeley, Forest Products Laboratory (FPL). When the FPL released its first Request For Proposals, the DCA legal counsel determined the RFP was flawed with inconsistencies and the RFP was withdrawn. Then Berkeley closed the FPL due to budget cuts, and the Board was back to square one. The Board reports that it is currently in the process of re-releasing the RFP, and will explore options to identify another entity to assume the responsibilities of monitoring the research grant fund and projects.

Status: The Board has established a successful RFP process that is subject to the State Contracting Manual requirements and approved through the DCA and the Department of General Services.

Section 11 – New Issues

Issues Under Prior Sunset Review Not Addressed	108
New Issues Identified In This Report	108
New Issues Not Previously Discussed In This Report	108
New Issues Raised By Committee	108

New Issues

This is the opportunity for the board to inform the Committee of solutions to issues identified by the board and by the Committee. Provide a short discussion of each of the outstanding issues, and the board's recommendation for action that could be taken by the board, by DCA or by the Legislature to resolve these issues (i.e., legislative changes, policy direction, and budget changes) for each of the following:

1. Issues that were raised under prior Sunset Review that have not been addressed.
2. New issues that are identified by the board in this report.
3. New issues not previously discussed in this report.
4. New issues raised by the Committee.

The Board has successfully addressed all prior issues in the last sunset review as identified in Section 10, above. The Board believes that there are three new issues that it must address; no issues raised by the committee. These issues are:

New Issue #1: Establish a comprehensive computer based testing (CBT) program in conformance with the Board's 2007 Strategic Plan.

The Board has been delayed on CBT implementation due to transfers of its authority from the DCA and the DPR. The Board, nonetheless, is seeking 2014 legislation to receive statutory and budgetary authority to implement this program officially by January 1, 2015; in the interim, it is currently planning to implement a pilot CBT in January 2014 to monitor costs and efficacy. The Board learned in February 2013 that its examination was compromised; examination scheduling was temporarily cancelled for one-month so that the Board could expedite the preparation and validation of new test questions for all six examinations. The result of this expedited effort cost the Board approximately \$38,000. The Board is uncertain how the delay impacted the profession, but the lack of the availability of an examination, even for 30 days, undoubtedly caused hardships for licensees and businesses. The basis for the Board to move swiftly through legislative channels is 1) to prevent this issue from occurring in the future, 2) to increase the frequency of occupational analyses from the maximum of every 5 years to as often as every year, 3) to ensure examination security, and 4) to stabilize costs associated with the administration of examinations.

Although the Board's current data management systems CAS and ATS do not compile data on the number of times an applicant or licensee has taken an examination, the Board anticipates that this data for pass/fail rates and will be a feature in BreeZe. The Board anticipates that this feature will be further enhanced, if not exclusively available through the CBT provider.

New Issue #2: Expand the Board's enforcement program to include routine underground economy investigations.

According to the California Employment Development Department (August 2013):

“Reports on the underground economy [a ten billion dollar industry] indicate it imposes significant burdens on revenue needed to fund critical state programs and businesses that comply with the law. When businesses operate in the underground economy, they gain an unfair, competitive advantage over businesses that comply with labor, licensing, and payroll tax laws. This causes unfair competition in the marketplace and forces law-abiding businesses to pay higher taxes and expenses.

Workers of noncompliant businesses are also affected. Their working conditions may not meet the legal requirements, which can put them in danger. Their wage earnings may be less than what is required by law, and benefits they are entitled to can be denied or delayed because their wages are not properly reported. Consumers can also be affected when contracting with unlicensed businesses. Licensing provisions are designed to ensure sufficient skill and knowledge to protect consumers.”

The Board believes that in order to appropriately combat these issues, it must obtain the resources necessary to effect positive change. In 2013, the Board began partnering with the Department of Industrial Relations, Division of Labor Standards Enforcement, and sibling agencies to counteract the negative effects of the underground economy. In order to achieve affirmative results, the Board endeavors to initiate proactive investigations, as opposed to the traditional reactive investigations, that would not solely be based on administrative or criminal sanctions, but would alternatively, and where appropriate, encourage and educate unlicensed practitioners on the virtues of securing licensure and likewise would incentivize currently licensed practitioners to satisfy any outstanding obligations.

The Board currently maintains a staff of 8 field investigators (“Specialists”) to investigate complaints and to enforce administrative or criminal actions. The Board plans to expand the scope of its field operations, to support the underground economy efforts and to address the provision of complaint intake and investigations, by seeking position authority for 2 additional field investigators in FY 2014-15 or FY 2015-16. The Board anticipates that it can recover underground economy outstanding liabilities greater than the amount to fund these positions, which the Board estimates will be at least two times the costs of the positions (approximately \$76,000, including, salaries, wages and benefits per position times 2).

Section 12 – Attachments

Board's Administrative Manual

**Current Organizational Chart – Relationship of Committees and Membership of
Each Committee**

Major Studies

**Year-End Organizational Chart (4 Years) Of Staff By Classification and Major
Program Area**

Section 12 Attachments

Please provide the following attachments:

- A. Board's administrative manual.
- B. Current organizational chart showing relationship of committees to the board and membership of each committee (cf., Section 1, Question 1).
- C. Major studies, if any (cf., Section 1, Question 4).
- D. Year-end organization charts for last four fiscal years. Each chart should include number of staff by classifications assigned to each major program area (licensing, enforcement, administration, etc.) (cf., Section 3, Question 15).