



Edmund G. Brown Jr.
GOVERNOR

CALIFORNIA ARCHITECTS BOARD

PUBLIC PROTECTION THROUGH EXAMINATION, LICENSURE, AND REGULATION

SUMMARY REPORT

REGULATORY AND ENFORCEMENT COMMITTEE

November 5, 2015

Department of Consumer Affairs
1747 North Market Boulevard, Hearing Room
Sacramento, CA 95834

Committee Members Present

Matthew McGuinness, Chair
Barry Williams, Vice Chair
Robert De Pietro (via teleconference in Los Angeles, CA)
Robert Ho
Gary McGavin
Michael Merino
Sheran Voigt

Committee Member Absent

Fred Cullum

Board Staff Present

Doug McCauley, Executive Officer
Vickie Mayer, Assistant Executive Officer
Justin Sotelo, Program Manager, Administration/Enforcement
Bob Carter, Architect Consultant
Peter Merdinger, Enforcement Analyst
Sonja Ruffin, Enforcement Analyst
Kristin Walker, Enforcement Analyst
Lily Low, Enforcement Technician
Gregory Marker, Enforcement Technician

Guests

Kurt Cooknick, Director of Regulation and Practice, The American Institute
of Architects, California Council (AIACC)
Amanda Green, Architect Licensing Advisor - North, AIACC

2420 DEL PASO ROAD,
SUITE 105
SACRAMENTO,
CA 95834

916-574-7220 T
916-575-7283 F

cab@dca.ca.gov
www.cab.ca.gov

A. Call to Order

Regulatory and Enforcement Committee (REC) Chair Matthew McGuinness called the meeting to order at 1:08 p.m. He welcomed everyone and requested self-introductions. Committee members, Board staff, and guests introduced themselves.

Vice Chair Barry Williams called the roll. He indicated Fred Cullum was absent. A quorum was present.

B. Public Comment on Items Not on Agenda

Mr. McGuinness opened the floor for public comments. No comments were received.

C. Review and Approve April 29, 2015 REC Meeting Summary Report

Mr. McGuinness asked if there were any questions, comments, or changes to the April 29, 2015 REC Meeting Summary Report. There were none.

Robert Ho moved to approve the April 29, 2015 REC Meeting Summary Report.

Robert De Pietro seconded the motion.

Members De Pietro, Ho, McGavin, Williams, and Committee Chair McGuinness voted in favor of the motion. Members Merino and Voigt abstained due to the fact they were not present at the April 29, 2015 meeting. The motion passed 5-0-2.

D. Enforcement Program Update

Justin Sotelo presented the Enforcement Program Update and highlighted items of interest to the REC, including the: 1) upcoming Board meeting on December 10, 2015; 2) status of BreEZe, the Department of Consumer Affairs' (DCA) web-enabled program that supports applicant tracking, licensing, enforcement and management capabilities; and 3) continuing education (CE) audits and actions taken for noncompliance. He also directed the REC's attention to the Enforcement Statistics table within the Enforcement Program Update, and noted staff's proposed modifications to the content and format of the table will be addressed under Agenda Item H.

Doug McCauley summarized the Accelerated Path to Architectural Licensure (APAL) initiative and informed the REC that the National Council of Architectural Registration Boards (NCARB) announced the first 13 accredited architectural programs to be accepted for participation in the NCARB Integrated Path Initiative, including three institutions from California (NewSchool of Architecture and Design, University of Southern California, and Woodbury University).

Mr. Sotelo provided an update on the Sunset Review process, and informed the REC that Assembly Bill (AB) 177 (Bonilla), the bill that extends the Sunset date for the Board and Landscape Architects Technical Committee until January 1, 2020, was signed into law on

October 2, 2015. He also explained that a provision was included in AB 177 to allow the Board to grant eligibility to take the Architect Registration Examination (ARE) to a candidate enrolled in an APAL program. He informed the REC that staff has reviewed the Board's regulations to determine if any amendments are necessary to implement these provisions.

E. Discuss and Possible Action on 2015-2016 Strategic Plan Objective to Monitor National Council of Architectural Registration Boards Action on Title for Interns to Ensure Appropriate Consumer Protection

Mr. McCauley presented this agenda item. He reminded the REC that the Board's 2015-2016 Strategic Plan includes an objective for the REC to monitor NCARB action on the title for interns to ensure appropriate consumer protection. Mr. McCauley noted that while the objective initially focused solely on NCARB's action, an AIACC letter to Board President Jon Baker on March 4, 2015 requested consideration of the title "architectural intern." He reminded the REC that it reviewed and discussed this objective at its April 29, 2015 meeting, and recommended to the Board that it not further consider the title "architectural intern." He explained that the Board disagreed with the recommendation at its June 10, 2015 meeting and returned the objective to the REC for reconsideration and further research. Mr. McCauley also informed the REC that he and Bob Carter met with AIACC representative Kurt Cooknick on October 27, 2015 to discuss the AIACC's proposal.

Kristin Walker provided a presentation detailing: the positions of The American Institute of Architects (AIA) and NCARB regarding intern titling; the findings of NCARB's Future Title Task Force; titles for "interns" used by other state architectural boards and by other DCA boards; current enforcement resources devoted to enforcing title provisions; and the pros and cons of intern titling. Mr. McCauley shared a list of possible options for the REC to consider in addressing the AIACC's proposal, including: 1) keeping the status quo; 2) reconsidering the proposal after NCARB has made its determinations regarding changes to its *Model Law* and Intern Development Program; or 3) establishing a title with or without specific conditions, which would require an amendment to the Architects Practice Act (Act).

Sheran Voigt noted the pros and cons included "may promote licensure" and "may be a disincentive for licensure," respectively, and opined that if the rationale is to simply promote licensure, then the REC's initial recommendation to not further consider the issue is correct. Mr. McCauley clarified that while AIACC indicated in its proposal that the title may potentially streamline the licensure process, the title may also be a disincentive for licensure. Mr. De Pietro suggested adopting a system similar to the Board of Behavioral Sciences' program, with a six-year limitation and yearly registration, to resolve the disincentive issue. Gary McGavin expressed his concerns regarding the requirement in some states for an accredited degree, as California is one of the few states that grants licensure based solely on experience, and noted the requirement would also exclude candidates with four-year degrees.

Mr. Cooknick explained that NCARB's "The Use of Titles by Interns: References in NCARB Member Boards' Laws and Rules for Architectural Practice" contains a menu of options for the REC to consider for California, and noted the Illinois Architecture Practice Act allows a candidate for licensure to use the title "architectural intern," but also specifically prohibits the candidate from independently engaging in the practice of architecture. He remarked that although consumer protection is the Board's mandate, the Board is also responsible for advancing the architectural profession by encouraging licensure. He opined that the idea of monitoring the candidates with a six-year deadline would create an unnecessary workload for the Board, and explained that he only initially included a timeframe in the AIACC's letter to prevent concerns regarding candidates using the title for an indefinite period of time. Mr. Cooknick encouraged the REC to create a paraprofessional title with an NCARB record as the minimum requirement, and noted that 28 jurisdictions have already adopted a title and addressed the same concerns. He explained that with NCARB no longer recommending the term "intern," the AIACC is now pursuing the title "architect-in-training" as it is universal and comparable to the engineering profession, which uses the title "engineer-in-training."

Michael Merino asked if staff had gathered any information regarding enforcement actions taken in the 28 jurisdictions as a result of misusing the intern titles. Ms. Walker replied that staff contacted the architectural boards in larger and neighboring states, but found that those boards do not specifically maintain data regarding actions taken for misuse of the intern title provisions. Mr. Cooknick noted that the data may not be available as the states may be tracking such conduct as unlicensed practice. Mr. Merino explained that his concern was whether there is data from a consumer protection standpoint to ensure there is no consumer harm as a result of the proposed title. Mr. McCauley offered to gather any data to meet the REC's needs, and also reminded the REC that the current number of 28 jurisdictions may change as a result of any changes to NCARB's *Model Law*. Mr. Ho noted that both AIA and NCARB are no longer supportive of the proposed title, and questioned if AIACC is taking a different position.

Mr. Williams informed the REC that he discussed the intern titling issue with various people, including students at the California Polytechnic State University, San Luis Obispo (Cal Poly). He shared that the proposed title would be beneficial for candidates, but expressed his concerns regarding the lack of a complete proposal that addresses the regulatory aspects of the proposed title, such as limitations on the use and duration of the title. Mr. Williams also suggested requiring candidates to complete an application process or pay a fee to use the proposed title, and reiterated his request for a comprehensive proposal. Mr. McGavin mentioned that in the engineering profession, a candidate is required to pass an examination prior to being able to use the title "engineer-in-training" and explained that by using an NCARB record as the threshold, the only requirement would be to pay a fee. Mr. Cooknick responded that using an NCARB record as the threshold would establish a method for the Board to pursue the misuse of the title "architect-in-training" as a violation of the Act, and suggested significant consequences for misuse of the proposed title.

Mr. Merino remarked that he is not sure there is a problem that justifies the need for the proposed title, and noted that an individual's job title is provided by the employer. He

stated that if the REC considers the proposed title, he would recommend requiring the candidates to register with the Board and pay a fee to provide a means for staff to recognize unlicensed practice. He explained that he prefers the title “architect-in-training” because the title “engineer-in-training” has already been established and is recognized in the design profession. Mr. McGuinness explained that NCARB’s recommendation was not discussed by the Board at its June 10, 2015 meeting, and recalled that Board members viewed the AIACC’s proposal as an attempt to motivate interns to become licensed, yet there is no data to show that it would actually encourage licensure. He informed the REC that he discussed the proposal with many architects, who felt that it does not incentivize licensure and may even slow down the licensure process. Mr. McGuinness described the AIACC’s proposal as a solution in search of a problem, and noted, per NCARB’s Infographic, that Montana, Puerto Rico, and the U.S. Virgin Islands are the only jurisdictions using the title “architect-in-training.” Mr. McCauley clarified that NCARB’s recommendation was not to create a new title, but to restrict the role of regulation to the title “architect” and to specifically preclude titles for pre-licensed interns.

Mr. Merino explained that in his experience, engineers-in-training do not use that term as a professional title, but instead use the “EIT” acronym as a suffix after their job titles (i.e., Project Manager, EIT). Mr. De Pietro recalled his experience as an engineer-in-training, and informed the REC that he always referred to himself as a designer at an engineering firm rather than an “engineer-in-training.” He also reminded the REC that engineers-in-training are required to pass an examination prior to using the title, and suggested a similar requirement for candidates to use the title “architect-in-training.” Mr. De Pietro also opined that the proposal creates more consumer confusion.

Mr. Carter noted that the title “intern architect” has been included in NCARB’s *Model Law* since 1969, but only 28 jurisdictions have adopted it. He reminded the REC that NCARB and AIA National are no longer supportive of the term “intern,” and added that NCARB may be proposing changes to its *Model Law* at its June 2016 Annual Meeting. Mr. Carter suggested that the REC reconsider the intern titling issue after the June 2016 NCARB meeting. Mr. Merino explained that licensed professionals are driven by billable titles and business practices, not self-esteem requirements, and asked Mr. Cooknick to justify the need for a title such as “architect-in-training.” Mr. Cooknick explained that the proposal is for a supplemental title that candidates can use, if they choose, and informed the REC that the proposal came from AIACC’s Academy for Emerging Professionals (AEP). He opined that individuals would likely continue to misuse the title “architect,” not “architect-in-training,” and suggested adding a sunset provision to the proposal to address the REC’s concerns. Mr. Merino explained that there would be costs to the Board for implementing the proposed title, and suggested that Mr. Cooknick gather information from the Board for Professional Engineers, Land Surveyors, and Geologists (BPELSG) regarding its costs to manage the title “engineer-in-training.” He further stated that he supports enhancing the profession, but questioned if the Board, as a consumer protection agency, would be solving a problem that is actually a problem. Mr. Merino challenged AIACC to thoroughly define the magnitude of the problem and justify the need for a solution prior to revising the Act.

Amanda Green described the AEP as ten young professionals who are leaders in their communities, and shared that allowing candidates to use the proposed title would distinguish them from others in architectural firms who are not pursuing licensure. She advised the REC to not dismiss the proposal as a “feel-good” idea because it is important to those pursuing licensure, and opined that misuse of the title “architect” may be reduced if candidates were able to use a specific title. Mr. Merino suggested candidates complete the licensure process so they are able to use the title “architect” and questioned the need for a title prior to licensure. Mr. Cooknick described the proposed title as an enhancement to the profession and reiterated his suggestion to include a sunset provision in the proposed legislation. Mr. Merino restated his concerns regarding attempting to solve a problem that has not been defined. Mr. Williams noted that Cal Poly has a student chapter of the AIA which allows the use of the “AIAS” designation, and suggested AIA consider offering an “AIAT” designation for those pursuing licensure. Mr. Cooknick responded that such a proposal would be more complicated, and urged the Board to partner with the profession by embracing the proposed title and enhancing the licensure experience for candidates.

Mr. McGuinness directed the REC’s attention to the “AIA Intern Titling Update and Survey Results” document contained in the meeting packet, and noted that most popular title among the individuals surveyed was “associate architect,” not “architect-in-training.” He also opined that the AIACC’s proposal is not justified. Mr. Cooknick indicated that it was a national survey and “architect-in-training” is California’s response. Mr. Ho stated that although he respects the Board’s direction, based on the REC’s discussion, he is not sure that it is necessary to establish the title “architect-in-training.” Ms. Voigt stated that the use of the title “architect” or any derivatives is restricted to architects, and opined that there is no need to change the Act at this time. Mr. McGavin questioned whether the proposal is based on a generational issue, and stated that self-esteem may be important to young aspiring architects.

Mr. Ho asked Mr. Cooknick to explain the proposed minimum qualifications for candidates to use the title “architect-in-training.” Mr. Cooknick responded by proposing that an individual who has established an NCARB record be allowed to use the title “architect-in-training” in conjunction with his or her current employment at an architectural firm. Mr. McCauley noted that an individual can establish an NCARB record after high school. Ms. Green proposed allowing an individual to use title “architect-in-training” after he or she has been deemed eligible for the ARE. Mr. Merino explained that it is not a generational issue, but a public safety issue, and stated it is AIACC’s responsibility to support and reinforce the value of becoming an architect, while it is the Board’s responsibility to protect the public by ensuring that candidates meet the minimum competency requirements for licensure. Mr. Cooknick questioned how consumers would be harmed as a result of the proposal. Mr. Merino clarified that he is requesting data to support the need for the proposal. Mr. Cooknick responded by indicating that the proposal is supported by a group which represents a larger body across California, and explaining that he finds it tragic that the Board sees itself as solely existing for consumer protection, without acknowledging its responsibility to the profession. Mr. Williams explained that while the Board must protect the consumer, it must also ensure that individuals are pursuing licensure. Mr. Cooknick informed the

REC that the AIACC's proposal is supported by all 75 architect members of the AIACC's Board of Directors and Executive Committee, who do not feel that the proposal is watering down the title "architect," but instead recognize the value of the proposal.

Ms. Voigt commented that there is not enough agreement for a motion, and recommended tabling the discussion until a future meeting.

Michael Merino moved to table the intern titling issue until such time that information from AIA and NCARB is presented to the Board for it to review and make a determination.

Mr. McGuinness reminded the REC that the Board returned the issue to the Committee to make a determination. Mr. Ho stated that the REC reviewed all of the available information since the last meeting, but is not prepared to make a recommendation at this point.

Michael Merino moved to amend the motion to inform the Board that it is premature for the REC to make a definitive recommendation regarding the intern titling issue at this point, other than to reconsider it at a later date.

Sheran Voigt seconded the motion and the amendment to the motion.

Mr. De Pietro requested input from staff and the architect consultants regarding the specific conditions to include if the REC were to consider a title such as "architect-in-training." Mr. McCauley responded by informing the REC of the significant costs associated with developing an examination.

Robert Ho moved to amend the motion to include that the REC is fully open-minded to reviewing any further intern titling proposals, provided such proposals contain sufficient information for the REC to make a recommendation on the issue.

Michael Merino accepted the amendment to the motion.

Sheran Voigt seconded the amendment to the motion.

Michael Merino moved to amend the motion to clarify that the REC is open to a comprehensive proposal regarding intern titling from staff or AIACC.

Robert De Pietro seconded the amendment to the motion.

Vickie Mayer suggested that the REC first consider if it supports the concept of a regulated title for candidates before requesting a detailed proposal from staff. Ms. Voigt stated staff has not been asked to do anything at this point, and Mr. Ho clarified the intent is for AIACC, not staff, to prepare a comprehensive proposal. Mr. Merino responded by expressing the REC's desire to return the issue to AIACC for a more defined proposal because the REC does not currently have sufficient information to make a decision. Mr. Williams agreed and requested a complete proposal that includes the minimum

qualifications for use of the proposed title. Mr. Carter also requested that AIACC provide the Board with a comprehensive proposal with its current position on the issue, and noted the Board has not received any written material from AIACC on the issue since the March 4, 2015 letter.

Michael Merino moved to amend the motion to recommend to the Board that it table the intern titling issue until AIACC presents a comprehensive proposal that has been reviewed and analyzed by Board staff.

Sheran Voigt seconded the amendment to the motion.

Members De Pietro, Ho, McGavin, Merino, Voigt, Williams, and Committee Chair McGuinness voted in favor of the motion. The motion passed 7-0.

F. Discuss and Possible Action on 2015-2016 Strategic Plan Objective to Review the Board's Occupational Analysis of the Architect Profession to Identify Marketplace Trends That Impact Consumer Protection

Ms. Walker presented this agenda item. She reminded the REC that the Board's 2015-2016 Strategic Plan tasks the REC with reviewing the Board's Occupational Analysis of the Architect Profession (OA) to identify marketplace trends that impact consumer protection. Ms. Walker provided background information regarding the OA process, and noted the Board's current OA was conducted in 2014 and the previous OA was completed in 2007. She also reminded the REC that it discussed this objective at its April 29, 2015 meeting and appointed Messrs. McGavin and Williams to a working group to review the Board's OA, identify marketplace trends that impact consumer protection, and report their findings back to the REC.

Ms. Walker informed the REC that the working group met on October 15, 2015 and discussed general marketplace trends affecting architectural practice, including: 1) the architect's role in leading the project team; 2) increased specialization within architectural firms; 3) changes in project delivery methods; 4) a lack of business courses within architectural programs; and 5) the prevalence of unlicensed practice. She explained the working group reviewed and analyzed the content of the 2007 and 2014 OAs, including the rankings of the task and knowledge statements from both reports, and then focused on the primary knowledge areas from the 2014 OA and mapped them to the 2007 version. Ms. Walker shared the working group's conclusion that while there were no significant trends that impact consumer protection at this time, it recommends the Board perform a similar review each time a new OA is conducted.

Michael Merino moved to accept the working group's findings and recommend to the Board that while the REC concluded there were no significant marketplace trends that impact consumer protection at this time, the Board should perform a similar review each time a new OA is conducted.

Sheran Voigt seconded the motion.

Members De Pietro, Ho, McGavin, Merino, Voigt, Williams, and Committee Chair McGuinness voted in favor of the motion. The motion passed 7-0.

G. Discuss and Possible Action on 2015-2016 Strategic Plan Objective to Pursue Recruitment of an Additional Architect Consultant to Ensure Continuity and Effectiveness in the Board's Enforcement Program

Mr. Sotelo presented this agenda item. He explained that the Board's 2015-2016 Strategic Plan contains an objective assigned to the REC to pursue the recruitment of an additional architect consultant to ensure continuity and effectiveness in the Board's Enforcement Program. He noted the Board is authorized to contract with licensed architect consultants under Business and Professions Code section 5528, and added the intent of the objective is to prepare for long-term succession planning and ensure institutional knowledge is preserved. Mr. Sotelo informed the REC that staff is currently preparing a Request for Proposal (RFP) to renew the current architect consultant contract that expires on June 30, 2016, and, to address this objective, staff is considering preparing an additional RFP to provide the Board with a third architect consultant. He explained the two architect consultant contracts would be presented to the Board for approval at future meetings.

Mr. Sotelo also summarized the delegated expert consultant contract process, which allows the Board to contract with subject matter experts (SMEs) in a more expeditious manner. He noted that the Board currently uses this process to contract with SMEs for examination development workshops, and explained the Board is also able to contract with expert consultants for enforcement purposes under this process. Mr. Sotelo informed the REC that the Enforcement Unit has utilized the delegated contract process to contract with an expert consultant for an enforcement-related matter, and with the REC's support, would like to continue to utilize these contracts.

Ms. Voigt asked if action was necessary for this agenda item. Mr. McGuinness replied that the REC needs to take action to allow staff to utilize the two pathways that were identified.

Robert Ho moved to recommend to the Board that it authorize staff to pursue an RFP to provide the Board with an additional architect consultant and continue to utilize the services of expert consultants through the delegated contract process.

Sheran Voigt seconded the motion.

Members De Pietro, Ho, McGavin, Merino, Voigt, Williams, and Committee Chair McGuinness voted in favor of the motion. The motion passed 7-0.

H. Discuss and Possible Action on 2015-2016 Strategic Plan Objective to Modify and Expand Reports to Board Members Regarding Enforcement Activities to Identify the Most Common Violations and Disciplinary Actions

Ms. Walker presented this agenda item. She reminded the REC that the Board's 2015-2016 Strategic Plan contains an objective to modify and expand reports to Board members regarding enforcement activities to identify the most common violations and disciplinary actions. She summarized the information regarding the Enforcement Program contained in the existing monthly reports to Board members, and informed the REC that staff has previously included bar graphs depicting the number of pending complaints by year received in Board meeting packets at the request of Board members.

Ms. Walker also reminded the REC that it reviewed sample enforcement reports from the Board's Monthly Report, 2014 Sunset Review Report, past meeting packets, and reports used by BPELSG and the Contractors State License Board (CSLB) in their board meeting packets at its April 29, 2015 meeting, and recommended that staff incorporate case aging, caseload, and the most common violations of the Act into a new report format for Board members. She informed the REC that staff modified the content and format of the Enforcement Program section of the Monthly Report based on the REC's feedback. She explained that staff recommends revising the Enforcement Statistics table within the Report to include fiscal year to date and an average of the past five fiscal years in place of the previous year column, and adding additional information regarding complaint aging, CE cases, and issued and pending citations. Ms. Walker added staff further recommends including a new section in the Report to identify the most common violations of the Act and/or Board regulations that resulted in disciplinary or enforcement action during the current fiscal year.

Ms. Walker also informed the REC that in addressing this objective, staff developed an Enforcement Program Statistical Report for Board meeting packets, and explained the new Report includes tables and graphs to convey the following information: 1) types of complaints received by the Board during the current fiscal year; 2) comparison of complaints received, closed, and pending by fiscal year; 3) comparison of the age of pending complaints by fiscal year; 4) summary of closed complaints by fiscal year; 5) summary of disciplinary and enforcement actions by fiscal year; and 6) most common violations of the Act and/or Board regulations that resulted in enforcement action during the current and previous two fiscal years.

Mr. Merino noted this topic was initially discussed during his tenure as a Board member, and expressed his support of the proposed modifications to the reports and the inclusion of graphics to effectively communicate the information regarding the Enforcement Program.

Michael Merino moved to recommend to the Board that it accept the proposed modifications to the enforcement activities reports to Board members.

Barry Williams seconded the motion.

Members De Pietro, Ho, McGavin, Merino, Voigt, Williams, and Committee Chair McGuinness voted in favor of the motion. The motion passed 7-0.

I. Discuss and Possible Action on 2015-2016 Strategic Plan Objective to Pursue Methods to Obtain Multiple Collection Mechanisms to Secure Unpaid Citation Penalties

Mr. Sotelo presented this agenda item. He reminded the REC that the Board's 2015-2016 Strategic Plan contains an objective assigned to the REC to pursue methods to obtain multiple collection mechanisms to secure unpaid citation penalties. Mr. Sotelo highlighted the fact that the Board has recently been successful in collecting citation penalties, and explained that during fiscal years (FY) 2011/12 through 2013/14, the Board collected approximately 62% of the \$133,000 in administrative fines it assessed, while BPELSG and CSLB collected 44% and 35%, respectively. He also noted that during FY 2014/15, the Board assessed \$78,000 in administrative fines with a 73% collection rate.

Mr. Sotelo reminded the REC that staff presented a variety of options for its consideration at the April 29, 2015 meeting, including: 1) proactively offering payment plans; 2) strengthening and increasing the frequency of letters to both licensees and unlicensed individuals who have not satisfied their citations; 3) contracting with a collection agency; 4) using the telephone disconnect program as a deterrent for repeat violations and to encourage payment; 5) establishing a "license leveraging system" within DCA; and 6) partnering with the Employment Development Department to collect the unpaid fines through wage garnishments. He explained that following the last REC meeting, staff strengthened the content of the citation collection notices and became more proactive in offering payment plans. Mr. Sotelo advised the REC that staff's recommendation is to consider pursuing a contract with a collection agency. He informed the REC that the Board currently obtains unlicensed individuals' social security numbers (SSNs) from DCA's Division of Investigation and transmits that information to the Franchise Tax Board (FTB) "Intercept Program." Mr. Sotelo explained that under current law, the Board is prohibited from releasing the SSNs to outside entities, such as a collection agency, but other DCA boards and bureaus are currently utilizing collection agencies without releasing SSNs. He also informed the REC that staff will continue to explore the feasibility of establishing a "license leveraging system" within DCA.

Mr. Merino recalled that citation collection is another issue that was initiated while he was a Board member, and questioned if the majority of the unpaid fines were assessed against unlicensed individuals. Mr. Sotelo responded affirmatively. Mr. Merino also inquired about the Board's success rate in collecting unpaid fines through the FTB "Intercept Program." Mr. McCauley replied that the success rate is not as high as staff would like, and Mr. Sotelo noted that the potential sources of recovery through the FTB "Intercept Program" are limited to State tax refunds, Lottery proceeds, and unclaimed property. Mr. Merino encouraged staff to take as much action as possible to pursue individuals who have been cited for unlicensed practice, as they impact consumer safety and the profession, and expressed his support of referring the unpaid fines to a collection agency. Ms. Voigt asked for an update regarding the Board's pursuit of the authority to

release SSNs to collection agencies. Mr. McCauley explained that the Legislature is not currently supportive of DCA boards and bureaus sharing SSNs with outside entities due to potential privacy or security issues that may arise if the information was released. Mr. McCauley added that the various methods for collecting the fines would encourage payment and have a deterrent effect on unlicensed activity.

Mr. Merino reiterated his support of pursuing a contract with a collection agency, especially in cases involving unlicensed practice, and encouraged staff to take all necessary action to ensure payment of the fines. Mr. Ho asked if there is a specific policy regarding the age of the fines prior to referral to a collection agency. Mr. Sotelo explained that the Board does not currently have a contract with a collection agency, and Mr. McCauley offered to obtain information from other DCA boards and bureaus regarding their policies on collection agencies. Mr. McGuinness remarked that the Board is currently doing well in collecting the fines, and commended staff on strengthening the content of the correspondence regarding unpaid citations and proactively offering payment plans. Mr. Merino noted that the high collection rate is primarily the result of licensees paying their fines, and restated his desire for staff to pursue unlicensed individuals who hold themselves out as licensees.

Sheran Voigt moved to recommend to the Board that it encourage staff to continue pursuing all avenues for collecting unpaid administrative fines and start utilizing a collection agency for unpaid administrative fines aged beyond 90 days, or at the discretion of the Executive Officer.

Michael Merino seconded the motion.

Members De Pietro, Ho, McGavin, Merino, Voigt, Williams, and Committee Chair McGuinness voted in favor of the motion. The motion passed 7-0.

J. Adjournment

The meeting adjourned at 3:57 p.m.