

October 16, 2025

Bureau of Household Goods and Services Advisory Council Meeting

Sacramento, CA





BUREAU OF HOUSEHOLD GOOD AND SERVICES ADVISORY COUNCIL MEETING NOTICE and AGENDA

IN PERSON AND TELECONFERENCE MEETING

Thursday, October 16, 2025, 10:00 am Until the Completion of Business

Meeting Location

WebEx and
Department of Consumer Affairs
1747 North Market Blvd.
1st Floor – Ruby Room
Sacramento, CA 95834

Important Notices to the Public: The Bureau of Household Goods and Services (Bureau) will hold a public meeting in person and via WebEx and a teleconference platform.

Note: The Bureau will endeavor to provide a reliable means for members of the public to participate remotely; however, in the unlikely event that the remote means fails, the meeting may continue in person. For this reason, members of the public are advised to consider attending the meeting in person in order to ensure their participation during the meeting.

To participate via WebEx, please log on to this website the day of the meeting:

https://dca-meetings.webex.com/dca-meetings/j.php?MTID=m89b94d458f35a49e8f58f6da3cfdaf0d

If joining using the link above

Webinar number: 2489 533 8593 Webinar password: BHGS1016

INSTRUCTIONS FOR PARTICIPATION: Please see the instructions attached here to observe and participate in the meeting using WebEx from a Microsoft Windowsbased PC.

Members of the public may but are not obligated to provide their names or personal information as a condition of observing or participating in the meeting. When signing into the WebEx platform, participants may be asked for their name and email address. Participants who choose not to provide their names will be required to provide a unique



identifier, such as their initials or another alternative, so that the meeting moderator can identify individuals who wish to make public comment; participants who choose not to provide their email address may utilize a fictitious email address in the following sample format: XXXXX@mailinator.com.

Public comments will be limited to three minutes unless, at the discretion of the Bureau Chief, circumstances require a shorter period. Members of the public will not be permitted to "yield" their allotted time to other members of the public to make comments.

As an alternative, members of the public who wish to observe the meeting without making public comment can do so (provided there are no unforeseen technical difficulties) at https://thedcapage.wordpress.com/webcasts/.

Teleconference/Audio Conference Option:

+1-415-655-0001 US Toll Access code: 2489 533 8593 Passcode: 24471016

Advisory Council Members:

Pascal Benyamini, Public Burt Grimes, Industry Tom Keepers, Industry Sara Oakley, Industry Dan Rhodes, Industry Toby Taylor, Industry Steve Weitekamp, Industry

Agenda items may be taken out of order. Times stated are approximate and subject to change. Agenda order is tentative and subject to change at the discretion of the Advisory Council.

In accordance with the Bagley-Keene Open Meeting Act, all meetings are open to the public. Pursuant to Government Code section 11125.7, the Advisory Council provides the opportunity for the public to address each agenda item during discussion or consideration by the Advisory Council. Total time allocated for public comment on particular issues may be limited. Individuals may appear to discuss items not on the agenda; however, the Advisory Council may not discuss any matter not included in this agenda (Government Code sections 11125, 11125.7(a)).

The Bureau plans to webcast this meeting at https://thedcapage.blog/webcasts/. Webcast availability, however, cannot be guaranteed due to limited resources or technical difficulties. The meeting will not be cancelled if webcast is not available.

The meeting is accessible to the disabled.



A person who would like more information about the meeting or needs a disability-related accommodation or modification to participate in the meeting may ask questions about the meeting or make a disability-related accommodation request by contacting Chris Janus via email at chris.janus@dca.ca.gov, by sending a written request to the address indicated above, or at TDD (800) 326-2297 for the hearing impaired. Please provide at least five working days' notice before the meeting to help ensure accommodations.

AGENDA

- 1. Deputy Bureau Chief Introduction, Call to Order, and Roll Call
- 2. Public Comment for Items Not on the Agenda Please note that the Advisory Council may not discuss any matter raised during this public comment section that is not included on this agenda (Government Code sections 11125, 11125.7(a)).
- 3. Update from Board and Bureau Relations, Department of Consumer Affairs
- 4. Fiscal Update
 - a. Fee Study
- 5. Business Modernization Update
- 6. Review May 8, 2025, Advisory Council Meeting Minutes
- 7. Administrative Program Update
- 8. Licensing Program Update
- 9. Laboratory Update
- 10. Enforcement Program Update
- 11. Communications and Education Update
 - a. BHGS Website Improvements
- 12. Legislative and Regulatory Updates and Discussion
 - a. Amendments to Labeling Requirements (Upholstered Furniture and Bedding)
 - b. Household Movers Act Program: Implementing Regulations: Permit Requirements, Exam
 - c. AB 366 (2024-25): Petrie-Norris and Ransom: Ignition Interlock Devices

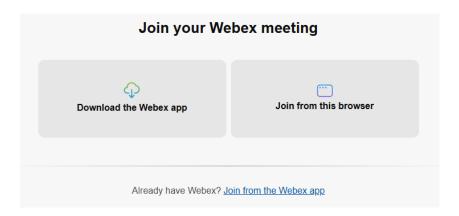


- 13. 2026 Advisory Council Meeting Proposed Dates:
 - a. May 7 or May 14
 - b. October 29 or November 5
- 14. Future Agenda Items
- 15. Adjournment

Recommended: Join using the meeting link.

- Click on the meeting link. This can be found in the meeting notice you received and is on the meeting agenda.
- If you already have Webex on your device, click the bottom instruction, "Join from the Webex app."

If you have **not** previously used Webex on your device, your web browser will offer "Download the Webex app." Follow the download link and follow the instructions to install Webex.



Enter your name and email address*. Click "Next."

Accept any request for permission to use your microphone and/or camera.





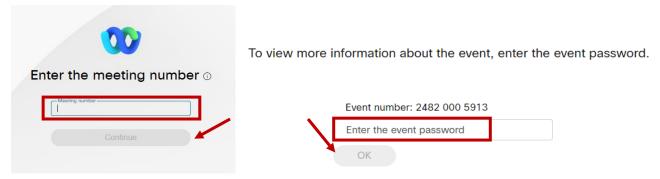
*Members of the public are not obligated to provide their name or personal information and may provide a unique identifier such as their initials or another alternative as well as a fictitious email address like in the following sample format: XXXXX@mailinator.com.

Alternative 1. Join from Webex.com

1 Click on "Join a Meeting" at the top of the Webex window.



Enter the meeting/event number and click "Continue." Enter the event password and click "OK." This can be found in the meeting notice you received or on the meeting agenda.



The meeting information will be displayed. Click "Join Event."



Alternative 2. Connect via Telephone



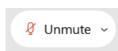
You may also join the meeting by calling in using the phone number, access code, and passcode provided in the meeting notice or on the agenda.

Microphone control (mute/unmute button) is located at the bottom of your Webex window.





Green microphone = Unmuted: People in the meeting can hear you.



Red microphone = Muted: No one in the meeting can hear you.

Note: Only panelists can mute/unmute their own microphones. Attendees will remain muted unless the moderator invites them to unmute their microphone. Only panelists will be offered starting their video camera.

Attendees/Members of the Public

Joined via Meeting Link

The moderator will call you by name and indicate a request has been sent to unmute your microphone. Upon hearing this prompt:

Click the Unmute me button on the pop-up box that appears.



Joined via Telephone (Call-in User)

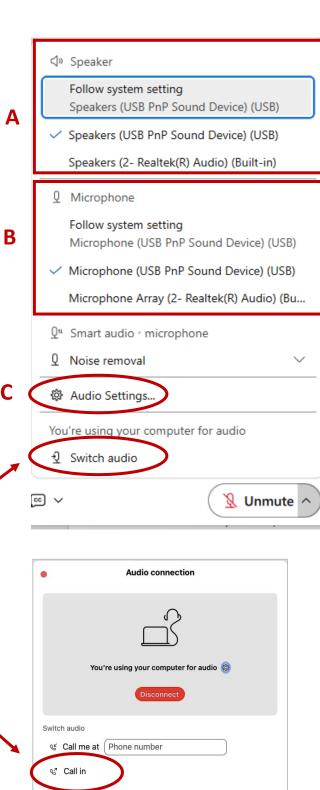


- When you are asked to unmute yourself, press *6.
- When you are finished speaking, press *6 to mute yourself again.

If you cannot hear or be heard

- Click on the bottom facing arrow located on the Mute/Unmute button at the bottom of the Webex window.
- From the drop-down menu, select different:
 - A. Speaker options if **you** can't hear participants.
 - B. Microphone options if participants can't hear you.
 - C. Audio settings will offer testing of your devices, and let you choose a different device.
- To link your phone to your Webex session, enabling your phone to become your microphone and speaker source:
 - Click on "Switch audio".
 - Select "Call in", which will show the phone number a to call and the meeting login information.





Unmute yourself

You're being asked to unmute yourself.

Stay muted

Unmute me

Joined via Meeting Link

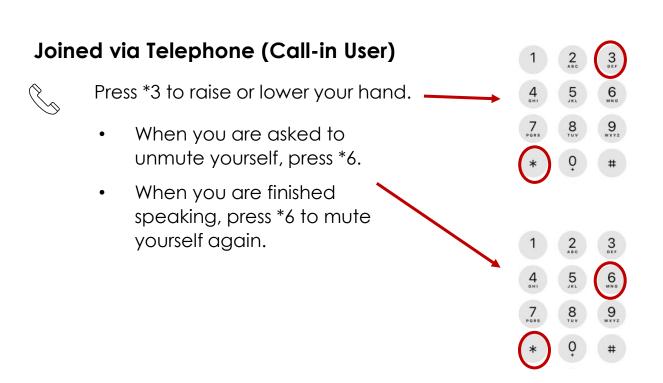
- Locate the hand icon at the bottom of the Webex window.
- Click the hand icon to raise your hand.
- Repeat this process to lower your hand.



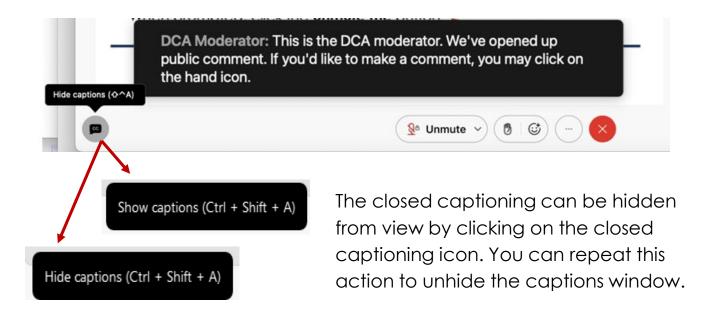
The moderator will call you by name and indicate a request has been sent to unmute your microphone.

Upon hearing this prompt:

Click the Unmute me button on the pop-up box that appears.



Webex provides real-time closed captioning displayed in a dialog box in your Webex window. The captioning box can be moved by clicking on the box and dragging it to another location on your screen.



You can view the closed captioning dialog box with a light or dark background or change the font size by clicking the 3 dots on the right side of the dialog box.

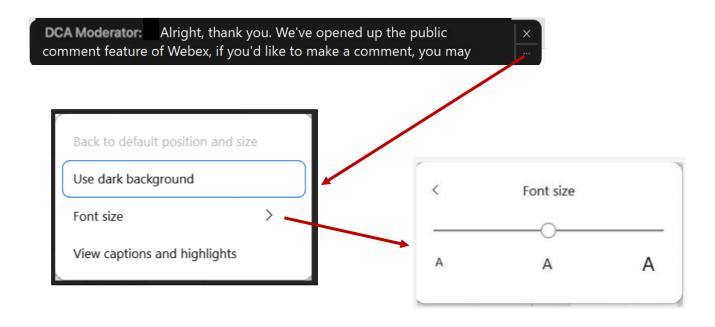


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Agenda Item 4

Fiscal Update

a. Fee Study



3438 - Household Goods and Services Fund, Professions and Vocations Fund **Analysis of Fund Condition** (Dollars in Thousands)

Prepared 8.7.2025

2025 Budget Act

PY based on FM 13 Projections		PY		CY		BY		BY +1
Tribused on the tottojechons	2	024-25	2	025-26	20	026-27	2	027-28
BEGINNING BALANCE	\$	-	\$	10,853	\$	8,201	\$	4,824
Prior Year Adjustment	\$	-	\$	-	<u>\$</u> \$	- 0.001	\$	-
Adjusted Beginning Balance	\$	-	\$	10,853		8,201	\$	4,824
REVENUES, TRANSFERS AND OTHER ADJUSTMENTS Revenues								
4121200 - Delinquent fees	\$	363	\$	401	\$	401	\$	401
4127400 - Renewal fees	\$	9,116	\$	9,620	\$	9,620	\$	9,620
4129200 - Other regulatory fees	\$	236	\$	190		190	\$	190
4129400 - Other regulatory licenses and permits 4163000 - Income from surplus money investments	\$ \$	1,390 261	\$ \$	1,240 710	\$ \$	1,240 280	\$ \$	1,240 229
4172500 - Miscellaneous revenues	\$	1	\$	-	\$ \$	-	\$	-
117 2000 Milodolian 10003 10 Voltous	Ψ	•	Ψ		Ψ		Ψ	
Totals, Revenues	\$	11,367	\$	12,161	\$	11,731	\$	11,680
Revenue transfer from the Household Goods and Services Fund, Professions and Vocations Fund (3438) to Motor Carriers Safety Improvement Fund (0293) per Public Utilities Code Section 5003.1	\$	-21	\$	-21	\$	-21	\$	-21
Revenue Transfer from the Electronic and Appliance Repair Fund (0325) to the Household Goods and Services Fund, Professions and Vocations Fund (3438)	\$	1,149	\$	-	\$	-	\$	-
Revenue transfer from the Home Furnishings and Thermal Insulation Fund (0752) to the Household Goods and Services Fund, Professions and Vocations Fund (3438)	\$	4,226	\$	-	\$	-	\$	-
Revenue transfer from the Household Movers Fund, Professions and Vocations Fund (3315) to the (Household Goods and Services Fund, Professions and Vocations Fund (3438)	\$	7,107	\$	-	\$	-	\$	-
Totals, Transfers and Other Adjustments	\$	12,461	\$	-21	\$	-21	\$	-21
TOTALS, REVENUES, TRANSFERS AND OTHER ADJUSTMENTS	\$	23,828	\$	12,140	\$	11,710	\$	11,659
TOTAL RESOURCES	\$	23,828	\$	22,993	\$	19,911	\$	16,483
Expenditures:								
1111 Department of Consumer Affairs (State Operations)	\$	11,940		13,659		14,069		14,491
9892 Supplemental Pension Payments (State Operations)	\$	115	\$	115		-	\$	-
9900 Statewide General Administrative Expenditures (Pro Rata) (State Operations)	\$	920	\$	1,018	\$	1,018	\$	1,018
TOTALS, EXPENDITURES AND EXPENDITURE ADJUSTMENTS	\$	12,975	\$	14,792	\$	15,087	\$	15,509
FUND BALANCE Reserve for economic uncertainties	\$	10,853	\$	8,201	\$	4,824	\$	974
	•		-		•		•	
Months in Reserve		8.8		6.5		3.7		0.7

NOTES:

- Assumes workload and revenue projections are realized in BY and ongoing.
 Expenditure growth projected at 3% beginning BY.

Fund Condition

Background

In July 2024, as a result of the Bureau's Sunset bill (SB 814, statutes of 2023), the Bureau's three separate funds were consolidated into a single fund called the Household Goods and Services Fund. However, to ensure payment of any expenditures billed to the separate funds earlier than July 2024, 20 percent of the funds' balances were held in the three historic funds.

The combined fund condition that appears on the previous page includes a partial transfer of \$12.461 million from those remaining funds into the single fund (EAR: \$1.149 million; HFTI: \$4.226 million; and HHM: \$7.086 million).

The remaining balance in each fund is: \$1.377 EAR; \$2.578 HFTI; \$1.749 HHM, for a total of \$5.704 (these amounts do not appear in the document on the previous page). This figure could decrease if any accounts payable in arrears are deducted and the remaining balance will transfer to the consolidated fund prior to July 2026.

Fund Condition

Historically, the Bureau has experienced a reversion (i.e., money it was allowed to spend but did not) of approximately \$3 million a year; management currently estimates a reversion of \$1.5 million annually. This is due to several factors:

- Increased wages and benefits for state employees
- The Bureau's building rent will increase as part of the lease renewal
- The Bureau is using the California Attorney General's Office on a consistent basis, which charges for their time

Please note, the Bureau will conduct a fee audit in 2026 and be preparing its sunset review report for the 2027 legislative session. Depending on projected revenues and expenditures at that time, a request for a fee increase may be included as part of that process and, if granted, will not take effect until January 1, 2028.

Revenue by Program

During the November 2024 Advisory Council meeting, council members asked to see revenue for each separate fund. The table below shows the revenue numbers for each fund for the last fiscal year.

Revenues by Program (July 1, 2024 to June 30, 2025)

	Delinquent Fees	Other Regulatory Fees*	Licenses and Permits	Renewal Fees	Total
EAR	\$96,589	\$21,620	\$316,155	\$2,386,968	\$2,821,332
HFTI	\$144,525	\$139,078	\$983,120	\$3,683,854	\$4,950,577
HHM	\$121,701	\$74,945	\$113,500	\$3,031,158	\$3,341,304

^{*}Other regulatory fees include: Enforcement Citation and Fines, Thermal Insulation Directory Fee, Permit Transfer Fee, Quarterly Filing Fee, and Voluntary Suspension.



Agenda Item 5

Business Modernization Update





Background

The Bureau is currently in a multi-year effort to transition public-facing licensing transactions online and to update the back-office database systems for both licensing and enforcement. The project, known as business modernization, is a partnership among the Bureau, the Department of Consumer Affairs (DCA), and InLumon, an information technology vendor. The new system is called "Connect."

Bureau staff are working with DCA and the vendor to simultaneously refine and update the transactions that recently moved online while also continuing to move additional transactions online. To assist with this work and to accelerate progress on the project, the Bureau recently hired a full-time analyst to work solely on Connect.

Current Online Transactions

- HHM general application (June 2023)
 - Updated (February 2025)
- HHM quarterly report filing (April 2024)
 - To assist licensees in creating and linking existing accounts, as well as in filing their quarterly reports, the Bureau created a step-by-step <u>guide</u> and <u>video</u>, both of which are posted on the Bureau's website.
- HHM transfer application (September 2024)
- Change contact information (December 2024)
- Add/remove DBA information (December 2024)
- HHM interstate application (January 2025)
- Complaint form (August 2025)

Completed System Updates & Maintenance

- Automatic insurance notifications for impending and expired insurance policies (July 2025 and ongoing)
- Automatic notification of impending HHM license suspension (August 2025)
- Automatic notification of HHM license suspension (August 2025)
- Impending HHM suspension list (August 2025)
- HHM Interstate only application updates related to Secretary of State registration (August 2025)
- HHM email notifications to applicants updated for clarity (August 2025)

Maintenance on Current Online Transactions

- Automatic Notifications: The Bureau is working with DCA and the vendor to setup additional automated notices to HHM licensees about:
 - Quarterly report deadlines (Target Release Date: September 2025)
 - Other notifications (Target Release Date: October 2025)



 Link to quarterly reports deadlines to appear on licensee dashboard (Target Release Date: October 2025)

Online Transactions in Process

- Maintenance Applications (e.g., voluntarily suspend a permit, change an exam qualifier, cancel license, change agent of service, etc.)
- EAR/HFTI renewals

Future Online Transactions

The following transactions are in development and slated for future development:

- Applications (HFTI & EAR)
- Pay a fine (all programs)
- Enforcement functionality
- Thermal insulation directory (HFTI)

Overall Project Status

On November 15, 2024, the Bureau's existing development contract for the business modernization project entered the "maintenance and operation" phase. This phase focuses on addressing deficiencies and maintaining the required software for existing online transactions.

In the coming months, the Bureau will continue its work developing online processes for EAR, HFTI, and enforcement, prioritizing EAR/HFTI renewals. Bureau staff, in collaboration with DCA, have developed a detailed draft of the EAR/HFTI renewal process (please see following pages). These wireframes will form the basis for building out online renewals in Connect, which staff expect to take a number of months to account for development and testing prior to the public release.

A similar process to build wireframes and detailed documentation is also currently underway for EAR/HFTI applications.

CONNECT EAR & HFTI Renewal Wireframe **DRAFT**

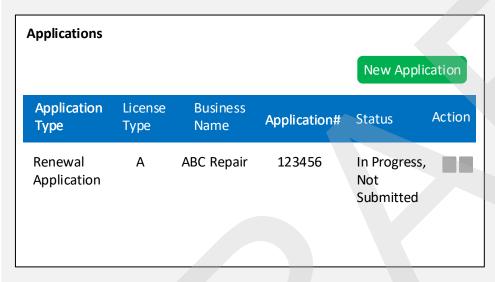


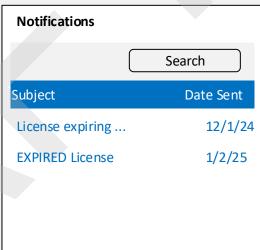
Dashboard

Welcome John Doe, 1001095153 | Profile | Sign Out









General Information

Back to Dashboard

General Information

General Information

Business Information

Instructions

Owner Information

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Attestation

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Fee and Payment

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Fee and Payment

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General Information Business Information Owner Information Attestation Fee and Payment

Fee and Payment

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Fee Description	Fee Amount
License Renewal	\$190.00
Delinquent Fee	\$95.00
Service Fee	\$0.00
Total	\$285.00

Order Information Total Fees: \$285.00	Billing Information	Required Fields *
Credit Card 🔻	□ Copy Details From	Application
Payment Information	First Name: *	
Card Number: *	Last Name: *	
	Street 1: *	
CVV: *	Street 2: *	
	Country: *	▼
	State/Province: *	▼
Expiration Date * Month* MM Year* YY	City: *	
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Pay and Submit

Owner Information (Sole Proprietor)

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Sole Proprietor

Fee and Payment

Owner Information (LLC)

Back to Dashboard

General Information

Owner Information

Business Information

Owner Information

Attestation

Fee and Payment

Type of Ownership

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Type of Ownership

Limited Liability Company

LLC Member Information



Last Name	First Name	Title	% of Shares	Actions
Doe	John	Co-founder	50	
Doe	Jane	Co-founder	50	

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Attestation

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Business Information		
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Fee and Payment	Signature (full legal name) *	Date *

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Fee and Payment

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General Information Business Information Owner Information Attestation Fee and Payment

Fee and Payment

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Fee Description	Fee Amount
License Renewal	\$190.00
Delinquent Fee	\$95.00
Service Fee	\$0.00
Total	\$285.00

Billing Information	Required Fields *
□ Copy Details From	Application
First Name: *	
Last Name: *	
Street 1: *	
Street 2: *	
Country: *	•
State/Province: *	•
City: *	
Zip/Postal Code: *	
	Copy Details From First Name: * Last Name: * Street 1: * Street 2: * Country: * State/Province: * City: *

Pay and Submit



Agenda Item 6

Review May 8, 2025 Advisory Council Meeting Minutes





BHGS

May 8, 2025 Meeting Minutes

Bureau of Household Goods and Services (Bureau or BHGS) Advisory Council Meeting Minutes In-Person and Teleconference Meeting May 8, 2025

Department of Consumer Affairs 1747 North Market Blvd. – 1st Floor HQ2 Hearing Room #186 Sacramento, CA 95834

Attendees:

Advisory Council Members: Pascal Benyamini, Public

> Burt Grimes, Industry Tom Keepers, Industry Sara Oakley, Industry Dan Rhodes, Industry Toby Taylor, Industry

Steve Weitekamp, Industry

Bureau Staff: Claire Goldstene, Deputy Bureau Chief

> Jacqueline Castro, Licensing Manager Kelli Williams, Administration Manager

Jacob Egger, Lab Manager Alda Aguirre, Enforcement Chief Eileen Yap, Policy Manager Joanne Van, Content Manager Laveenia Peavy, Licensing Analyst Tina Bilodeau, Special Investigator

Others: Susan Kilcrease, DCA Board and Bureau Relations

> Suzanne Balkis, DCA Budgets Ryan Harrington, DCA Budgets Helen Geoffrey, DCA Legal Affairs

1. Welcome, Introductions, and Roll Call

Bureau Deputy Chief Claire Goldstene began the meeting at 10:00 a.m. and took roll call. All council members were in attendance.

Ms. Goldstene provided several updates on the Bureau's response to the Southern California fires earlier this year, her attendance at the California Storage and Moving Association (CSMA) annual conference, Jacob Egger and Alda Aguirre's





presentation at the International Association of Bedding and Furniture Law Officials conference, and the Bureau's recent hiring of Elizabeth Peden as the new Compliance Unit Manager.

2. Public Comment on Items Not on the Agenda

<u>Council Member Comment</u>: Steve Weitekamp said that restoration companies are set up on the perimeter of the Los Angeles Palisades and Altadena Fires and suggested this was a great opportunity for BHGS outreach efforts to educate these non-compliant companies.

3. Update from Board and Bureau Relations, Department of Consumer Affairs

Susan Kilcrease from the Department of Consumer Affairs (DCA) Board and Bureau Relations provided an update from DCA.

In January, Governor Newsom's proposed 2025-26 state budget included splitting the Business Consumer Services and Housing Agency into two agencies: the California Housing and Homelessness Agency and the Business and Consumer Service Agency. The Governor's reorganization plan has been submitted to the Little Hoover Commission for review. If approved, the Business and Consumers Service Agency will be created in July 2025 and become operative on July 1, 2026.

Ms. Kilcrease also discussed Governor Newsom's executive order requiring all state agencies and departments to modify hybrid telework schedules to include four in-office days per week. She said that the California Department of Human Resources issued guidance on implementing the order and exceptions to the requirement.

Ms. Kilcrease announced that Levi Hull began as DCA's new Compliance and Equity Officer in April and is responsible for leading and coordinating department-wide quality improvement efforts to ensure consistency and regulatory compliance. The position will enhance the diversity, equity, inclusion, and accessibility policies training and activity through the department's programs.

4. Fiscal Update

DCA Budget Analyst Ryan Harrington provided a fiscal update and reviewed the 2024-25 fiscal month 8 fund condition. He said that the Bureau projects \$10.9 million in revenue and \$12.9 million in expenditures for the current 2024-25 fiscal year. The fund balance is currently \$10.4 million, which equates to about 8.9 months in reserve. One of the main factors driving expenditure increases in future





years is personnel service adjustments, which includes general salary increases, employee compensation and retirement rate adjustments. He said that increased enforcement expenditures, future legislation, and unanticipated events could increase cost pressure on the Bureau's fund.

Deputy Chief Claire Goldstene added that there would be an additional transfer from the Bureau's three separate funds in the next fiscal year that is not reflected in the current numbers. She also said increased personnel costs, enforcement referrals to the Attorney General's office, and expenses such as rent will increase the Bureau's expenditures. Ms. Goldstene said the Bureau will undergo an audit and fee study as part of the Sunset Report next year and that fee increases will be evaluated to address the declining reserve funds.

<u>Council Member Comment</u>: Steve Weitekamp commented that he does not expect a robust year for movers in 2025 due to high interest rates for housing, which may affect Bureau revenue.

<u>Council Member Comment</u>: Burt Grimes said the regulatory fee numbers seemed high and asked if it mostly consisted of uncollectible citation fees. Deputy Chief Claire Goldstene answered that the numbers included enforcement citations and fines, thermal installation directory fees, and other smaller amounts. Mr. Grimes asked if a collection agency is working to obtain the uncollectible funds. Ms. Goldstene answered that the Bureau has started a program to refer uncollected citations to the collections department which Enforcement Chief Alda Aguirre would discuss during her update.

Council Member Comment: Tom Keepers asked if the estimated adjustments included permanent vacancies in the Bureau. Mr. Harrington said the Department of Finance issued Budget Letter 24-20 Vacancy Savings and Position Elimination to reduce the State workforce and that it becomes effective in 2025-26 and will be ongoing. Mr. Keepers asked if the reduction in positions would affect the Bureau's operations or if it was just a budget strategy that could change in the near future. Ms. Goldstene responded that the reduction equated to four positions that were already vacant, and she emphasized that nobody lost or is at risk of losing their job. She said the reduction of these positions allowed the Bureau a cost savings with the least amount of operational disruption.

5. Business Modernization Update

Deputy Chief Claire Goldstene started her update by announcing that Chris Sanchez was hired to work fulltime on the Bureau's transition to the Connect system. She noted that he already has an understanding of Bureau operations





from his prior position with the Bureau and brings a wealth of IT experience, which will help accelerate the Bureau's progress with the Connect project.

Ms. Goldstene said that new functionality allows licensees to update their contact information and add or remove a Doing Business As (DBA). She also noted that Connect communications have been refined to reduce confusion for licensees and calls to the Bureau. Ms. Goldstene said that the new Interstate Movers application is now up and running and that improvements to the transfer application have been incorporated into the general application to make it easier for applicants. She also said certificates of insurance can now be uploaded directly to Connect and that a number of additional Connect improvements will be coming soon, including automatic account notifications.

Ms. Goldstene added that the Bureau will begin using the new online complaint form which integrates with the Connect system. She said the next big priority is online Electronic and Appliance Repair (EAR) and Home Furnishings and Thermal Insulation (HFTI) license renewals and that Chris Sanchez has been working with Licensing and DCA staff to move this forward.

Ms. Goldstene said that Household Movers Connect updates are being addressed through maintenance and operations. She said the Bureau will go through a similar process for the online EAR/HFTI applications, enforcement pieces, and thermal insulation directories and will enter into a new contract for these elements of the project.

<u>Council Member Comment</u>: Steve Weitekamp thanked staff for their work on Connect and said that most movers are very satisfied with the online features. He then asked for an update on removing non-active permits from the DCA license look-up feature because it can confuse consumers.

Ms. Goldstene answered that the Bureau had requested that change but, unfortunately, it was not possible to make a universal update. Instead, the Bureau is making those changes on a case-by-case basis and recommended that licensees contact the Bureau to rectify the issue. Licensing Manager Jacqueline Castro added that a change was made to the license search to improve the wording for transfer licenses so it is less confusing for consumers.

6. Review November 14, 2024, Advisory Council Meeting Minutes

There were no comments.

7. Administrative Program Update

Administration Manager Kelli Williams focused her presentation on Bureau staffing, one of the Bureau's top priorities.

Ms. Williams reported that the Chief of Licensing and Administration position is currently being advertised, and that the Bureau hopes to fill it by June 30. She announced that lead compliance analyst Chris Sanchez recently filled the full-time Connect development analyst position after the previous part-time analyst retired in December. Ms. Williams continued that Compliance Unit (CU) Manager Shelby Nordman retired on May 1, and that Elizabeth Peden was promoted from within the CU to fill the position. Ms. Williams explained that attrition is expected and that Ms. Peden is in the process of filling two vacant lead analyst positions.

Ms. Williams briefly mentioned telework, noting the Bureau recognizes its importance and that office-based staff will begin working from the office four days per week starting July 1, per Governor Newsom's executive order. She also reported recent staff engagement events at the Bureau, including an all staff meeting and potluck in January and themed potlucks in February, March, and May.

Lastly, Ms. Williams touched on contracts and procurement, extending her appreciation to Contract and Procurement Analyst Sue Robinson for meeting all purchasing deadlines and collaborating with the Lab staff to execute several complicated contracts.

8. Licensing Program Update

a. Implementation of Interstate Household Mover Application

Licensing Manager Jacqueline Castro announced that Laveenia Peavy, a Household Mover (HHM) Analyst, would present the Licensing update.

Ms. Peavy reviewed licensing statistics and reported a small decrease in the 3rd quarter service contract seller licenses, attributable to business closures; an overall increase in HFTI licensees; and a small decrease in the number of new HHM licenses, as March 31, 2025, due to outstanding application deficiencies.

Ms. Peavy reported that 45 HHM exams were administered between October and December 2024, with a 73 percent pass rate, and noted that the pass rate increased to 86 percent for January to March 2025. She also reported that 101 HHM licenses have been issued between July 2024 and March 2025.

Ms. Peavy noted a decrease in HHM quarterly revenue due to outstanding 2024 fourth quarter reports and said that the Bureau has been making multiple efforts to contact licensees to remind them to submit their reports.

Ms. Peavy announced that the new HHM Interstate application was launched in Connect in January 2025. She said the Bureau has also transitioned to an updated General Application, which was developed using the improvements to the Transfer





application, making the process easier for applicants. The Bureau also launched several online maintenance applications, which licensees can access via their Connect dashboards to update contact information, change/remove a DBA, and update insurance and/or bond certificates.

Ms. Peavy said automated insurance notifications regarding license suspensions will be implemented mid-May 2025; the Bureau is currently testing the notification process to prevent possible issues in the system. She added that automated quarterly report notifications regarding license suspensions and cancellations are projected to launch Summer of 2025.

Lastly, Ms. Peavy said the Bureau's next priority with Connect will be adding EAR/HFTI renewals and that Chris Sanchez is currently building the prototype for the online renewal process.

<u>Council Member Comment</u>: Steve Weitekamp asked if Transfer permits were reflected in the table on page 30 of the meeting packet. Licensing Manager Jacqueline Castro confirmed that they are included. Mr. Weitekamp also asked if statistics for Interstate only permits will be included in future meeting material. Ms. Castro answered that the Bureau will include that information going forward.

<u>Council Member Comment</u>: Burt Grimes asked if there was an estimated time for adding EAR/HFTI to the Connect system. Deputy Chief Claire Goldstene explained that though there is not an exact date set she was hopeful the Bureau would begin writing the language for the new contract within the next 1-2 months. She said she would let Mr. Grimes know when that is underway and that she would have a better understanding of the timetable at that point.

<u>Council Member Comment</u>: Tom Keepers asked if the increase in first quarter service contract statistics referred to registrations and/or renewals. Ms. Castro confirmed that the increase was regarding service contract administrator renewals.

9. Laboratory Update

Laboratory Manager Jacob Egger announced that the Lab's Thermal Insulation and Home Furnishings Laboratory Accreditation programs were combined into the same contract starting July 1, and thanked Sue Robinson and DCA for their efforts in helping consolidate the accreditation process.

Mr. Egger reported that the Bureau participated in 2025's International Association of Bedding and Furniture Labeling Officials (IABFLO) conference in San Diego, which consists of other state furniture and bedding regulators and industry members coming together to create uniformity through the industry and across the states.





Mr. Egger continued that the Bureau's Policy, Enforcement, Compliance, and Lab units have updated the Bureau's enforcement and compliance efforts for laboratory failures, which will help with industry compliance and consumer safety.

Mr. Egger said that the Home Furnishing and Thermal Insulation regulations have been completely overhauled and thanked Policy Manager Eileen Yap for her work in improving the regulations' flow and legibility.

Mr. Egger said that the Bureau is exploring options to purchase samples for testing online instead of only picking-up samples in person and that the Bureau will do compliance testing with different online retailers such as Wayfair and Amazon.

Mr. Egger continued that the deadline for changes to Thermal Insulation Directory listings is July 1, and that all directory fee and licensing fees are due June 15. Manufacturers that are out of compliance will be removed from the directory and will be unable to legally sell in California.

10. Enforcement Program Update

Enforcement Chief Alda Aguirre began with a brief overview of the Special Investigations, Compliance, and Case Management units and then discussed several referrals the Bureau made to the Attorney General's office for license revocations in February and March of this year.

Ms. Aguirre reported that special investigators have attended multiple task force meetings and that the Northern California Special Investigations Unit conducted their first task force meeting in April, led by Supervising Special Investigator Travis Cooke. She noted that the Bureau has also continued cooperating with multiple agencies and partners to share information and strategies.

Ms. Aguirre continued that the Bureau and Department of Transportation Federal Motor Carrier Safety Administration (FMCSA) signed a memorandum of agreement that gives Bureau staff access to various FMCSA systems and assists with taking enforcement action. She said the meetings with FMCSA have helped the Bureau develop policies and procedures for issuing citations for interstate mover violations, and she noted that the Bureau issued its first federal HHM citation in November 2024 for \$37,400.

Ms. Aguirre introduced Special Investigator Tina Bilodeau to present the next portion of investigation highlights. Ms. Bilodeau announced that the Bureau had participated in several sweep and sting operations focusing on unlicensed and delinquent EAR/HFTI/HHM businesses, which resulted in over 30 citations being





issued for a total of \$13,500, as well as three cases being referred to the Ventura County District Attorney.

Ms. Bilodeau said 61 cease letters were sent to unlicensed or non-compliant businesses between October 2024 and March 2025, to notify businesses about required Bureau licenses and to provide information about how to obtain the license.

Ms. Bilodeau announced that the Bureau launched its Collections Program in October 2024 to collect unpaid citation fines from businesses. As of March 2025, 102 collection notices have been sent and seven cases were referred for further collection action.

Ms. Bilodeau reported on consumer/business assistance and announced that in the past six months, the Bureau's work resulted in \$218,352 savings to the public.

Ms. Aguirre reviewed statistics regarding complaints, investigations, and citations. She announced that the Citation and Disciplinary Actions and License Search pages of the BHGS website have been streamlined to make it easier for consumers to use and find information. Ms. Aguirre also said that the Bureau is regularly updating the citations webpage for all three programs.

Council Member Comment: Steve Weitekamp thanked Ms. Aguirre and Ms. Bilodeau for their efforts and commented that the CMSA has been helping people with the interstate license process and is ready to assist applicants if they need additional information.

Mr. Weitekamp asked about the amount of fines being assessed on the cases referred to the Attorney General. He also suggested press releases related to sweeps and stings would be valuable for other organizations like CMSA to share information about bad actors in the industry.

Mr. Weitekamp then expressed concern about Bureau staff engaging in claims mediation because he believes it falls outside the authority and scope of the Bureau and that movers shouldn't be responsible for unlimited liability. Ms. Aguirre said the Bureau is not determining claim values when mediating cases and that most of these cases involve unlicensed movers. She added that complaints are often a result of a communication breakdown between consumers and movers. and that often simply having the Bureau participate in a meeting or staff having a conversation with both sides is all it takes for resolution. Deputy Chief Claire Goldstene also said that the cases forwarded to the Attorney General's office are





the most egregious and where the Bureau is also seeking a license revocation in addition to the fines.

11. Communications and Education Update

Content Manager Joanne Van provided an update on the Bureau's publications, social media activity, website improvements, outreach events, and overall communications.

Ms. Van announced that several new videos were posted on the Bureau's website and social media accounts in recent months and provided view counts for several other videos mentioned at the previous advisory council meeting.

She discussed two FAQ publications that were created for Household Movers in both English and Spanish, as well as a publication about home restoration companies that was distributed at disaster recovery centers throughout the Los Angeles area during the wildfires earlier this year.

Ms. Van reported that the Bureau continues to post on social media at least once a week in both English and Spanish and noted the increased percentage changes in social media followers over the past four quarters.

Ms. Van discussed updates that were made to improve the license search page of the Bureau's website as well as updates to the contact form which streamlined the backend process. She added that there are now six technical bulletins posted on the Bureau's site. Ms. Van also announced that the Bureau is currently working with DCA to fully redevelop the BHGS website with updated information and easier navigation.

Ms. Van reported on a handful of outreach events that Bureau staff recently participated in, including several events not listed in the advisory council packet. She thanked the staff who attended and represented the Bureau at these events. Ms. Van added that the Bureau also has new outreach equipment and thanked Sue Robinson for her help in obtaining these materials.

Lastly, Ms. Van said the Bureau continues to prioritize transparent communication with staff, which includes distribution of the monthly Bureau newsletter as well as three personnel fact sheets to help inform staff about rights and benefits. She thanked Marie Gouthier for her help with the personnel sheets content.





<u>Council Member Comment</u>: Tom Keepers complimented Ms. Van on the design of the new website. Deputy Chief Claire Goldstene added that she's very excited about Ms. Van's ideas for the new website and about the website redesign overall since it is most people's first encounter with the Bureau.

12. Legislative and Policy Updates

- a. Household Movers Enforcement Regulations Update
- b. Upholstered Furniture and Bedding Law Label Regulatory Proposal Update
- c. Household Movers Permit Requirements Regulatory Proposal Update
- d. Assembly Bill 366 (2025): Petrie-Norris and Ransom: Ignition Interlock Devices

Policy Manager Eileen Yap reported that the Household Movers enforcement regulations were approved and became effective on April 1, 2025. These regulations establish the following: definitions for terms such as "household goods" and "personal effects"; the Bureau's citation system, including how citations will be issued, how to contest or comply with citations, and how fines will be assessed; the substantial relationship and rehabilitation criteria that the Bureau must use when deciding whether to deny, suspend, or revoke a license based on a crime, professional misconduct, or an act that resulted in disciplinary action; and advertising requirements, including that Household Movers must include their license numbers in all advertisements.

Ms. Yap said that the Bureau received feedback on the original Upholstered Furniture and Bedding Law Label Regulatory Proposal, made changes to it, and resubmitted it to the Bureau's DCA regulatory counsel in September 2024 for further review. The DCA regulatory counsel advised that the proposal should be split into two proposals: a "Section 100" proposal containing all technical amendments and a separate proposal for all substantive changes. The Bureau submitted the "Section 100" proposal in April 2025, which allows for a shortened rulemaking process, and it is in the final stages for approval. The Bureau will be revising the second proposal, which will update labeling requirements such as terminology, label content, and label templates, after the "Section 100" proposal is approved.

Ms. Yap reported that the Bureau has begun drafting the Household Movers Permit Requirements Regulatory Proposal and hopes to have a draft ready for review by the end of summer. These regulations will clarify the permit requirements for Household Movers.

BHGS

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Lastly, Ms. Yap discussed AB 366, which is a bill that would make changes to existing law regarding ignition interlock devices (IID). Existing law authorizes a court to order a person convicted of driving under the influence (DUI) to install an IID device on their vehicle. Currently, it is within a court's discretion to issue this order. AB 366 would remove the court's discretion and make the order to install an IID mandatory, including for a first DUI conviction. AB 366 would thus impose a state-mandated local program. AB 366 would also extend the law regarding IID indefinitely by removing its expiration date of January 1, 2026. Ms. Yap said AB 366 was heard in the Assembly in April, and the committee voted to pass it and refer it to Appropriations.

<u>Council Member Comment</u>: Steve Weitekamp asked if a booklet with the new regulations is available yet. Ms. Yap responded that the updates are available on the Bureau's website as a supplement and that she would send him the link.

<u>Council Member Comment</u>: Toby Taylor expressed his support for AB 366 and in making the program permanent.

13. Next Advisory Council Meeting: October 16, 2025

14. Adjournment

Deputy Chief Claire Goldstene thanked everyone for attending and adjourned the meeting at 12:16 p.m.



Agenda Item 7

Administrative Program Update



BHGS

Administration

The Administration Unit is responsible for personnel management, which includes recruitment and hiring, on/off-boarding staff, and assisting Bureau staff in resolving pay and benefits issues. In addition, the unit handles contract administration and procurement, as well as asset management. It also provides support for the Executive Office, covers the reception area, responds to Public Records Act requests, and coordinates record management for the Bureau. Lastly, the unit oversees building facilities requests and provides training and travel liaison assistance for staff.

Bureau Staffing

Hiring is a top priority for the Administration unit and management. The chart below shows BHGS staffing levels.

Unit	# of Staff Allocated	# of Vacancies and Job Classification
Executive	4	1 (Bureau Chief)*
Licensing	10	(The Bureau anticipates an October start date for a lead analyst)
Policy	3	0
Compliance	12	4 (Analysts)
Case Management	3	0
Investigations- NorCal	11	1 (Special Investigator)
Investigations- SoCal	9	1 (Special Investigator)
Administration	5	0
Laboratory	9	0
TOTAL	66	7

^{*} The Bureau Chief is a Governor's appointment.

Staff Reduction

The 2024 Budget Act included significant budget reductions for state agencies. Under Budget Letter 24-10, effective July 1, 2025, the Bureau lost three vacant positions, reducing the overall number of positions from 69 to 66. Bureau management does not anticipate that the elimination of these vacant positions will adversely affect operations.



Administration

Hiring June 2025 - Oct. 2025

HOUSEHOLD GOODS AND SERVICES

Unit	Classification
Executive	Chief of Admin and Licensing: External hire
Lab	Analyst: Textile Technician promoted to Lab Testing Analyst Analyst: External hire, Lab Testing Analyst
Compliance	Office Technician: External hire Lead Analyst: Internal promotion to Lead Analyst Lead Analyst: External hire Analyst: External hire Analyst: External hire
Enforcement	Special Investigator (Bilingual- Spanish): External hire
Licensing	Lead Analyst: Final interviews concluded September 19 and the Bureau anticipates an October start date

¹⁰ positions filled

Staff Attrition

Time Period	Percentage	# of Staff	Reasons
June 2025 – Sept. 2025	3%	2	1 lateral transfer to another state agency 1 promotion to another state agencies 2 internal promotions*
			2 internal promotions

^{*}BHGS internal promotions and transfers within the Bureau are not calculated in the attrition rate.



Job Recruitment Fair - May 2025

Pictured below, BHGS employee Chris Janus at the May 2025 Sacramento Employment and Training Agency job fair, which more than 400 job seekers attended.



Lab Contracts and Purchasing

The Bureau's Contract Analyst, Sue Robinson, coordinated with Laboratory staff to execute a large contract to replace and install new equipment for the Bureau's full-scale flammability burn room. The contract has been awarded, and work will begin once the equipment has been received.

Previously, the laboratory was assessed by two separate accreditation bodies in alternative years and, thus, had to prepare for accreditation each year. This fiscal year, BHGS entered into a single contract for accreditation that combines home furnishings (mattresses, upholstered furniture, and bedding) and thermal insulation, reducing accreditation to once every two years.

Administration

Elementary School Donations

Surplus BHGS supplies, including 42 aprons and two prize wheels with cases, were donated to a local elementary school.



BHGS employee Chris Janus and Arcohe Elementary Superintendent/Principal Troy Miller.

Staff Engagement

Pot-lucks, All-Staff Meetings, and Team Building

In June, the Bureau held an all-staff meeting followed by a potluck. The Bureau also had a potluck in August that included a cornhole tournament. Three BHGS cornhole winners, Tina Bilodeau, Chris Sanchez, and Brian Kauth represented BHGS at a DCA-wide cornhole tournament on September 15, 2025.

BHGS New Employee Orientation

A full-day new employee orientation and team-building event is scheduled for November 13, 2025.



Agenda Item 8

Licensing Program Update





The Licensing Unit oversees four distinct areas: Electronic and Appliance Repair, Home Furnishings and Thermal Insulation, Service Contracts, and Household Movers. Licensing works daily with applicants and licensees who have questions about their application and/or license fees via phone and email. Licensing staff review applications and determine if any requirements have not been met. In addition, Licensing also processes renewals, household mover quarterly reports, address/business/owner changes, delinquencies, license histories/certifications, and reviews new service contract agreement language.

Licensing staff have worked with DCA to implement automatic notifications for HHM licensees for insurance lapses through Connect. In August 2025, notices were sent for impending license suspension because of expired insurance policies; notifications for expired liability and cargo insurance were sent in September 2025; and notices related to expired workers' compensation insurance will be sent in October 2025. Additionally, updates were made to the HHM Interstate only application allowing out-of-state moving companies to submit business registration documentation from either the California Secretary of State or their state of organization. Also, licensing continues to improve Connect email notifications sent to applicants and licensees to provide clear and concise information.

Elect	Electronic and Appliance Repair Active Registrations												
Quarter Ending	12/31 2023	03/31 2024	06/30 2024	09/30 2024	12/31 2024	03/31 2025	06/30 2025	07/01/25 to 08/31/25					
Appliance Svc Dealers	2,748	2,812	2,834	2,838	2,852	2,925	2,855	2,873					
Electronic Svc Dealers	3,056	3,001	2,924	2,925	2,898	2,896	2,758	2,761					
Combination Electronic/Appliance Svc Dealers	262	257	256	248	248	227	227	224					
Service Contract Administrators	80	81	80	80	80	99	85	86					
Service Contract Sellers	12,884	12,621	12,628	13,071	13,686	13,474	13,476	13,779					
Total Active EAR Registrations	19,030	18,772	18,722	19,162	19,764	19,621	19,401	19,723					



Home I	Home Furnishings and Thermal Insulation Active Licenses												
Quarter Ending	12/31 2023	03/31 2024	06/30 2024	09/30 2024	12/31 2024	03/31 2025	06/30 2025	07/01/25 to 08/31/25					
Furniture Retailers	1,826	1,822	1,815	1,755	1,739	1,733	1,713	1,713					
Bedding Retailers	1,976	1,965	1,946	1,872	2,047	2,062	1,874	1,739					
Furniture and Bedding Retailers	10,214	10,063	9,959	10,029	9,940	9,945	10,017	9,914					
Custom Upholsterers	386	368	366	361	352	347	328	330					
Supply Dealers	90	87	87	82	80	50	78	78					
Importers (includes overseas Manufacturers)	5,802	5,782	5,780	5,816	5,779	5,828	5,722	5,745					
Manufacturers	1,290	1,270	1,268	1,255	1,233	1,227	1,184	1,181					
Sanitizers	31	31	32	32	31	30	32	32					
Wholesalers	148	146	143	144	138	137	138	140					
Thermal Insulation Manufacturers	99	103	101	98	104	102	105	103					
Total Active HFTI Licenses	21,862	21,637	21,497	21,444	21,443	21,461	21,191	20,975					





Household Movers Active Permits												
Quarter Ending	12/31 2023	03/31 2024	06/30 2024	09/30 2024	12/31 2024	03/31 2025	06/30 2025	07/01/25 to 08/31/25				
New Permits Issued	22	21	32	43	35	23	33	34				
Interstate Permits Issued	0	0	0	0	0	0	1	4				
Exams Administered	32	40	42	50	45	35	52	40				
Exam Pass Rate	93%	90%	93%	86%	73%	86%	83%	90%				
Total Active HHM Permits	1,137	1,163	1,189	1,237	1,259	1,270	1,282	1,286				

	Household Movers Quarterly Revenue Report													
Quarter Ending	12/31 2023	03/31 2024	06/30 2024	09/30 2024	12/31 2024	03/31 2025	06/30 2025	07/01/25 to 08/31/25						
Quarterly Reports Received	1,028	544	1,373	1,089	1,182	1,076	1,233	1,247						
Revenue	\$857,179	\$352,922	\$940,159	\$800,101	\$937,443	\$684,803	\$773,043	\$875,420						
Admin Fees	\$10,280	\$5,410	\$13,700	\$10,820	\$11,600	\$10,690	\$12,240	\$12,485						
CHP Fees	\$5,140	\$2,705	\$6,850	\$5,410	\$5,800	\$5,345	\$6,120	\$6,195						
BHGS Revenue (does not include CHP Fees)	\$841,759	\$358,332*	\$953,859	\$810,921	\$949,043	\$695,493	\$785,283	\$887,905						

^{*}Because of the transition to Connect and online submission of quarterly reports there were some delays in receiving and cashiering payments. As a result, the revenue collected in the quarter ending March 31, 2024, was unusually low and the revenue collected in the quarter ending June 30, 2024, was unusually high.

Weeks-to-Process

The chart below provides the "weeks-to-process" for EAR and HFTI applications and renewals, service contract administrator applications, HHM applications (general, transfer, and interstate), quarterly reports, verification of insurance policies, and maintenance forms received each month. "Weeks-to-process" refers to the average number of weeks before an application or document is initially processed by a licensing technician/analyst after it is received at the Bureau.

Weeks-to-Process	Conversion Chart
1 day	0.1
2 days	0.3
3 days	0.4
4 days	0.6
5 days	0.7
6 days	0.9
7 days	1.0



Cale			nsing)25 We			cess		
2025	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
EAR Initial Apps	0.7	1.2	1.2	1.5	1.8	2.1	2.0	1.8
EAR Renewals	0.1	0.3	0.1	0.3	0.2	0.3	0.2	0.3
HFTI Initial Apps	0.6	1.1	1.3	1.6	1.4	1.4	2.0	1.8
HFTI Renewals	0.6	0.0	0.1	0.5	0.3	0.3	0.2	0.1
EAR Service Contract Administrators	4.1	3.5	1.2	1.8	2.4	3.4	3.9	3.6
HHM General Apps*	0.8	0.5	0.1	0.6	0.8	0.5	0.8	0.8
HHM Transfer Apps*	0.4	0.6	1.1	0.1	0.0	0.0	0.0	0.0
HHM Interstate Apps**	0.0	0.5	0.8	0.0	0.1	0.4	0.1	0.1
HHM Quarterly Reports	0.0	0.0	0.3	0.0	0.0	0.2	0.0	0.0
HHM Maintenance Forms***	0.9	1.3	1.8	0.7	1.0	0.4	0.8	1.0
HHM Certificate of Insurance Documents	0.4	0.0	-	-	-	-	-	-

^{*}The Bureau did not start collecting weekly statistics for the transfer application until January 2025.

^{**}The HHM Interstate application was launched January 1, 2025.

^{***}HHM Maintenance forms include: update contact information and change/add/remove DBA (implemented December 2024), and update insurance and/or bond certificates (implemented March 2025).



	BHGS Licensing Statistics Calendar Year 2024 Weeks-to-Process													
2024	Mar*	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec				
EAR Initial Apps	4.0	4.3	4.0	2.1	3.2	3.7	1.0	1.2	1.3	1.5				
EAR Renewals	3.1	4.1	3.4	1.9	3.3	2.6	0.7	0.7	0.0	0.2				
HFTI Initial Apps	3.9	4.3	3.3	4.6	2.1	2.3	1.6	1.8	1.2	1.4				
HFTI Renewals	3.9	4.1	4.4	3.4	2.7	3.3	0.4	0.5	0.1	0.1				
EAR Service Contract Administrators	4.1	4.2	3.1	1.0	2.1	4.1	3.4	1.1	1.5	4.9				
HHM Initial Apps	3.0	7.6	2.6	1.0	1.0	2.1	0.8	0.9	0.9	0.1				
HHM Quarterly Reports	6.6	1.0	2.6	0.7	1.1	0.0**	0.1	0.0	0.0	0.0				
HHM Certificate of Insurance Documents	0.1	4.1	2.4	3.4	1.7	1.4	0.4	0.3	0.5	0.7				

^{*}Statistical reporting began March 11, 2024.

**As an increased number of licensees transition to online submission of quarterly reports, which are automatically processed, there are no or minimal processing times to report.



Agenda Item 9

Laboratory Update



Laboratory Statistics

The Bureau Laboratory conducts testing to ensure that manufacturers comply with all BHGS laws and regulations for the Household Furnishings and Thermal Insulation program. Lab staff conduct physical breakdowns, chemical analyses, and flammability tests of insulation materials, upholstered furniture, bedding products, and mattresses. Following analysis, the resulting scientific reports are used to support the Bureau's enforcement efforts.

Technical Bulletin 117-2013

Technical Bulletin 117-2013 is California's smolder resistance test for filling materials used in upholstered furniture. This standard is intended to produce upholstered furniture with a reduced risk of smoldering. The standard provides methods for smolder resistance of cover fabrics, barrier materials, resilient filling materials, and decking materials used in upholstered furniture.

The table below shows TB 117-2013 testing results from October 1, 2023, to September 1, 2025. Failures are rare, and overall, manufacturers' products meet California's smoldering standards. During the quarter ending September 30, 2024, Lab staff shifted focus from furniture and bedding to biannual thermal insulation to prepare for thermal insulation accreditation. The laboratory's focus continued to center on thermal insulation through the quarter ending March 31, 2025. Beginning April 1, 2025, the laboratory's focus shifted toward hiring and laboratory accreditation.

TB 117-2013 – Smoldering Test of Upholstered Furniture											
	Quarter Ending										
Results	12/31/23	3/31/24	6/30/24	9/30/24	12/31/24	3/31/25	6/30/25	7/1/25- 8/31/25	Results		
Pass	11	10	13	3	2	5	6	5	54		
Fail	0	0	0	0	0	0	0	0	0		
Total tested	11	10	13	3	2	5	6	5	54		
Pass rate	100%	100%	100%	100%	100%	100%	100%	100%	100%		



16 Code of Federal Regulations (CFR) 1633

BHGS

16 CFR 1633 is the U.S. Consumer Product Safety Commission's standard for the flammability (open flame) of mattress sets. Part 1633 establishes flammability requirements that all mattress sets must meet before sale or introduction into commerce. The standard intends to reduce deaths and injuries associated with mattress fires by limiting the size of the fire generated by a mattress set during a thirty-minute test.

The laboratory's full-scale burn room equipment failed at the start of 2024 and the laboratory has been unable to test mattresses for 16 CFR 1633. Before the equipment broke, mattress failures were becoming more prevalent. As reported at the last advisory council meeting, mattresses had a 32 percent failure rate when the Bureau could test more regularly. We anticipate an increase in failures following the implementation of Assembly Bill 1059 in 2027, which will ban fiberglass in all mattresses. The equipment for the full-scale burn room is in the process of being purchased and the Bureau anticipates testing will resume by December 2025.

16 CFR 1633 – Flammability (Open Flame) Test of Mattress Sets											
Results				Quarte	r Ending				Overall		
	12/31/23	3/31/24	6/30/24	9/30/24	12/31/24	3/31/25	6/30/25	7/1/25- 8/31/25	Results		
Pass	5	3	0	0	0	0	0	0	8		
Fail	0	2	0	0	0	0	0	0	2		
Total tested	5	5	0	0	0	0	0	0	10		
Pass rate	100%	60%	N/A	N/A	N/A	N/A	N/A	N/A	80%		

16 CFR 1633 – Manufacturing Locations of Testing Failures											
Results		Quarter Ending									
	12/31/23	3/31/24	6/30/24	9/30/24	12/31/24	3/31/25	6/30/25	7/1/25- 8/31/25	Results		
U.S California	0	2	0	0	0	0	0	0	2		
U.S. – Other States	0	0	0	0	0	0	0	0	0		
Outside U.S.	0	0	0	0	0	0	0	0	0		
Total Failures	0	2	0	0	0	0	0	0	2		
Samples Tested	5	5	0	0	0	0	0	0	10		



Thermal Insulation

Thermal insulation testing includes smoldering, flammability, corrosion, and R-value (efficiency rating) of thermal insulation samples. The Bureau tests various thermal insulation, such as loose-fill cellulose, fiberglass battings, loose-fill fiberglass, and polystyrene foam boards.

In recent years, thermal insulation testing had declined amid a greater focus on the furniture and bedding programs. However, in June 2023, the laboratory implemented a new protocol to increase thermal insulation testing by sending out thermal insulation sample requests biannually. Since implementation of biannual sampling of thermal insulation, 29 percent of thermal insulation samples have failed. The laboratory will continue to test more insulation products. The laboratory paused thermal insulation testing after the quarter ending March 31, 2025, because a change in thermal insulation accreditation vendors caused a short lapse in accreditation status. As of August 2025, the laboratory's thermal insulation program was in good standing with the new accrediting body. The lab staff are in the midst of sending thermal insulation manufacturers requests for samples and expect to test 10 thermal insulation products before the end of the calendar year.

Thermal Insulation Testing – Smoldering, Flammability, Corrosion & R-Value												
Results		Quarter Ending										
	12/31/23	1/23 3/31/24 6/30/24 9/30/24 12/31/24 3/31/25 6/30/25 7/1/25-8/31/25										
Pass	5	3	7	2	8	10	0	0	35			
Fail	2	1	2	2	1	6	0	0	14			
Total tested	7	4 9 4 9 16 0 0										
Pass rate	71%	75%	78%	50%	89%	63%	N/A	N/A	71%			

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Bedding Testing – Finished Size and Net Weight

Bedding testing consists of compliance with finish size and net weight measurements. Examples of bedding products include comforters, bed pillows, mattress pads, and mattresses.

The Bureau's bedding failures (finish size and net weight) have been particularly high the past few years. In January 2025, the Bureau released six technical bulletins, which are posted on the Bureau's website, to provide greater clarity about requirements and to help ensure greater industry compliance.

During the quarter ending September 30, 2024, Lab staff shifted focus from furniture and bedding to thermal insulation to prepare for thermal insulation accreditation and biannual thermal insulation testing. The Lab's focus continued to center on thermal insulation through the quarter ending March 31, 2025. In the quarter ending in June 30, 2025, the lab switched focus from thermal insulation testing to preparing for accreditation.

Bedding Testing – Finished Size and Net Weight*												
Results	Quarter Ending											
	12/31/23	731/23 3/31/24 6/30/24 9/30/24 12/31/24 3/31/25 6/30/25 7/1/25- 8/31/25										
Pass	7	7 5 2 5 0 1 0 0										
Fail	4	6	4	9	2	4	3	2	34			
Total tested	11	11 11 6 14 2 5 3 2										
Pass rate	64%	45%	33%	36%	0%	20%	0%	0%	37%			

^{*}Please note: Label failures are not reported in this section of the Lab update.

Laboratory Statistics

The table below includes combined test results for TB 117-2013, 16 CFR 1633, bedding, and thermal insulation. Information about label review and flame-retardant chemical testing results follow.

Previously, each year the lab underwent an onsite accreditation review for one of its two programs, which required significant staff time to prepare. In April 2025, the Bureau signed a contract which consolidated both the thermal insulation and home furnishings accreditation programs so that accreditation for both programs will happen concurrently every two years. This change should significantly increase the number of samples staff can test each year. The new accrediting body conducted an onsite assessment July 22, 2025, through July 24, 2025. The lab's accreditation has been extended to July 2027. Laboratory staff were focused on accreditation during the spring and summer months of 2024 and, as result, conducted fewer tests.

BHGS Laboratory Testing Totals													
Results		Quarter Ending											
	12/31/23	31/23 3/31/24 6/30/24 9/30/24 12/31/24 03/31/25 6/30/25 7/1/25- 8/31/25											
Pass	28	28 21 22 10 10 16 6 5											
Fail	6	9	6	11	1	10	3	2	48				
Total tested	34	34 30 28 21 11 26 9 7											
Pass rate	82%	70%	79%	48%	91%	62%	67%	71%	71%				

Flame Retardant Chemical Labeling and Testing

BHGS

Since the passage of SB 1019 in 2015, manufacturers are required to state if their product does or does not contain flame-retardant chemicals. Currently, almost all manufacturers state they do not use flame-retardant chemicals in their products.

The Bureau sends products where the flammability label includes a "contains NO added flame retardant" statement to the California Department of Toxic Substances Control (DTSC) for chemical analysis to confirm the accuracy of the statement. This includes juvenile products, foam in adult mattresses, and upholstered furniture.

No samples sent to DTSC between October 1, 2023 and August 31, 2025, contained over 1000ppm (parts per million) of flame-retardant chemicals. Though each sample can involve sending multiple layers to DTSC for testing, it will only be recorded as one overall pass or fail. The Bureau only sent samples to DTSC in the guarters ending June 30, 2024, March 31, 2025, and June 30, 2025 because the contract with DTSC had expired in 2024 and in 2025 DTSC was updating their methods and hiring new staff.

Flame Retardant Chemical Statement Analysis													
Results			Quarter Ending (
	12/31/23	3/31/24	6/30/24	9/31/24	12/31/24	3/31/25	6/30/25	7/1/25- 8/31/25	Results				
No Added FR Chemicals	10	10	13	3	2	5	6	5	54				
Added FR Chemicals	0	0	0	0	0	0	0	0	0				
No Box Checked	1	0	0	0	0	0	0	0	1				
Total tested	11	10	13	3	2	5	6	5	55				
Pass rate	91%	100%	100%	100%	100%	100%	100%	100%	98%				



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Laboratory Statistics

Samples Analyzed by DTSC with the "No Added Flame Retardant" Chemical Statement												
Results		Quarter Ending										
	12/31/23	31/23 3/31/24 6/30/24 9/30/24 12/31/24 03/31/25 6/30/25 7/1/25- 8/31/25 F										
Pass	0	0	4	0	0	2	3	0	9			
Fail	0	0	0	0	0	0	0	0	0			
Total tested	ested 0 0 4 0 0 2 3 0											
Pass rate	N/A	N/A	100%	N/A	N/A	100%	100%	N/A	100%			



Label Review

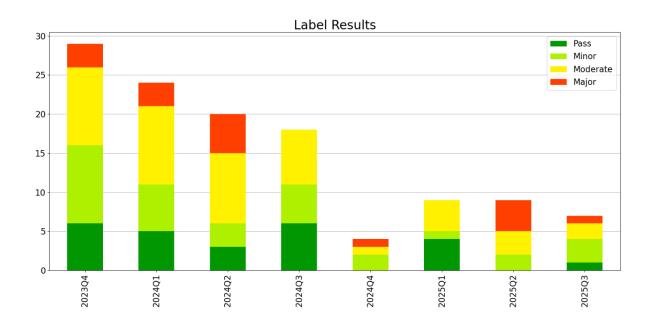
Label review is conducted on all mattresses, upholstered furniture, and bedding products. A Laboratory analyst reviews the law and flammability labels attached to the products to determine if the manufacturer has followed the rules and regulations that apply to their product. Over the past two years, only 21 percent of labels reviewed by the Bureau had no violations.

The Bureau will reimburse businesses with samples that pass or samples with minor labeling failures, but not those with moderate labeling failures. Major labeling failures lead to enforcement action against the manufacturer.

Labeling reviews decreased in the past year because of the focus on thermal insulation testing, preparation for the consolidated accreditation, and some difficulties with calibration vendors. Label review numbers increase in the coming months.

Label Results										
Results					r Ending				Overall	
	12/31/23	3/31/24	6/30/24	9/30/24	12/31/24	3/31/25	6/30/25	7/1/25 - 8/31/25	Results	
Pass	6	5	3	6	0	3	0	1	24	
Minor	7	3	3	4	2	1	2	3	25	
Moderate	10	10	10	8	1	6	3	2	50	
Major	3	4	3	0	1	0	4	1	16	
Total tested	26	22	19	18	4	10	9	7	115	
Pass rate	23%	23%	16%	33%	0%	30%	0%	14%	21%	







Agenda Item 10

Enforcement Program Update



Enforcement Program Update and Statistical Review

The Enforcement Program is comprised of four units: The Compliance Unit handles incoming complaints and desk investigations; the Northern Special Investigations Unit handles cases from northern Los Angeles, along the coast to Northern California; the Southern Special Investigations Unit handles cases from Kern County, across southern Los Angeles, and through Orange County and the Inland Empire to San Diego; and Case Management schedules citation review conferences, reviews citations and field reports, provides analyst support to field staff, gathers information for the Enforcement program logs and statistics, and manages the Bureau's Collections Program.

Investigation Highlights

Attorney General/District Attorney Cases

A Decision and Order from the Office of Administrative Hearings against an HHM business operating in Riverside County became effective February 28, 2025. The decision ordered the business to cease using multiple names in connection with their business. The BHGS license was also suspended for 90 days and the business ordered to pay the Bureau \$13,526 for enforcement costs. Lastly, the order affirmed the citation by denying the respondent's appeal and ordered the business to pay the civil penalty of \$2,000. The decision was based on the Bureau's accusation that the business: 1) knowingly permitted the unlawful use of his sole proprietorship license when while operating as a corporation; 2) knowingly and willfully advertised as being a fully licensed corporation; 3) failing to provide a link to the Bureau's website on his website; 4) knowingly and willfully publishing incorrect written advertisements; and 5) violating provisions of the HHM Act.

On July 24, 2025, the Bureau received updates on the Ventura County DA cases filed as a result of the November 2024 undercover sting conducted by the Bureau targeting household movers. Two cases resulted in warrants being issued against defendants who failed to appear for their hearings and an arraignment was scheduled for another business owner.

In August 2025, following additional investigations of complaints against an EAR business previously referred to the Attorney General's Office in May 2025, the Bureau filed these new cases with the AG's office seeking license revocation. This business advertises and operates under names different than its own to mislead the public into believing they are hiring a business certified to provide repairs for high-end appliances and fails to complete the repairs correctly or does not return to complete the repairs.

Cooperation Among Agencies and Partners

The Enforcement program participates in regular taskforce meetings to share information and strategies with other state and local partners. This includes quarterly consumer fraud taskforce meetings with the San Diego County District Attorney's Office, and the San Bernardino County Strike Force.

In May 2025, the Bureau hosted the Central Valley Taskforce meeting. In July 2025, the Bureau led the second meeting of the Northern California Task Force, which includes

participants from the Placer County District Attorney's Office, the Yolo County District Attorney's Office, the Attorney General's Office, the Better Business Bureau, the California Department of Weights and Measures, and the Labor Commission.

In July 2025, the Bureau met with representatives from the Bureau of Toxic Substance Control to discuss sample procurement and share policies, procedures, and techniques for locating samples and communication with business owners about the sample procurement process.

Bureau staff solicit input from partners on industry trends and business practices to ensure the Bureau uses up-to-date enforcement/investigative practices. The following were completed in July 2025:

- In July 2025, Bureau investigators met with a manufacturing company to learn about each step in the company's production process, which included sewing the law labels onto the products. During that meeting Bureau staff discovered that the company that printed their label provided them with the wrong registry number. Bureau staff educated the business and allowed an opportunity for correction, while also educating the business on future sample procurement from their business.
- On July 16, 2025, Bureau investigators educated multiple businesses in the Santa Cruz area. One storage unit business was educated about the Bureau's jurisdiction, rogue movers, and how to check the licensing status of a business. Hold hostage cases were also discussed, and information was shared about what to do if an abandoned unit is found on their premises. The business was also informed the need for restoration companies to be licensed with the Bureau if they are moving household goods. Bureau outreach flyers were also provided to the business, which were placed for distribution in their lobby and shared with their corporate office.
- Additionally, investigators visited four jewelry stores in Santa Cruz and provided outreach related to the sale of service contracts.

Memorandum of Agreement with Federal Motor Carrier Safety Administration

In October 2020, the Bureau and the Department of Transportation Federal Motor Carrier Safety Administration (FMCSA) signed a Memorandum of Agreement. As a result, Bureau staff have access to various FMCSA systems and can assist with taking enforcement action and the release of goods for moves that take place outside of California.

On July 9, 2025, investigators joined FMCSA agents in Los Angeles County to conduct HHM inspections. At one of the businesses, linked to an unlicensed mover, agents were able to interview a witness and review documents to assist in identifying who was operating the business before referring the case to the Bureau for investigation.

On July 29, 2025, an FMCSA field agent referred an unlicensed Nevada-based household mover to the Bureau for investigation into unlicensed operations in California during an intrastate move. Bureau staff opened an investigation into the mover.

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Enforcement

On August 4, 2025, an FMCSA field agent referred an unlicensed Oregon-based household mover to the Bureau for investigation into unlicensed operations in California during an intrastate move. Bureau staff opened an investigation into the mover.

On August 25, 2025, an FMCSA field agent referred three unlicensed intrastate household moving businesses, with multiple complaints for intrastate moves, to the Bureau for investigation. Staff opened investigations into each business.

Sweep and Sting Operations

On May 20-21, 2025, the Bureau attended the Southern California Furniture & Accessory Market show in Long Beach and contacted both licensed and unlicensed wholesalers and manufacturers to discuss HFTI regulations and requirements. The sweep was used as an outreach opportunity and no citations were issued.

On July 16-17, 2025, the Bureau conducted a sweep of delinquent and unlicensed EAR/HFTI/HHM businesses in Santa Cruz/Monterey. Investigators issued 16 citations totaling \$6,500 in fines to businesses operating without a valid license. Forty-two businesses were contacted during the sweep (22 EAR, 16 HFTI, 4 HHM).

The Bureau currently has a combined EAR/HFTI/HHM program sweep in the Fresno area scheduled for the end of September and an unlicensed statewide HHM sweep to be conducted in October. Details on both of these operations will be shared at the at the Advisory Council meeting.

Cease Letters

Between April 2025 and August 2025, the Enforcement program issued 46 cease letters to businesses found to be operating or advertising without a valid Bureau license: 19 household movers; five HFTI businesses; and 22 EAR businesses. These letters notify businesses that a Bureau license is required and include information about how they can obtain a license and inform them that continued operations may result in administrative action.

BHGS Collections Program

The Bureau initiated its collections program in October 2024, by sending notices for unpaid citation fines to businesses. The process includes three notices to the business allowing them an opportunity to pay the outstanding fines before their debt is referred to collections by the Franchise Tax Board or DCA Collections. Between October 2024 and March 31, 2025, the Bureau sent 102 collections notices to businesses and referred seven for collection. Between April 1, 2025, and August 31, 2025, 181 collections notices were sent to businesses and 67 were referred to collections by the Franchise Tax Board or DCA Collections. The Bureau's Collections Program has collected \$15,820 in outstanding fines, as of August 31, 2025.



Consumer/Business Assistance

The Enforcement program continues to work with consumers and businesses to investigate and mediate complaints filed against both licensed and unlicensed businesses. Between April 1, 2025 and August 31, 2025, this work resulted in savings to the public of \$113,723. The following are examples of cases that highlight these efforts.

In April 2025, the Bureau investigated a service contract administrator case where the consumer bought a refrigerator that broke. The company tried to repair the fridge seven times but could not. The business refused to replace the refrigerator as indicated in their terms until the Bureau assisted with the case. The business replaced the refrigerator for a better model valued at \$2,399.

In May 2025, the Bureau investigated a case of deceptive business practices involving a consumer who ordered and paid for furniture that was never delivered. The consumer was unable to cancel the order and was also facing a restocking fee. After reviewing the supporting documents with the business, the respondent agreed to issue a full refund of \$24,832.

On May 27, 2025, the Bureau investigated a case against a furniture retailer where the consumer was fraudulently registered for a protection plan on their account by the business. Administrative action was taken against the business and the investigator assisted the consumer in communicating with the protection plan company which canceled the account and provided a refund of \$1,034.

In June 2025, the Bureau investigated an intrastate mover where the consumer alleged overcharges to the hourly estimate. Evidence was provided to the Bureau by the consumer and the business. Discrepancies were discovered in the estimate and charges, the respondent offered to settle in the amount of \$1,000.

On June 3, 2025, a business under investigation by the Bureau for allegations that the business refused to cover pilling of a couch pursuant to their extended warranty. The investigator contacted the business and mediated the complaint, which resulted in the business replacing the couch valued at \$2,380.

In June 2025, the Bureau investigated a complaint against an unlicensed furniture retailer where the consumer bought a couch that was dropped and damaged during delivery. The company agreed to replace the couch, but after six months the product had not been delivered. The investigator mediated the case, which resulted in a refund to the consumer of \$2,438. The business was cited for unlicensed activity and is being monitored for collections and compliance.

In June 2025, the Bureau investigated an HHM complaint alleging overcharges – the consumer paid \$10,000 above the broker's initial quote. The Bureau assisted with the negotiations between the consumer and the respondent, which resulted in a settlement of \$8,000 refunded to the complainant.

In July 2025, the Bureau investigated a complaint against a suspended HHM business as a possible hold hostage case. The consumer was refusing to pay the balance of \$19,600.75. After working with both parties, they agreed on a lower price and delivery of the goods, which saved the consumer \$8,870.

In July 2025, the Bureau investigated an appliance repair business for damage claims related to a dishwasher that was improperly installed, leading to a water leak and significant damage to the residence. After reviewing the supporting documentation and contacting the home warranty administrator for additional information a settlement was reached. The service company responsible for the repairs agreed to pay for the damages, and the complainant accepted the offer of \$5,800.

Complaints Received and Investigations Initiated

All complaints received by the Bureau are processed and triaged by the Compliance unit, and each complainant receives an acknowledgement letter. Compliance unit staff then determine if the Bureau has jurisdiction. Bureau staff close non-jurisdictional cases without investigation and send a letter to the consumer with information about other remedies. When the Bureau does have jurisdiction, complaints are mediated or investigated further.

The table below shows the number of incoming complaints for all three program areas between October 2023 and August 2025, and the number closed without investigation (non-jurisdictional) or referred for investigation. The number of cases referred for investigation fluctuates each quarter.



			Compl	aints Rec	eived*			
	10/1/23- 12/31/23	1/1/24- 3/31/24	4/1/24- 6/30/24	7/1/24- 9/30/24	10/1/24- 12/31/24	1/1/25- 3/31/25	4/1/2025- 6/30/2025	7/1/2025- 8/31/2025
EAR								
Received	292	319	315	482	450	493	478	336
Closed w/out Investigation	167	212	216	330	337	349	330	207
Referred for Investigation	119	116	97	140	128	141	152	130
HFTI								
Received	146	99	123	98	116	164	102	78
Closed w/out Investigation	60	33	50	41	65	64	29	13
Referred for Investigation	86	68	74	58	52	99	73	63
ННМ								
Received	97	79	184	143	114	96	114	92
Closed w/out Investigation	0	0	0	0	1	0	0	2
Referred for Investigation	97	79	184	149	113	96	114	90
Bureau Totals								
Received	535	497	622	723	680	753	694	506
Closed w/out Investigation	227	245	266	371	403	413	359	222
Referred for Investigation	302	263	355	347	293	336	339	283

^{*}The number of complaints received for each quarter will not be equivalent to the combined "closed without investigation" and "referred for investigation" because complaints either closed or investigated may have been received during a prior quarter or closed during the following quarter.

Investigations

Compliance unit analysts perform desk investigations and mediate licensed electronic and appliance repair complaints, as well as home furnishings and thermal insulation complaints. Delinquent licensee referrals along with unlicensed Household mover complaints are forwarded to the Special Investigations unit for investigation following initial triage and attempts to gain compliance. The Compliance unit is also responsible for investigating and writing citations for laboratory testing that result in label or flammability failure, investigating licensing fee waivers, and investigating applicant background cases.

The Special Investigations unit investigates egregious complaints against licensed and unlicensed businesses. SIU staff are located throughout California and work with other state and local agencies, sharing case information and strategies to assist in mediation

between businesses and consumers. In addition, SIU staff conduct field inspections to address unlicensed operations and license renewal delinquencies and collect product samples for testing in the Bureau lab.

The chart below shows the number of investigations conducted between October 2023 and August 2025. As in years past, the number of cases referred for investigation varies from quarter to quarter. Bureau management continue to monitor these numbers to identify any long-term trends.

			l.	nvestigati	ons			
	10/1/23- 12/31/23	1/1/24- 3/31/24	4/1/24- 6/30/24	7/1/24- 9/30/24	10/1/24- 12/31/24	1/1/25- 3/31/25	4/1/2025- 6/30/2025	7/1/2025- 8/31/2025
EAR								
Received	119	116	97	141	128	141	152	130
Closed	109	80	113	126	179	233	183	114
HFTI								
Received	86	68	74	58	52	99	73	63
Closed	59	87	84	94	90	113	103	59
ННМ								
Received	97	79	184	149	113	96	114	92
Closed	24	109	90	132	213	117	170	117
Bureau Tot	tals							
Received	302	263	355	348	293	336	339	285
Closed	192	276	287	352	482	463	456	290

^{*}The number of investigations received for each quarter will not be equivalent to those referred for investigation from the previous table because investigations may have been referred during a prior quarter or received during the following quarter.

HOUSEHOLD GOODS AND SERVICES

Enforcement Program Citations Assessed

BHGS

During an investigation and while conducting inspections, Enforcement staff use a variety of methods to achieve compliance, including education, cease letters, and citations. The chart below details the number of citations issued and the overall amount assessed for all three programs between October 202, and August 2025.

The chart also includes information about the monies collected from citations. The amount collected in each quarter may include payments from citations issued in a previous quarter. Also, citation amounts may be modified as a result of a decision made after a Citation Review Conference, an Administrative Hearing, or a citation withdrawal. Cooperation and good faith efforts demonstrating compliance by the business are taken into consideration when determining the modification of fines.

	Citations Assessed											
	10/1/23- 12/31/23	1/1/24- 3/31/24	4/1/24- 6/30/24	7/1/24- 9/30/24	10/1/24- 12/31/24	1/1/25- 3/31/25	4/1/2025- 6/30/2025	7/1/2025- 8/31/2025				
EAR												
Citations Issued	42	31	26	50	58	61	44	31				
Amount Cited	\$10,400	\$7,525	\$6,700	\$11,630	\$14,220	\$12,865	\$10,550	\$7,550				
Amount Collected	\$2,150	\$1,825	\$1,100	\$2,560	\$3,330	\$1,140	\$2,850	\$750				
HFTI												
Citations Issued	43	38	33	43	12	65	33	15				
Amount Cited	\$27,650	\$29,750	\$19,800	\$24,900	\$5,600	\$50,500	\$19,450	\$7,500				
Amount Collected	\$4,500	\$13,650	\$3,825	\$3,200	\$2,100	\$2,046	\$5,500	\$1,000				
ННМ												
Citations Issued	13	10	4	3	17	3	4	4				
Amount Cited	\$29,500	\$13,500	\$5,000	\$6,000	\$68,900	\$6,000	\$3,500	\$3,500				
Amount Collected	\$500	\$500	\$0	\$0	\$1,000	\$1,000	\$3,000	\$3,000				
Bureau To	otals											
Citations Issued	98	79	63	96	87	129	81	51				
Amount Cited	\$67,550	\$50,775	\$31,500	\$42,530	\$88,720	\$69,365	\$33,500	\$24,550				
Amount Collected	\$7,150	\$15,975	\$4,925	\$5,760	\$6,430	\$4,186	\$11,350	\$2,750				

Lab Failure Statistics

Below is information on enforcement actions related to Lab failures. Home furnishings and thermal insulation samples are collected by Enforcement staff throughout the state for testing by the Bureau's Lab for compliance with label and flammability requirements. For products that fail, Compliance unit staff investigate and write citations for violations of label and flammability requirements.

Lab Failures											
	1/1/2024- 4/1/2024- 10/1/2024- 4/1/2025- 3/31/2024 9/30/2024 3/31/2025 9/30/2025										
Lab Failure Advisory Letters	7	8	0	0							
Lab Failure Citations Issued	19	9	11	11							
Lab Failure Total Fines Assessed	\$17,850	\$7,600	\$18,425	\$13,325							
Lab Failure Cases Completed	26	17	12	16							

Note: Staff began tracking Lab failures January 1, 2024. The number of Lab Failure Cases Completed between January 1, 2024 and March 31, 2024, is higher because it included samples procured throughout 2023.

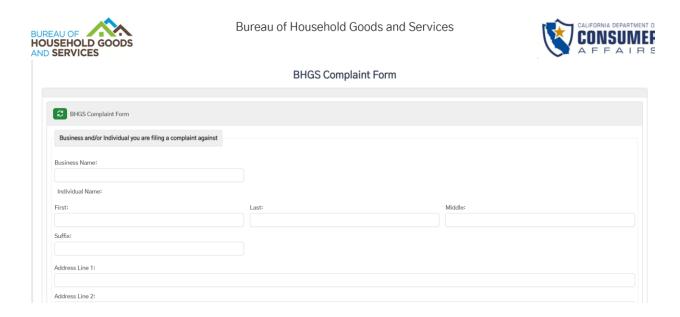


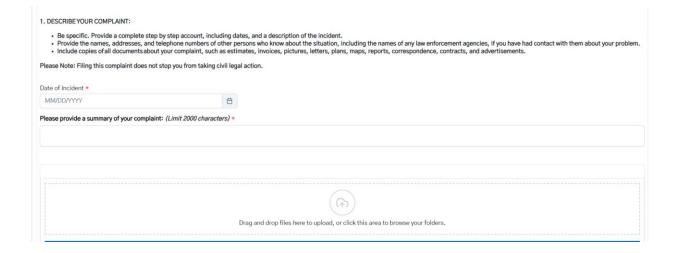
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Enforcement

Webpage Complaint Form - Current

The Enforcement Program, working with the Bureau's Connect Development Analyst Chris Sanchez, has had a seamless conversion to the Connect online complaint form. The new complaint form allows complainants the options to upload files in support of their complaint and provides a centralized location in Connect where all complaints received can be processed.







Agenda Item 11

Communications and Education Update

a. BHGS Website Improvements



Outreach

The Bureau's Outreach Unit, in coordination with the Department of Consumer Affair's Communications Office, leads efforts related to outreach, updating various publications, website redesign/updates, social media management, video editing, and overall communications targeted to consumers, licensees, applicants, and other interested parties.

Since May 2025, the Bureau has increased its outreach and communications efforts in the following areas:

Video

A video titled "Helpful Tips Before You Buy a Protection Plan" is in the final stages of production. The video will explain what a protection plan is, what to look out for when considering a protection plan, and consumer rights when buying a protection plan. Once finalized, the video will be posted to DCA's YouTube channel and shared to the Bureau's website, Facebook, Instagram, LinkedIn, and X accounts.

The Bureau is planning a series of videos with license application instructions for all regulated industries. In addition to step-by-step instructions, the videos will cover resources that may be helpful to applicants. Once finalized, the videos will be posted to DCA's YouTube channel and shared to the Bureau's website, Facebook, Instagram, LinkedIn, and X accounts. The videos will also be shared with unlicensed businesses during compliance checks.

All BHGS videos can be found on DCA's YouTube channel: youtube.com/user/californiadca.

Publications.

A new publication, "The Right to Repair Act: A Consumer Guide," was posted to the website in English and Spanish explaining the provisions of the Right to Repair Act. The publication also shares how to check license information for paid repairs and where to file a complaint if necessary. Additionally, the publication is distributed at outreach events and at select locations of free-repair community events throughout California called Repair Cafes and Fixit Clinics.

The publication "What Happens During a Bureau Inspection of Your Business?" was updated and posted to the <u>website</u> and is distributed to businesses during compliance checks. The publication explains what to expect during an inspection and shares contact information should businesses have any questions. A Spanish version of the publication is being drafted and will be posted to the website and distributed to businesses once finalized.

Social Media

The Bureau continues to update its social media accounts at least once a week in both English and Spanish.

Topics posted on social media change from week to week, and include job listings, industry advisories, consumer resources, how-to guides, timely updates, and more across all Bureau programs for applicants, licensees, and consumers.



Outreach

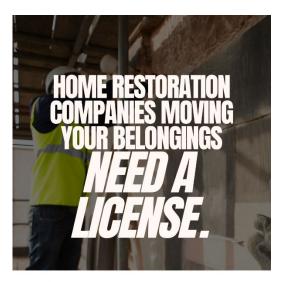
Below are the Bureau's social media numbers for the past four quarters:

Platform	Followers 9/30/2024	Followers 12/31/2024	Followers 3/31/2025	Followers 6/30/2025	% Change – 9/30/2024- 6/30/2025
<u>Facebook</u>	275	288	292	308	+12.00%
<u>Instagram</u>	179	190	195	197	+10.06%
<u>LinkedIn</u>	228	234	236	241	+5.70%
X	156	143*	146	156	+0.00%

^{*}Number reflects X's mass removal of bot accounts.

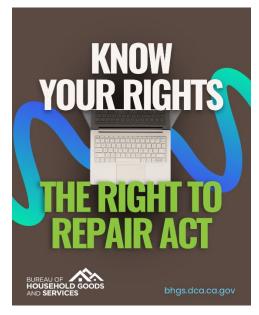
Examples of the Bureau's social media graphics follow:







Check for licenses at search.dca.ca.gov/hhm_search

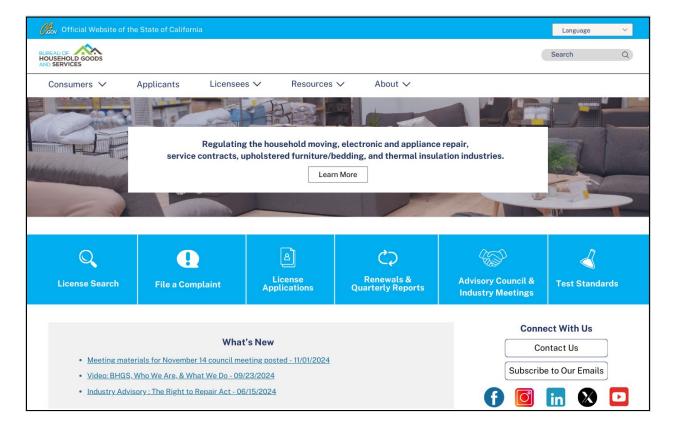




Outreach

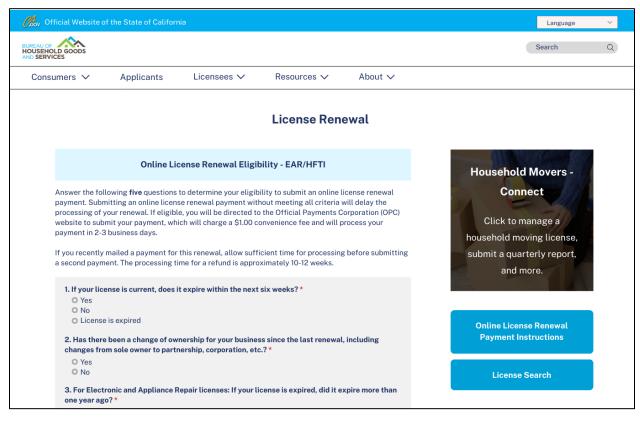
Website

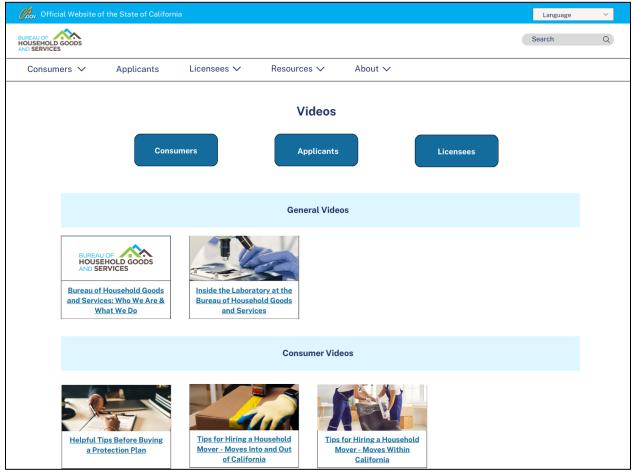
Starting January 2026, the Bureau will begin working with DCA to execute a full redesign of the Bureau's website. The updated website will feature a sleek design, intuitive interface, and updated resources while still prioritizing essential tools and ADA compliance. Below are mockups of the proposed design.





Outreach





Outreach Events

The Bureau participates in outreach events to connect with and provide resources to community members and state and local partners. The Bureau continues to update its outreach presentation materials so that information is clear yet succinct. New equipment was also purchased for outreach events, such as custom tablecloths, booth displays, and canopy tents.

Since May 2025, the Bureau participated in the following outreach events:

- 1. On May 14, 2025, Terae McKinney represented the Bureau at a virtual Central Valley Task Force Meeting where she shared updates on Bureau activities to representatives from the Department of Insurance, Department of Tax and Fee Administration, and Kern County District Attorney's Office.
- On May 20-21, 2025, Terae McKinney, Oliver Manila, Nancy Torres-Mancia, and Raleigh Jacobe represented the Bureau at a Southern California Furniture and Accessory Market in Long Beach coordinated by MAC Expos, LLC. There, they visited all display booths, shared information on the Bureau, and provided education to unlicensed businesses.



Display items at the Southern California Furniture and Accessory Market in Long Beach.

- On May 21, 2025, Blanca Aceves and Destiny Wells represented the Bureau at a Senior Scam Stopper outreach event in Roseville with about 70 people in attendance coordinated by the Contractors State License Board and the Sunshine Services Community Service Group.
- 4. On May 22, 2025, Chris Janus and Kelli Williams represented the Bureau at a California Spring Career Fair in Sacramento with about 400 people in attendance coordinated by the Sacramento Employment and Training Agency. They shared information on the Bureau and on open positions.
- On May 31, 2025, Alda Aguirre represented the Bureau at a Moving Industry Symposium in Beverly Hills coordinated by the Better Business Bureau. She shared information on finding licensed movers and preparing for moves.
- 6. On June 11, 2025, Oliver Manila and Terae McKinney represented the Bureau at a Consumer Fraud Task Force Meeting in San Diego coordinated by the San Diego County District Attorney's Office. They shared the Bureau's savings to the public and information on where to find the Bureau's enforcement actions online.
- 7. On June 13, 2025, Brian Kauth and Tina Bilodeau represented the Bureau at a Senior Scam Stopper outreach event in San Jose with about 75 people in attendance coordinated by the Contractors State License Board and Councilmember Domingo Candelas' office.



Outreach

8. On July 11, 2025, Terae McKinney and Oliver Manila represented the Bureau at a Senior Scam Stopper outreach event in Palos Verdes Estates with about 75 people in attendance coordinated by the Contractors State License Board and Assemblymember Al Muratsuchi's office.



Terae McKinney and Oliver Manila at a Senior Scam Stopper outreach event in Palos Verdes Estates.

- 9. On July 15, 2025, Christopher Herron, Mei Di, and Terae McKinney represented the Bureau at an Environmental Strike Force Meeting in San Bernardino coordinated by the San Berardino County District Attorney's Office.
- 10. On July 24, Mary Le led a virtual Northern California Task Force Meeting attended by the Department of Food and Agriculture, Department of Justice, Department of Industrial Relations, and Yolo County District Attorney's Office. Delia Garcia, Travis Cooke, Elizabeth Peden, and Alda Aguirre were also present on behalf of the Bureau.
- 11. On July 31, 2025, Mei Di and Kirsten Andreassend represented the Bureau at a Senior Scam Stopper outreach event in Lakewood with about 50 people in attendance coordinated by the Contractors State License Board and Senator Lena Gonzalez's office.



Mei Di and Kirsten Andreassend at a Senior Scam Stopper outreach event in Lakewood.

12. On July 31, 2025, Terae McKinney and Nicholas Ching represented the Bureau at a Senior Scam Stopper outreach event in Perris with about 55 people in attendance coordinated by the Contractors State License Board and Senator Sabrina Cervantes' office.



Attendees at a Senior Scam Stopper outreach event in Perris.

13. On July 31, 2025, Kirsten Andreassend, Terae McKinney, and Nicholas Ching represented the Bureau at a Senior Scam Stopper outreach event in Moreno Valley with about 55 people in attendance coordinated by the Contractors State License Board and Senator Sabrina Cervantes' office.



Attendees at a Senior Scam Stopper outreach event in Moreno Valley.

14. On August 12, Oliver Manila and Nicholas Ching represented the Bureau at a Senior Scam Stopper outreach event in Corona with about 15 people in attendance coordinated by the Contractors State License Board and Assemblymember Leticia Castillo's office.



Oliver Manila and Nicholas Ching at a Senior Scam Stopper outreach event in Corona.

Outreach

- 15. On October 14, Terae McKinney, Oliver Manila, Mei Di, and Nicholas Ching led a Central Valley Task Force Meeting attended by representatives from the Better Business Bureau, Department of Insurance, and Department of Industrial Relations.
- 16. On September 11, Kirsten Andreassend and Alda Aguirre represented the Bureau at the Glassell Park Improvement Association General Meeting with about 35 people in attendance in collaboration with the Department of Insurance.



Attendees at a Glassell Park Improvement Association General Meeting.

- 17. On September 17, Maria Rodriguez and Alanna Orzhekhovsky represented the Bureau at a Senior Scam Stopper outreach event in Lamont coordinated by the Contractors State License Board and Senator Melissa Hurtado's office.
- 18. On September 18, Maria Rodriguez and Alanna Orzhekhovsky represented the Bureau at a Senior Scam Stopper outreach event in Farmersville coordinated by the Contractors State License Board and Senator Melissa Hurtado's office.
- 19. On September 25, Oliver Manila and Terae McKinney represented the Bureau at a Senior Scam Stopper outreach event in San Diego coordinated by the Contractors State License Board and Assemblymember Darshana Patel's office.

Internal Communications

The Bureau is committed to building internal communication efforts to boost transparency, encourage collaboration, and nurture a strong work culture. All-staff meetings are held every six months and an internal newsletter is distributed monthly to keep staff informed about Bureau activities and regulated industries.



Agenda Item 12

Legislative and Regulatory Updates and Discussion

- a. Amendments to Labeling Requirements (Upholstered Furniture and Bedding)
- b. Household Movers Act Program: Implementing Regulations: Permit Requirements, Exam
- c. AB 366 (2024-25): Petrie-Norris and Ransom: Ignition Interlock Devices



<u>Upholstered Furniture Bedding Law Label Regulatory Proposal</u>

At the Advisory Council meeting on May 16, 2024, the Bureau discussed an updated draft of the Upholstered Furniture Bedding Law Label Regulatory proposal and included it in the meeting materials. Following that meeting, the Bureau received feedback from Advisory Council members and other interested parties, including industry representatives and members of the International Association of Bedding and Furniture Labeling Officials (IABFLO). The Bureau further revised the draft in response to this feedback and, in September 2024, submitted it to the Department of Consumer Affairs regulatory counsel for review.

In November 2024, DCA regulatory counsel provided extensive comments, including advice to separate the proposal into two parts: 1) a "Section 100" proposal containing the technical amendments, including reorganization of the existing regulations; and 2) a proposal containing the substantive amendments, including the updates to definitions and labeling requirements.

At the Advisory Council meeting on May 8, 2025, the Bureau discussed and provided a draft of the "Section 100" proposal. On May 19, 2025, the "Section 100" proposal was approved and its amendments became effective on the same date.

The Bureau is completing updates to the proposal containing substantive amendments and is aiming to resubmit it to DCA regulatory counsel in fall.

State of California Office of Administrative Law

Bureau of Household Goods and Services

Regulatory Action:

Title 04, California Code of Regulations

Adopt sections:

Amend sections: 1101, 1103, 1104, 1105,

1135, 1137, 1181, 1182,

1209, 1210, 1211, 1238, 1247, 1251, 1300, 1316,

1329, 1330

Repeal sections:

1136

NOTICE OF APPROVAL OF CHANGES WITHOUT REGULATORY EFFECT

California Code of Regulations, Title 1, Section 100

OAL Matter Number: 2025-0407-03

OAL Matter Type: Nonsubstantive (N)

This action without regulatory effect by the Bureau of Household Goods and Services reorganizes and renumbers multiple sections within title 4 of the California Code of Regulations which house universal definitions and labeling terms of use. Additionally, this action corrects spelling and format errors as well as updating outdated references.

OAL approves this change without regulatory effect as meeting the requirements of California Code of Regulations, title 1, section 100.

Date: May 19, 2025

Jason W. Falina

Attorney

For: Kenneth J. Pogue Director

Original: Nicholas Oliver, Bureau Chief

Copy:

Eileen Yap

NOTICE PUBI	LICATION/R	ECULTION		JIAIIA	For use by Secretary of State only
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11349.4)	de §§11349.3,	within the time period requ	uired by statute.	File & Print	Print Only
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7. CONTACT PERSO Eileen J. H. Y			TELEPHONE NUMBER (279) 224-0694	FAX NUMBER (C	Optional) E-MAIL ADDRESS (Optional) eileen.yap@dca.ca.gov
8. I certify that to	the attached contion(s) identified	py of the regulation(s) is	a true and correct c	on this form	For use by Office of Administrative Law (OAL) only
		I am the head of the age f the agency, and am au			ENDORSED APPROVED
SIGNATURE OF AGEClaire Goldsten	ENCY HEAD OR DESIG	GNEE	DATE 3/27/202	25	MAY 19 2025
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TITLE 4. BUSINESS REGULATIONS

DIVISION 3. BUREAU OF HOUSEHOLD GOODS AND SERVICES PROPOSED REGULATORY LANGUAGE

SECTION 100 FILING - REORGANIZATION OF DEFINITIONS AND TECHNICAL CLEAN-UP

Attachment to STD, 400

Addition to Section B(2) (Submission of Regulations):

Sections Affected – Amend: 1181 (renumber to 1139), 1182 (renumber to 1138), 1209 (renumber to 1140), 1210 (renumber to 1141), 1211 (renumber to 1142), 1238 (renumber to 1143), 1247 (renumber to 1144), 1251, 1300, 1316, 1329 (renumber to 1145), 1330 (renumber to 1146)

DEPARTMENT OF CONSUMER AFFAIRS Bureau of Household Goods and Services

TITLE 4. BUSINESS REGULATIONS

PROPOSED REGULATORY LANGUAGE Reorganization of Definitions and Technical Clean-Up

Legend: Added text is indicated with an <u>underline</u>.

Deleted text is indicated by strikeout.

Pursuant to section 100, title 1 of the California Code of Regulations, the Bureau of Household Goods and Services (Bureau) proposes to move Section 1136 from Article 3 to Article 1 and renumber it to subsection (c) under Section 1101; renumber Section 1137 to Section 1136; move subsection (a) of Section 1182 from Article 4 to Article 3 and renumber it to new Section 1137; renumber Sections 1181 and 1182 to Sections 1138 and 1139, re-title them, and move them from Article 4 to Article 3; re-title Sections 1209 and 1210, renumber Sections 1209, 1210, and 1211 to Sections 1140, 1141, and 1142, and move them from Article 6 to Article 3; renumber Section 1238 to Section 1143, re-title and amend it, and move it from Article 7 to Article 3; renumber Section 1247 to Section 1144, re-title it, and move it from Article 8 to Article 3; renumber Sections 1329 and 1330 to 1145 and 1146, re-title them, and move them from Article 11 to Article 3. The Bureau also proposes to amend Sections 1101, 1103, 1104, 1105, 1135, 1251, 1300, and 1316 to read as follows:

1. Amend Section 1101 of Article 1 of Division 3 of Title 4 of the California Code of Regulations to read as follows:

§ 1101. Definitions of Bureau and Act.

For the purposes of these rules and regulations, the <u>following</u> terms shall mean:

- (b) "Bureau" means the Bureau of Household Goods and Services,.
- (a) and the term "aAct" means Chapter 3 of Division 8 of the Business and Professions Code, which chapter is also cited as the Home Furnishings and Thermal Insulation Act.

(c) Definitions of Types of Bedding:

- (1) Box Springs shall mean an article designated to support a mattress, consisting of coiled springs on a wood, metal, plastic, or any such combination thereof, frame upholstered on top with filling material and covered on top and sides with fabric.

 (2) Matching Box Springs shall mean an article designated to support a mattress, consisting of coiled springs on a wood, metal, plastic, or any such combination thereof, frame, upholstered on top with filling material and covered on top and sides with the same fabric as the mattress.
- (3) Foundation shall mean any structure designed to support a mattress.

Note: Authority cited: Section 19034, Business and Professions Code. Reference: Sections 19000, 19004, 19007, and 19030, Business and Professions Code.

2. Amend Sections 1103, 1104 and 1105 of Article 1 of Division 3 of Title 4 of the California Code of Regulations as follows:

§ 1103. "Separate Service to the Trade."

As used in Section 19014 of the <u>Aact</u>, includes any of the following services by the parent house, when rendered by a subsidiary establishment:

- (a) Sale of Goods. Except for the display and sale of goods in an established furniture mart or exchange when the subsidiary establishment is the principal place of business of the wholesaler maintaining the display and service.
- (b) Delivery of goods sold in the subsidiary establishment with local stock and independent of the parent house.
- (c) Entire or partial billing for goods sold and delivered.
- (d) Entire or partial billing and collection for goods sold and delivered.

Note: Authority cited: Section 19034, Business and Professions Code. Reference: Section 19014, Business and Professions Code.

§ 1104. The Term "On His or Her Own Account."

As used in Sections 19060.5 and 19060.6 of the <u>Aact</u>, the term "on his or her own account" is intended to limit the requirement for a license to the person who is obligated as a principal in contracts to sell or contracts to render services. The requirement for a license does not extend to salesmen, factors, agents, solicitors, factory representatives or those who act only in a representative capacity for others.

Note: Authority cited: Section 19034, Business and Professions Code. Reference: Sections 19060.5 and 19060.6, Business and Professions Code.

§ 1105. Exemptions.

Articles which are not clearly upholstered furniture or bedding, as described in the <u>Aact</u>, may be declared exempt from the provisions of the <u>Aact</u> and these regulations, except that when exempted articles are labeled they become subject to the <u>Aact</u> and the regulations and must be labeled in conformity therewith. No questionable articles shall be considered as exempt, however, until the articles or photographs thereof, have been submitted to the Bureau for inspection and final authority for exemption has been granted.

Note: Authority cited: Section 19034, Business and Professions Code. Reference: Sections 19006, 19007 and 19034, Business and Professions Code.

3. Amend Sections 1135, 1136, and 1137 and Add Sections 1138, 1139, 1140, 1141, 1142, 1143, 1144, 1145, and 1146 of Article 3 of Division 3 of Title 4 of the California Code of Regulations to read as follows:

Article 3 Universal Labeling Definitions and Labeling Description of Filling Materials

1135. Terms of General Definitions and Label Requirements.

The following terms shall be stated on the law label when applicable in addition to other labeling nomenclature required by these regulations.

- (a) "Batting" shall mean fibers which have been carded or garnetted into layer form.
- (b) "Bleached" shall mean any product whose intrinsic color had been removed and whiteness improved by treating with a chemical compound.
- (c) "Colored" or "Dyed" shall mean any filling material which has been treated and impregnated with coloring material.
- (d) "Damaged" shall mean any filling material or article, which has been adversely affected by machine processing or by exposure to fire, water or other elements or source.
- (e) "Fibers of Unknown Kind" shall mean miscellaneous new textile materials of unknown origin, and for practical purposes, unknown fiber content.
- (f) "Gel" is any filing material of a semi-solid form, typically encased in a leak proof fabric cover and consisting of a mixture of water or other liquid base, dissolved chemicals and/or a suspension of other chemicals, which provides special ergonomic and resiliency properties.
- (g) "Pad" shall mean any filling material which is interwoven, punched, pressed, shaped, or otherwise fabricated into pad form.
- (h) "Resinated" or "Resin Treated" shall mean any filling material treated with a combination of synthetic resin or a combination of synthetic resin and latex.
- (i) "Rubberized" shall mean any filling material which had been treated with a latex compound.
- (j) "Shredded" shall mean any filling material which has been cut or torn into pieces.

- (k) "Trash" shall mean shell, shale, stick, stem, leaf, boll, seed and foreign matter.
- (I) "Waste" shall mean filling material with any of the following characteristics.
 - (1) Trash content in excess of 7.0%.
 - (2) Grease and oil content in excess of 2.0%.
 - (3) Bits or scraps of cellulose wadding, paper, or other foreign matter.
 - (4) Variable diameter fiber.
 - (5) Pulp and undecorticated fiber in excess of 10.0%.
 - (6) Bits or scraps of fabric.
- (m) "Recycled Fibers" shall mean new fibers which are the by-product resulting from a textile processing method. Such recycled fibers shall not have a thread content in excess of 5.0%.

Note: Authority cited: Section 19034, 19088 and 19150, Business and Professions Code. Reference: Sections 19080, 19081, 19088 and 19089, Business and Professions Code.

§ 1136. Definitions of Types of Bedding.

- (a) Box Springs shall mean an article designated to support a mattress, consisting of coiled springs on a wood, metal, plastic, or any such combination thereof, frame upholstered on top with filling material and covered on top and sides with fabric.
- (b) Matching Box Springs shall mean an article designated to support a mattress, consisting of coiled springs on a wood, metal, plastic, or any such combination thereof, frame, upholstered on top with filling material and covered on top and sides with the same fabric as the mattress.
- (c) Foundation shall mean any structure designed to support a mattress.

Note: Authority cited: Section 19034, Business and Professions Code. Reference: Section 19007, Business and Professions Code.

<u>1136</u>1137. Care Instructions.

Effective October 1, 1977, all sleeping bags, mattress pads, comforters, bedspreads, coverlets, quilts and similar articles shall have a label sewn onto the article stating instructions for laundering and cleaning.

Note: Authority cited: Section 19034 and 19081, Business and Professions Code.

Reference: Sections 19080 and 19081, Business and Professions Code.

1137. Definition of "Cotton"

"Cotton" shall mean a vegetable seed fiber consisting of unicellular hairs attached to the seed of several species of the genus Gossypium of the family Malvaceae.

Note: Authority cited: Section 19034 and 19089, Business and Professions Code.

Reference: Section 19080, 19081, 19088, 19089 and 19150, Business and Professions Code.

11381182. Definitions of Types of Cotton.

- (a) "Cotton" shall mean a vegetable seed fiber consisting of unicellular hairs attached to the seed of several species of the genus Gossypium of the family Malvaceae.
- (a)(c) "Comber" shall mean the cotton waste resulting from running card sliver through a combing machine.
- (b)(d) "Fly" shall mean the cotton waste resulting when cotton is introduced to the carding machine.
- (c)(e) "Gin Flues" shall mean the cotton waste resulting from staple cotton in the ginning mill.
- (d)(h) "Linters" shall mean the fibrous growth resulting from the first cut of the cottonseed (subsequent to the usual first process of ginning) in the cotton oil mill.
- (e)(f) "Picker" shall mean the cotton waste remaining after cotton has been run through the picker in the cotton mill.
- (f)(i) "Second Cut Linters" shall mean the fibrous growth resulting from the second cut of cottonseed in the cotton oil mill.
- (g)(b) "Staple" shall mean the staple fibrous growth as removed from cottonseed in the usual process of ginning (first cut from seed).
- (h)(g) "Strips" shall mean the cotton waste produced by or removed from the carding cloth following the carding process.

Note: Authority cited: Section 19034 and 19089, Business and Professions Code. Reference: Section 19080, 19081, 19088, 19089 and 19150, Business and Professions Code.

11391181. "Blended Cotton" Optional Labeling.

In lieu of the requirement set forth in Section 1125 of these regulations, any cotton filling material may be designated on the law label as "Blended Cotton" without stating the types of cotton present.

Note: Authority cited: Section 19034, Business and Professions Code. Reference: Section 19080. 19081, 19088, 19089 and 19150, Business and Professions Code.

11401209. Definition of "Wool."

Shall mean the fleece of sheep which has been scoured and carbonized. It shall be free of kemp and vegetable matter.

Note: Authority cited: Section 19034 and 19089, Business and Professions Code. Reference: Section 19080, 19081, 19088, 19089 and 19150, Business and Professions Code.

11411210. Definition of "Hair."

Shall mean the coarse filamentous epidermal outgrowth of such mammals as horses, cattle, hogs and goats.

Note: Authority cited: Section 19034 and 19089, Business and Professions Code. Reference: Section 19080, 19081, 19088, 19089 and 19150, Business and Professions Code.

11421211. Classification of Hair.

Hair shall be classified and labeled as follows:

"Horse Tail Hair"

"Horse Mane Hair"

"Hog Hair"

"Cattle Tail Hair"

"Cattle Hide Hair"

"Goat Hair"

Note: Authority cited: Section 19034 and 19089, Business and Professions Code. Reference: Section 19080, 19081, 19088, 19089 and 19150, Business and Professions Code.

11431238. Kinds Definitions of Man-Made Fibers.

05/15/25

The following terms shall be stated on the law label when applicable in addition to other labeling nomenclature required by these regulations for defining the chemical composition of manufactured fibers.

- (a) "Acetate": a manufactured fiber in which the fiber-forming substance is cellulose acetate. Where not less than 92% of the hydroxyl groups are acetylated, the term triacetate may be used as a generic description of the fiber.
- (b) "Acrylic": a manufactured fiber in which the fiber-forming substance is any long chain synthetic polymer composed of at least 85% by weight of acrylonitrile units-

- (c) "Azlon": a manufactured fiber in which the fiber-forming substance is composed of any regenerated naturally occurring proteins.
- (d) "Glass": a manufactured fiber in which the fiber-forming substance is glass.
- (e) "Metallic": a manufactured fiber composed of metal, plastic-coated metal, metal coated plastic or a core completely covered by metal.
- (f) "Modacrylic": a manufactured fiber in which the fiber-forming substance is any long chain synthetic polymer composed of less than 85% but at least 35% by weight of acrylonitrile units

(g)(h) "Nitrile": a manufactured fiber containing at least 85% of a long chain polymer of vinylidene dinitrile (CH₂-C(CN)₂-) where the vinylidene dinitrile content is no less than every other unit in the polymer chain.

05/15/25

(h)(g) "Nylon": a manufactured fiber in which the fiber-forming substance is any long chain synthetic polyamide having recurring amide groups (-C-NH-)

$$\begin{pmatrix} -C-NH-\\ 0 \end{pmatrix}$$

as any integral part of the polymer chain.

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- (i) "Olefin": a manufactured fiber in which the fiber-forming substance in any long chain synthetic polymer composed of at least 85% by weight of ethylene, propylene or other olefin units.
- (j) "Polyester": a manufactured fiber in which the fiber-forming substance is any long chain synthetic polymer composed of at least 85% by weight of any ester of a dihydric alcohol and terephathalic acid (p-HOOC-C₆H₄-COOH-).
- (k) "Rayon": a manufactured fiber composed of regenerated cellulose, as well as manufactured fibers composed of regenerated cellulose in which substituents have replaced not more than 15% of the hydrogen of the hydroxyl groups.
- (I)(p) "Rubber": a manufactured fiber in which the fiber-forming substance is comprised of natural or synthetic rubber, including the following categories:
 - (1) A manufactured fiber in which the fiber-forming substance is a hydrocarbon such as natural rubber, polyisoprene, polybutadiene, copolymers of dienes and hydrocarbons, or amorphous (non-crystalline) polyolefins.
 - (2) A manufactured fiber in which the fiber-forming substance is a copolymer of acrylonitrile and diene (such as butadiene) composed of not more than 50% but at least 10% by weight of acrylonitrile units

$$\begin{pmatrix} -CH_2-CH-\\ |\\ CN \end{pmatrix}$$

. The term "laetrile" may be used as a generic description <u>for fibers falling within this category.</u>

for fibers falling within this category.

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(3) A manufactured fiber in which the fiber-forming substance is a polychloroprene or a copolymer of chlorophene-chloroprene in which at least 35% by weight of the fiber-forming substance <u>isin</u> composed of chloroprene units (-CH₂-C-CH-CH₂-)

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 $\underline{\text{(m)(H)}}$ "Saran": a manufactured fiber in which the fiber-forming substance is any long chain synthetic polymer comprised of at least 80% by weight of vinylidene chloride units (-CH₂CCL₂-).

(n)(m) "Spandex": a manufactured fiber in which the fiber-forming substance is a long chain synthetic polymer composed of at least 85% of segmented polyurethane.

(o)(n) "Vinyl": a manufactured finer in which the fiber-forming substance is any long chain synthetic polymer composed of at least 50% by weight of vinyl alcohol units (-CH2-CHOH-), and in which the total of the vinyl alcohol units and any one or more of the various acetal units is at least 85% by weight of the fiber.

 $\underline{(p)}(\Theta)$ "Vinyon": a manufactured fiber in which the fiber-forming substance is any long chain synthetic polymer composed of at least 85% by weight of vinyl chloride units (-CH₂-CHCL-).

Note: Authority cited: Section 19034 and 19089, Business and Professions Code. Reference: Section 19080, 19081, 19088, 19089 and 19150, Business and Professions Code.

11441247. Terms and Definitions of Vegetable Fibers.

The following terms shall be stated on the law label when applicable in addition to other labeling nomenclature required by these regulations for defining the chemical composition of natural fibers.

- (a) "Buckwheat hulls" shall mean the outer shell covering of the buckwheat seed (fagopyrum).
- (b) "Cellulose Fiber" shall mean wood or other vegetable growth reduced to a fibrous state.
- (c) "Coco Fiber or Coir Fiber" shall mean the stiff elastic fiber obtained from the outer husk of the coconut.
- (d) "Corrugated Fiber Board" shall mean the thick coarse paper, corrugated to give it elasticity.
- (e) "Excelsior" shall mean shredded threadlike wood fibers, but shall not include waste

products such as shavings, sawdust, or similar waste.

- (f) "Flax Fiber" shall mean the fiber derived from the plant of the genus Lignum Usitatissimum raised primarily for fiber.
- (g) "Jute Fiber" shall mean the fiber derived from several species of the Corchorus plant.
- (h) "Kapok" shall mean the mass of fibers investing the seed of the kapok tree (Ceiba Pentandra).
- (i) "Milkweed Fiber" shall mean the surface fiber from the inside of the seed pods of milkweed plants (Asclepias).
- (j) "Moss" shall mean the processed fibers of epephytic plants forming pendant tufts from trees.
- (k) "Palm Fiber" shall mean the fibrous material obtained from the leaf of a palm, palmetto, or palmyra tree.
- (I) "Sisal Fiber" shall mean the leaf fiber derived from the Agave Sisalana and similar species of Agaves.
- (m) "Tula Fiber" shall mean the fiber derived from the Tula Istle and similar species of Agaves.

Note: Authority cited: Section 19034 and 19089, Business and Professions Code. Reference: Section 19080, 19081, 19088, 19089 and 19150, Business and Professions Code.

11451329. Definitions and Grades of "Latex Foam".

- (a) Latex foam is used as a filling material in various bedding products including mattresses, futons, and bed pillows. The term "Latex Foam" or "Latex Foam Rubber" may be used interchangeably and shall mean filling material made from synthetic latex foam (polychloroprene), natural latex foam, reclaimed rubber or rubber-like materials or a mixture of the above. The cured foam shall consist of a network of open or interconnecting cells uniform in size and character. Latex foam may be used as a molded fill containing an outer skin or as slabstock fill (sheets, strips or other specific shapes) cut to specific sizes and containing no skin. Latex foam rubbers may be either cored or solid.
- (b) The term "first quality" may be used in conjunction with the terms latex foam or latex foam rubber provided the foam does not exceed a minor level of physical defects such as a surface or internal voids of up to one inch, loose skin up to 16 square inches, foreign materials up to 1/8 inch in diameter, shrinkage marks up to 1/8 inch in depth,

pock marks or pour patterns up to 1/8 inch in depth.

(c) Irregular Latex Foam or Irregular Latex Foam Rubber shall mean any foam which has a moderate level of physical defects, such as surface or internal voids 1 to 3 inches deep, 16 to 32 square inches of loose skin, foreign materials 1/8 to 1/4 inch in diameter, shrinkage marks between 1/8 and 1/4 inch in depth, pock marks or pour patterns 1/8 to 1/4 inch in depth.

Labeling example: Irregular Latex Foam Rubber

(d) Scrap Latex Foam or Scrap Latex Foam Rubber shall mean any foam which contains an excessive amount of physical defects such as surface or internal voids exceeding 3 inches, loose skin over 32 square inches, foreign materials over 1/4 inch in diameter, shrinkage marks over 1/4 inch in depth, pock marks or pour patterns over 1/4 inch in depth, and also means any latex foam product consisting of loose pieces of latex foam or assembled loose pieces of latex foam (excluding assembly of the molded half sections).

Note: Authority cited: Sections 19034, 19089 and 19150, Business and Professions Code. Reference: Sections 19081, 19085, 19088, 19089 and 19150, Business and Professions Code.

11461330. Physical Requirements of "Latex Foam".

Any latex foam which does not meet any one of the following minimum physical requirements shall be designated on the law label as "Scrap Latex Foam" or "Scrap Latex Foam Rubber."

- (a) Adhesive Bond. The bond shall be stronger than the adjoining foam when separated by hand. The seam shall not be noticeably hard when felt with the palm of the hand.
- (b) The latex foam shall be constructed of a single piece or, if used to construct a pillow insert, two molded half sections. Modifications which are designed to enhance a special feature of the product are acceptable when such modifications have been approved by the Bureau.

Note: Authority cited: Sections 19034, 19089 and 19150, Business and Professions Code. Reference: Sections 19081, 19085, 19088, 19089 and 19150, Business and Professions Code.

4. Amend Section 1251 Article 9 of Division 3 of Title 4 of the California Code of Regulations to read as follows:

1251. Methods of Sanitization.

- (a) Any method of sanitization not provided for herein shall be submitted to the Bureau for testing and consultation with the State Department of Health Services Public Health before adoption or use.
- (b) Unless otherwise specifically provided for, the chief of the bureau shall determine the method to be employed in the sanitization of any article or material subject to the provisions of the <u>Aact</u> and these regulations.
- (c) Secondhand (used) fabrics shall not contain any of the following adulterants: visible soiling or stains, extraneous materials, sludge, oil, grease, fat, filth, excreta, skin, epidermis, blood, urine, feces, disagreeable odors or other contamination.
- (d) Secondhand (used) materials which are contaminated shall be sanitized as set forth in Sections 1252 or 1253 of these regulations.
- (e) Mattresses containing a porous material or fabric may be sanitized by using the dry heat method in Section 1252 or the chemical disinfectant, Steri-fab, as set forth in Section 1253.
- (f) Baled filling materials shall not be sanitized while still in the bale.
- (g) Detachable mattresses and pads within hide-a-beds shall be removed from such articles and sanitized.

Note: Authority cited: Section 19034, Business and Professions Code. Reference: Sections 19120, 19121, 19123.6 and 19124, Business and Professions Code.

5. Amend Sections 1300 and 1316 of Article 10 of Division 3 of Title 4 of the California Code of Regulations to read as follows:

§ 1300. Application of Article.

For the purposes of Sections 19150 and 19210 of the <u>Aact</u>, false or misleading advertising includes but is not limited to advertising, within the meaning of Section 17500 et seq. of the Business and Professions Code, which violates any provision of this article.

Note: Authority cited: Section 19034, Business and Professions Code. Reference: Sections 19088 and 19150, Business and Professions Code.

1316. Secondhand Merchandise.

No article which is secondhand, as defined in the <u>Aact</u>, shall be advertised in any manner which represents or implies that the article is new.

Note: Authority cited: Sections 19034 and 19088, Business and Professions Code. Reference: Sections 19008, 19008.5, 19008.6 and 19150, Business and Professions Code.



Household Movers Permit Requirements Regulatory Proposal

The Bureau has commenced the rulemaking process for the Household Movers Permit Requirements Regulatory Proposal, which is currently in the concept phase. On July 29, 2025, the Bureau circulated a discussion draft of the proposal to the Advisory Council and requested feedback by September 30, 2025.

The regulations would establish and clarify:

- The Written Examination process.
- The process for Abandoned Applications.
- Notice requirements in the event of a Change in Permitholder Information or a Change in Ownership.
- The process for Transfer of Permits.
- The process for Voluntary Suspension of Permits and Restoration.

DEPARTMENT OF CONSUMER AFFAIRS

Title 16. Professional and Vocational Regulations Division 27. Bureau of Household Goods and Services

PROPOSED REGULATORY LANGUAGE

Household Movers Permit Regulations

Legend: Added text is indicated with an <u>underline</u>.

Omitted text is indicated by (* * * *)

Deleted text is indicated by strikeout.

Amend Section 2800 of Article 1 of Division 27 of Title 16 of the California Code of Regulations to read as follows:

§ 2800. Definitions

The definitions in this section shall govern the construction of this chapter unless otherwise indicated.

- (a) "Act" means the Household Movers Act, as enacted in Chapter 3.1 of Division 8 of the Business and Professions Code (beginning with Section 19225).
- (b) "Advertising," as used in the Act and in this Chapter, means any form of oral or written communication that solicits or offers to provide any consumer the services of a household mover as defined in Section 19225.5 of the Code by any means, media, or form of advertisement, including: any card, estimate, bill of lading, agreement for moving services, sign, billboard, lettering on vehicles, brochure, pamphlet, circular, stationery, newspaper, magazine, newsletter, printed or published advertisement online or in any other electronic medium, including via an application or software or via access through data-enabled device, such as a computer, tablet, or cellular phone, and any form of directory under any listing for a household mover or any word or words intended to engage, solicit, arrange or offer work for which a permit is required by Section 19237 of the Act.
- (c) "Chief" has the meaning set forth in Section 19225.5 of the Code.
- (d) "Code" means the Business and Professions Code, unless otherwise specified.
- (e) "Household Goods" or "Personal Effects," as used in the Act and in this Chapter, mean personal property other than real estate, belonging to an individual or their immediate family, customarily found in the home and used in connection with the maintenance, use, and occupancy of the premises as a home.

- (f) "Permitholder" means, in accordance with Section 19237 of the Act, a household mover that has been issued a household mover permit by the Bureau and, if applicable, a valid operating authority by the Federal Motor Carrier Safety Administration.
- (g) "Responsible Managing Employee" or "Responsible Managing Officer," as used in the Act, means an individual who is designated by the household mover as responsible to oversee the day-to-day operations of the household mover's business and ensure the household mover's compliance with all laws and regulations in conducting its permitted activities.

Note: Authority cited: Section 19228, Business and Professions Code. Reference: Sections 19228, 19225, and 19225.5, and 19239, Business and Professions Code.

Adopt Sections 2850, 2851, 2852, 2853, 2854, and 2855 in Article 2 with titles in Chapter 2 of Division 27 of Title 16 of the California Code of Regulations to read as follows:

Article 2. Permits

§ 2850. Written Examination.

- (a) **Applicants.** Pursuant to Section 19239 of the Act, an applicant shall establish their knowledge and ability to engage in business as a household mover by written examination.
 - (1) Qualified Applicant. An applicant shall be deemed to have passed the examination and determined to be a qualified applicant if the applicant achieves a score of at least 70% of the examination.
 - (2) Reexamination. An applicant may attempt the examination up to three times to achieve a passing score. A minimum waiting period of 30 is days required between reattempts. It shall be considered a single attempt if the applicant fails to appear at a scheduled examination date.
 - (3) Three Failed Attempts. An applicant who fails to achieve a passing score after three attempts shall be determined to be unqualified and their application shall be denied. If an unqualified applicant subsequently seeks a household mover permit, the applicant shall be required to submit a new application and pay the accompanying fee.
- (b) **Permitholders.** Within 60 days after notifying the Bureau, in accordance with Section 19239(c) of the Act, that the individual qualified by examination has ceased to be connected with the permitholder, the permitholder shall provide the Bureau with another representative to be qualified before the Bureau. The permitholder shall schedule the new representative for a first attempt of the examination within the 60 days.

Note: Authority cited: Section 19228, 19239, Business and Professions Code. Reference: Sections 19228 and 19239, Business and Professions Code.

§ 2851. Abandonment of Application.

An application submitted pursuant to Section 19238 of the Act shall be deemed to be abandoned if the applicant fails to complete the application within 12 months from the date the applicant is first notified that the application is incomplete. An application submitted subsequent to an abandoned application shall be treated as a new application and require payment of the accompanying fee.

Note: Authority cited: Section 19228, Business and Professions Code. Reference: Sections 142, 19228, 19239, 19239.1, 19239.2, 19239.3, 19240, 19248, 19249, and 19250, Business and Professions Code.

§ 2852. Change In Permitholder Information.

A permitholder shall notify the Bureau in writing, on a form prescribed by the Bureau, of any change to the information the permitholder provided in their application required by Section 19238 of the Act within 30 days of the change.

Note: Authority cited: Section 19228, Business and Professions Code. Reference: Sections 19228, 19238, and 19274.1, Business and Professions Code.

§ 2853. Change in Ownership.

A permitholder shall notify the Bureau, in writing, of a change in ownership within 30 days of the change. "Change in ownership" means any change in legal ownership of the permitted business, including the addition or the deletion of a partner, the transfer of any ownership interest between members of a family (such as by sale, gift, or the death of the legal owner or one of the owners), change of the business entity by incorporation of the business, or a change in the corporate status that requires a new corporate number as issued by the Secretary of State.

Note: Authority cited: Section 19228, Business and Professions Code. Reference: Sections 19228 and 19274.1, Business and Professions Code.

§ 2854. Transfer of Permits.

In the event of a change in ownership, a person or corporation may submit a transfer application for the transfer of a permit, except that a change in partnership shall require a new application and payment of the accompanying fee. No permit shall be transferred without prior approval of the Bureau.

- (a) Non-Transferrable Permits. A permit issued for interstate household moves only may not be transferred and, in the event of a change in ownership, shall require a new application and payment of the accompanying fee. A permit issued for both intrastate and interstate household moves may not be transferred to a transferee that is seeking a permit for interstate household moves only, and, in the event of a change in ownership, shall require a new application and payment of the accompanying fee.
- (b) **Good Standing Criteria.** A permit shall qualify for transfer only if the permit is in active status and in good standing at the time the transfer application is submitted and

remains in good standing during the period while the application is being reviewed. "Good standing," as used in this section, means:

- (1) The permit is not voluntarily suspended, expired, or surrendered.
- (2) The permit is not subject to a cancellation, suspension, or revocation, or has been canceled, suspended, or revoked, on any ground authorized by the Act.
- (3) The original permitholder ("transferor") is not the subject of an unresolved Bureau complaint.
- (4) The transferor has no unpaid fines pursuant to Section 19283 of the Act.
- (5) The transferor has no unpaid fees pursuant to Sections 19288, 19288.1, 19288.2, and 19289 of the Act.
- (6) In accordance with Section 19239.1 of the Act, the transferor has a current and valid Certificate of Workers' Compensation Insurance or Certification of Self-Insurance on file with the Bureau.
- (7) In accordance with Sections 19248 and 19249 of the Act, the transferor has current and valid proof of public liability and property damage protection on file with the Bureau.
- (8) In accordance with Sections 19248 and 19249 of the Act, the transferor has current and valid proof of cargo insurance on file with the Bureau.
- (c) **Transfer Application.** An application for transfer of a permit shall be submitted to the Bureau in writing, on a form containing information prescribed by the Bureau, which is verified under oath, and accompanied by proof of service upon those interested parties, as required by the Bureau. The Bureau shall require the transferee to attest in the application to facts demonstrating that the transferee is not barred by law or court order from acting as a household mover. The application shall be accompanied by a fee of one hundred fifty dollars (\$150). The Bureau shall authorize the transfer of a permit to a transferee only if the permit qualifies for transfer as provided in this section and the transferee satisfies all of the following:
 - (1) Pursuant to Section 19274.1 of the Act, the transferee has qualified in the manner provided by Section 19239 of the Act.
 - (2) In accordance with Section 19239.1 of the Act, the transferee has submitted to the Bureau a current and valid Certificate of Workers' Compensation Insurance or Certification of Self-Insurance in the transferee's business name.
 - (3) In accordance with Sections 19248 and 19249 of the Act, the transferee has submitted to the Bureau current and valid proof of public liability.
 - (4) In accordance with Sections 19248 and 19249 of the Act, the transferee has submitted to the Bureau current and valid proof of cargo insurance.
- (d) **Abandoned Transfer Application.** A transfer application shall be deemed abandoned if the transferee fails to complete the application within 12 months from the date the transferee is first notified that the application is incomplete.

Note: Authority cited: Section 19228, 19252, Business and Professions Code.

Reference: Sections 141, 480, 481, 485, 490, 493, 19228, 19237, 19239, 19239.1,

19239.2, 19239.3, 19239.4, 19240, 19248, 19249, 19250, 19251, 19252, 19271, 19274,

19274.1, 19275, 19275.1, 19275.2, 19276, 19277, 19277.1, 19278, 19279, 19279.1,

<u>19279.2, 19279.3, 19280, 19281, 19282, 19283, 19288, 19288.1, and 19289, Business</u> and Professions Code.

§ 2855. Voluntary Suspension.

- (a) **Request for Suspension.** At the request of a permitholder, pursuant to Section 19271 of the Act, the Bureau may suspend the operating permit of the permitholder only if the permit is in good standing. "Good standing," as used in this section, means:
 - (1) The permit is not expired or surrendered.
 - (2) The permit is not subject to a cancellation, suspension, or revocation, or has been canceled, suspended, or revoked, on any ground authorized by the Act, except that a permit that has been suspended pursuant to Section 19239.4 of the Act may continue to be voluntarily suspended at the request of a permitholder.
 - (3) The permitholder is not the subject of an unresolved Bureau complaint.
 - (4) The permitholder has no unpaid fines pursuant to Section 19283 of the Act.
 - (5) The permitholder has no unpaid fees pursuant to Sections 19288, 19288.1, 19288.2, and 19289 of the Act.
- (b) **Period of Suspension.** A permit may be voluntarily suspended for a period of up to one year continuously. In accordance with Section 19271 of the Act, a permitholder shall not conduct any operations as a household mover during any period of voluntary suspension.
- (c) Fees. During the period of voluntary suspension, the permitholder shall continue to pay fees in accordance with Sections 19288 and 19288.1 of the Act.
- (d) **Restoration.** To restore a voluntarily suspended permit, the permitholder shall submit a written request to the Bureau on a form prescribed by the Bureau. A voluntarily suspended permit shall be restored only if the following are satisfied:
 - (1) If the voluntarily suspended permit was issued for intrastate household moves only or for both intrastate and interstate household moves, the written request shall be accompanied by current and valid proof of Workers' Compensation Insurance or a Certificate of Self-Insurance in accordance with Section 19239.1 of the Act; current and valid proof of public liability and property damage protection in accordance with Sections 19248 and 19249 of the Act; and current and valid proof of cargo insurance in accordance with Sections 19248 and 19249 of the Act.
 - (2) If the permitholder has unpaid fines pursuant to Section 19283 of the Act, the permitholder shall pay such fines before the permit is restored.
 - (3) If the permitholder is in default on payment of fees required by Sections 19288 and 19288.1 of the Act, the permitholder shall pay such fees and any penalty fees authorized by Section 19288.2 of the Act before the permit is restored.
- (e) **Termination.** If the permitholder fails to restore a voluntarily suspended permit after a continuous period of one year, the permit shall lapse and terminate in accordance with Section 19274 of the Act.

Note: Authority cited: Section 19228, 19252, Business and Professions Code.

Reference: Sections 141, 480, 481, 485, 490, 493, 19228, 19239.1, 19239.2, 19239.3, 19239.4, 19240, 19248, 19249, 19250, 19251, 19252, 19271, 19274, 19275, 19275.1, 19275.2, 19276, 19277, 19277.1, 19278, 19279, 19279.1, 19279.2, 19279.3, 19280,

<u>19281, 19282, 19283, 19288, 19288.1, 19288.2, and 19289, Business and Professions</u> Code.

Amend subsection (a) of Section 2940 of Article 2 of Division 27 of Title 4 of the California Code of Regulations to read as follows:

§ 2940. Administrative Citations.

(a) The Chief or their designee is authorized to determine when and against whom a citation will be issued and to issue citations containing orders of abatement and fines against any permitted household mover ("permitholder") and any officer, director, agent or employee of any permitholder for any violation of the provisions of the Act and any regulations adopted pursuant thereto.

(* * * *)

Note: Authority cited: Sections 125.9, 148, and 19228, Business and Professions Code. Reference: Sections 10,125.9, 148,149, 9810, 19239.4, 19279, 19279.1, 19279.2, 19280, 19281, 19282, and 19283, Business and Professions Code.



AB 366 - Ignition Interlock Devices

Existing law governing ignition interlock devices (IID) authorizes a court to order a person convicted of driving under the influence of alcohol to install an IID on the vehicle they operate for a specified time. Currently, it is within a court's discretion to determine whether to impose this requirement. This law is operative until January 1, 2026.

At the Advisory Council meeting on May 8, 2025, the Bureau discussed and provided an earlier version of AB 366 (Petrie-Norris and Ransom, 2025), which proposed to remove the court's discretion and, instead, mandate the court to order the installation of an IID, including upon a first conviction of driving under the influence. AB 366 also proposed to remove the operating date of January 1, 2026, and, instead, extend the law governing IID indefinitely.

On August 29, 2025, following an analysis by the Senate Committee on Appropriations, AB 366 was amended to restore the language in existing law that allows a court to exercise discretion about whether to order an IID upon a first conviction. AB 366 was also amended to extend the operating date of January 1, 2026 to January 1, 2033, instead of extending the law indefinitely.

Excerpts from
the Electronic and Appliance Repair Dealer Registration Law and
SB 366 (Petrie-Norris, 2025)
Regarding Ignition Interlock Devices



State of California

BUSINESS AND PROFESSIONS CODE

Section 9807

- 9807. (a) Notwithstanding any other law, a service dealer licensed under this chapter and authorized to engage in the electronic repair industry, as defined in subdivision (p) of Section 9801, may install, calibrate, service, maintain, and monitor certified ignition interlock devices.
- (b) (1) The director may issue a citation to, or suspend, revoke, or place on probation the registration of, a service dealer who installs, calibrates, services, maintains, or monitors ignition interlock devices if the service dealer is not in compliance with subdivision (k) of Section 23575.3 of the Vehicle Code.
- (2) A service dealer shall provide to an individual receiving ignition interlock device services the information provided in subdivision (k) of Section 23575.3 of the Vehicle Code along with the contact telephone number of the bureau.
- (c) The bureau shall adopt regulations to implement this section consistent with the standards adopted by the Bureau of Automotive Repair and the Office of Traffic Safety under Section 9882.14.

(Amended by Stats. 2016, Ch. 783, Sec. 1. (SB 1046) Effective January 1, 2017.)

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(2) For purposes of this section, "operates" includes operating a vehicle that is not owned by the person subject to this section.

- (o) For the purposes of this section, "bypass" means either of the following:
 - (1) Failure to take any random retest.
- (2) Failure to pass a random retest with a breath alcohol concentration not exceeding 0.03 percent breath alcohol concentration.
- (p) For purposes of this section, "random retest" means a breath test performed by the driver upon a certified ignition interlock device at random intervals after the initial engine startup breath test and while the vehicle's motor is running.
- (q) This section shall become operative January 1, 2026. 2033. SEC. 26. Section 23575.3 of the Vehicle Code is amended to read:
- 23575.3. (a) In addition to any other requirement imposed by law, a court shall notify a person convicted of a violation listed in subdivision (h) that he or she the person is required to install a functioning, certified ignition interlock device on any vehicle that the person operates and that he or she the person is prohibited from operating a motor vehicle unless that vehicle is equipped with a functioning, certified ignition interlock device in accordance with this section.
- (b) The Department of Motor Vehicles, upon receipt of the court's abstract of conviction for a violation listed in subdivision (h), shall inform the convicted person of the requirements of this section, including the term for which the person is required to have a certified ignition interlock device installed. The records of the department shall reflect the mandatory use of the device for the term required and the time when the device is required to be installed by this code.
- (c) The department shall advise the person that installation of a functioning, certified ignition interlock device on a vehicle does not allow the person to drive without a valid driver's license.
- (d) (1) A person who is notified by the department pursuant to subdivision (b) shall do all of the following:
- (A) Arrange for each vehicle operated by the person to be equipped with a functioning, certified ignition interlock device by a certified ignition interlock device provider under Section 13386.

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(B) Provide to the department proof of installation by submitting the "Verification of Installation" form described in paragraph (2) of subdivision (g) of Section 13386.

- (C) Pay a fee, determined by the department, that is sufficient to cover the costs of administration of this section.
- (2) A person who is notified by the department pursuant to subdivision (b), is exempt from the requirements of this subdivision until the time he or she the person purchases or has access to a vehicle if, within 30 days of the notification, the person certifies to the department all of the following:
 - (A) The person does not own a vehicle.

- (B) The person does not have access to a vehicle at his or her their residence.
- (C) The person no longer has access to the vehicle he or she was they were driving at the time he or she was they were arrested for a violation that subsequently resulted in a conviction for a violation listed in subdivision (h).
- (D) The person acknowledges that he or she is they are only allowed to drive a vehicle that is equipped with a functioning, certified ignition interlock device.
- (E) The person acknowledges that he or she is they are required to have a valid driver's license before he or she they can drive.
- (F) The person acknowledges that he or she is they are subject to the requirements of this section when he or she the person purchases or has access to a vehicle.
- (e) In addition to any other restrictions the department places on the driver's license record of the convicted person when the person is issued a restricted driver's license pursuant to Section 13352 or 13352.4, the department shall place a restriction on the driver's license record of the person that states the driver is restricted to driving only vehicles equipped with a functioning, certified ignition interlock device for the applicable term.
- (f) (1) A person who is notified by the department pursuant to subdivision (b) shall arrange for each vehicle with a functioning, certified ignition interlock device to be serviced by the installer at least once every 60 days in order for the installer to recalibrate and monitor the operation of the device.
- (2) The installer shall notify the department if the device is removed or indicates that the person has attempted to remove, bypass, or tamper with the device, or if the person fails three or

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more times to comply with any requirement for the maintenance or calibration of the ignition interlock device.

- (g) The department shall monitor the installation and maintenance of the ignition interlock device installed pursuant to subdivision (d).
- (h) A person is required to install a functioning, certified ignition interlock device pursuant to this section for the applicable term, as follows:
- (1) A person convicted of a violation of subdivision (a), (b), (d), (e), or (g) of Section 23152 shall be required to do the following, as applicable:
- (A) Upon a conviction with no priors, punishable under Section 23536, only one of the following may occur:
- (i) The court may order installation of a functioning, certified ignition interlock device on any vehicle that the person operates and prohibit that person from operating a motor vehicle unless that vehicle is equipped with a functioning, certified ignition interlock device. If the court orders the ignition interlock device restriction, the term shall be determined by the court for a period not to exceed six months from the date of conviction. The court shall notify the department of the conviction as specified in subdivision (a) of Section 1803 or Section 1816, and shall specify the terms of the ignition interlock device restriction in accordance with subdivision (a) of Section 1804. The department shall place the restriction on the driver's license record of the person that states the driver is restricted to driving only vehicles equipped with a functioning, certified ignition interlock device for the applicable term.
- (ii) The person may apply to the department for a restriction of the driving privilege under Section 13352.4.
- (iii) The person may apply to the department for a restriction of the driving privilege under paragraph (1) of subdivision (a) of Section 13352 or subdivision (c) of Section 13352.1.
- (B) Upon a conviction with one prior, punishable under Section 23540, the person shall install a functioning, certified ignition interlock device in the vehicle, as ordered by the court, that is operated by that person for a mandatory term of 12 months.
- (C) Upon a conviction with two priors, punishable under Section 23546, the person shall install a functioning, certified ignition interlock device in the vehicle, as ordered by the court, that is operated by that person for a mandatory term of 24 months.

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(D) Upon a conviction with three or more priors punishable under Section 23550, or a conviction punishable under Section 23550.5, the person shall install a functioning, certified ignition interlock device in the vehicle, as ordered by the court, that is operated by that person for a mandatory term of 36 months.

- (2) A person convicted of a violation of subdivision (a), (b), (d), (e), or (g) of Section 23153 shall install a functioning, certified ignition interlock device, as follows:
- (A) Upon a conviction with no priors, punishable under Section 23554, the person shall install a functioning, certified ignition interlock device in the vehicle, as ordered by the court, that is operated by that person for a mandatory term of 12 months.
- (B) Upon a conviction with one prior, punishable under Section 23560, the person shall install a functioning, certified ignition interlock device in the vehicle, as ordered by the court, that is operated by that person for a mandatory term of 24 months.
- (C) Upon a conviction with two priors, punishable under Section 23550 or 23566, the person shall install a functioning, certified ignition interlock device in the vehicle, as ordered by the court, that is operated by that person for a mandatory term of 36 months.
- (D) Upon a conviction with one prior punishable under Section 23550.5, the person shall install a functioning, certified ignition interlock device in the vehicle, as ordered by the court, that is operated by that person for a mandatory term of 48 months.
- (3) For the purposes of paragraphs (1) and (2), "prior" means a conviction for a separate violation of Section 23103, as specified in Section 23103.5, or Section 23152 or 23153, subdivision (a) or (b) of Section 191.5 of, or subdivision (a) of Section 192.5 of, the Penal Code, or subdivision (b), (c), (d), (e), or (f) of Section 655 of the Harbors and Navigation Code, that occurred within 10 years of the current violation.
- (4) The terms prescribed in this subdivision shall begin once a person has complied with subparagraph (B) of paragraph (1) of subdivision (d) and either upon the reinstatement of the privilege to drive pursuant to Section 13352 or the issuance of a restricted driver's license pursuant to Section 13352. A person shall receive credit for any period in which he or she they had a restricted driver's license issued pursuant to Section 13353.6 or 13353.75.
- (i) Subdivisions (g), (h), (j), and (k) of Section 23575 apply to this section.

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(j) If a person fails to comply with any of the requirements regarding ignition interlock devices, the period in which the person was not in compliance shall not be credited towards the mandatory term for which the ignition interlock device is required to be installed.

- (k) (1) Every manufacturer and manufacturer's agent certified by the department to provide ignition interlock devices, under Section 13386, shall adopt the following fee schedule that provides for the payment of the costs of the certified ignition interlock device by offenders subject to this chapter in amounts commensurate with that person's income relative to the federal poverty level, as defined in Section 127400 of the Health and Safety Code:
- (A) A person with an income at 100 percent of the federal poverty level or below and who provides income verification pursuant to paragraph (2) is responsible for 10 percent of the cost of the manufacturer's standard ignition interlock device program costs, and any additional costs accrued by the person for noncompliance with program requirements.
- (B) A person with an income at 101 to 200 percent of the federal poverty level and who provides income verification pursuant to paragraph (2) is responsible for 25 percent of the cost of the manufacturer's standard ignition interlock device program costs, and any additional costs accrued by the person for noncompliance with program requirements.
- (C) A person with an income at 201 to 300 percent of the federal poverty level and who provides income verification pursuant to paragraph (2) is responsible for 50 percent of the cost of the manufacturer's standard ignition interlock device program costs, and any additional costs accrued by the person for noncompliance with program requirements.
- (D) A person who is receiving CalFresh benefits and who provides proof of those benefits to the manufacturer or manufacturer's agent or authorized installer is responsible for 50 percent of the cost of the manufacturer's standard ignition interlock device program costs, and any additional costs accrued by the person for noncompliance with program requirements.
- (E) A person with an income at 301 to 400 percent of the federal poverty level and who provides income verification pursuant to paragraph (2) is responsible for 90 percent of the cost of the

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manufacturer's standard ignition interlock device program costs, and any additional costs accrued by the person for noncompliance with program requirements.

- (F) All other offenders are responsible for 100 percent of the cost of the ignition interlock device.
- (G) The manufacturer is responsible for the percentage of costs that the offender is not responsible for pursuant to subparagraphs (A) to (E), inclusive.
- (2) The ignition interlock device provider shall verify the offender's income to determine the cost of the ignition interlock device pursuant to this subdivision by verifying one of the following documents from the offender:
 - (A) The previous year's federal income tax return.
- (B) The previous three months of weekly or monthly income statements.
- (C) Employment Development Department verification of unemployment benefits.
- (1) The Department of Consumer Affairs may impose a civil assessment not to exceed one thousand dollars (\$1,000) upon a manufacturer or manufacturer's agent certified to provide ignition interlock devices who fails to inform an offender subject to this chapter of the provisions of subdivision (k), or who fails to comply with the provisions of subdivision (k).
- (m) This section does not permit a person to drive without a valid driver's license.
- (n) The requirements of this section are in addition to any other requirements of law.
- (o) For the purposes of this section, the following definitions apply:
 - (1) "Bypass" means either of the following:
 - (A) Failure to take any random retest.
- (B) Failure to pass a random retest with a breath alcohol concentration not exceeding 0.03 percent, by weight of alcohol, in the person's blood.
- (2) "Operates" includes operating a vehicle that is not owned by the person subject to this section.
- (3) "Owned" means solely owned or owned in conjunction with another person or legal entity.
- 39 (4) "Random retest" means a breath test performed by the driver 40 upon a certified ignition interlock device at random intervals after

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the initial engine startup breath test and while the vehicle's motoris running.

- (5) "Vehicle" does not include a motorcycle until the state certifies an ignition interlock device that can be installed on a motorcycle. A person subject to an ignition interlock device restriction shall not operate a motorcycle for the duration of the ignition interlock device restriction period.
- (p) The requirements of this section shall apply only to a person who is convicted for a violation of Section 23152 or 23153 that occurred on or after January 1, 2019.
 - (q) This section shall become operative on January 1, 2019.
- (r) This section shall remain in effect only until January 1, 2026, 2033, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2026, 2033, deletes or extends that date.
- SEC. 27. Section 23576 of the Vehicle Code, as amended by Section 29 of Chapter 485 of the Statutes of 2017, is amended to read:
- 23576. (a) Notwithstanding Sections 13352, 13352.1, 13353.6, 13353.75, 23573, 23575, 23575.3, and 23700, if a person is required to operate a motor vehicle in the course and scope of his or her their employment and if the vehicle is owned by the employer, the person may operate that vehicle without installation of a functioning, certified approved ignition interlock device if the employer has been notified by the person that the person's driving privilege has been restricted pursuant to Section 13352, 13352.1, 13353.6, 13353.75, 23573, 23575, 23575.3, or 23700 and if the person has proof of that notification in his or her their possession, or if the notice, or a facsimile copy thereof, is with the vehicle.
- (b) A motor vehicle owned by a business entity that is all or partly owned or controlled by a person otherwise subject to Section 13352, 13352.1, 13353.6, 13353.75, 23573, 23575, 23575.3, or 23700, is not a motor vehicle owned by the employer subject to the exemption in subdivision (a).
 - (c) This section shall become operative on January 1, 2019.
- (d) This section shall remain in effect only until January 1, 2026, 2033, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2026, 2033, deletes or extends that date.



Agenda Item 13

2026 Advisory Council Meeting Proposed Dates:

- a. May 7 or May 14
- b. October 29 or November 5



April 2026

Sun	Mon	Tue	Wed	Thu	Fri	Sat
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

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May 2026

Sun	Mon	Tue	Wed	Thu	Fri	Sat
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

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October 2026

Sun	Mon	Tue	Wed	Thu	Fri	Sat
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

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November 2026

Sun	Mon	Tue	Wed	Thu	Fri	Sat
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

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