



November 5, 2026

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, November 5, 2026, 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.

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<https://dca-meetings.webex.com/dca-meetings/j.php?MTID=m70de2b9b7a2264401c0494bdb84eeb30>

If joining using the link above

Webinar number: 2491 292 0303

Webinar password: BHGS115

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

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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.

Teleconference/Audio Conference Option:

+1-415-655-0001 US Toll
Access code: 2491 292 0303
Passcode: 2447115

Advisory Council Members:

Pascal Benyamini, Public
Tom Keepers, Industry
Alison Keane, 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.

All meetings are open to the public and 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 provide comment on items not on the agenda; however, the Advisory Council may not discuss any matter not included in this agenda.

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.

Discussion and action may be taken on any agenda item

AGENDA

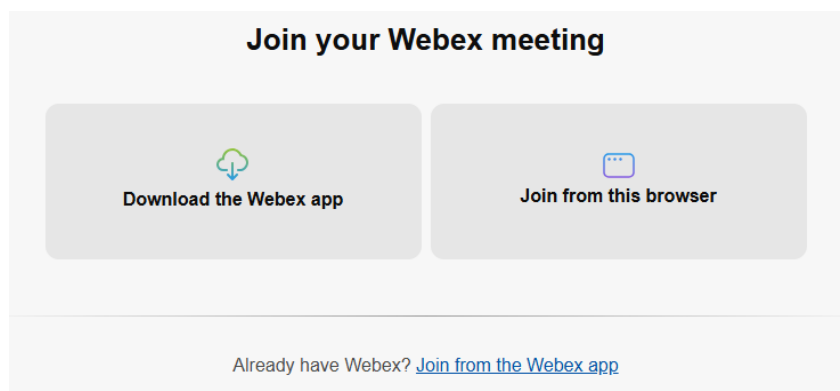
1. Deputy Bureau Chief Introduction, Call to Order, and Roll Call
2. Public Comment for Items Not on the Agenda
Please note that the Advisory Council may not discuss any matter raised during this public comment section that is not included on this agenda.
3. Update from Board and Bureau Relations, Department of Consumer Affairs
4. Fiscal Update
 - a. Status Update on BHGS Fee Analysis
5. Review May 7, 2026, Advisory Council Meeting Minutes
6. Update on 2027-31 Strategic Planning Process
7. Business Modernization Update
8. Administrative Program Update
9. Laboratory Update
 - a. Update on Implementation of AB 1059 (Friedman, Statutes of 2023)
Product Safety: Consumer Products: Textile Fiberglass and Covered
Flame Retardant Chemicals
10. Licensing Program Update
11. Enforcement Program Update
12. Communications and Education Update
 - a. BHGS Website Improvements
13. Legislative and Regulatory Updates
 - a. Amendments to Labeling Requirements (Upholstered Furniture and Bedding)
 - b. Household Movers Act Program: Implementing Regulations: Permit Requirements, Exam

- c. AB 1546 (Schultz) 2025-26: Vehicles: Driving Under the Influence and AB 1830 (Petrie-Norris, Lackey, and Ransom) 2025-26: Ignition Interlock Devices
 - d. Update on 2026 Sunset Review Report
- 14. Solicitation of Future Agenda Items
- 15. Discussion and Possible Action on 2027 Advisory Council Meeting Dates
 - a. May 6 or May 13
 - b. October 28 or November 4
- 16. Adjournment

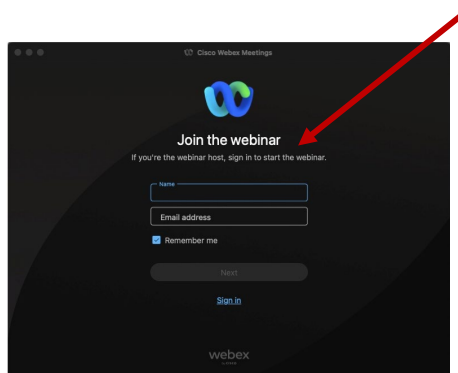
Recommended: Join using the meeting link.

- 1 Click on the meeting link. This can be found in the meeting notice you received and is on the meeting agenda.
- 2 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.



- 3 Enter your name and email address*. Click "Next."
Accept any request for permission to use your microphone and/or camera.



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Alternative 1. Join from Webex.com

- 1 Click on “Join a Meeting” at the top of the Webex window.



- 2 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.

A screenshot of the 'Enter the meeting number' form. It features the Webex logo at the top, followed by the text 'Enter the meeting number'. Below this is a text input field labeled 'Meeting number' which is highlighted with a red rectangular box. At the bottom of the form is a 'Continue' button, with a red arrow pointing to it.

To view more information about the event, enter the event password.

A screenshot of the 'Enter the event password' form. It shows the text 'Event number: 2482 000 5913' at the top. Below this is a text input field labeled 'Enter the event password' which is highlighted with a red rectangular box. At the bottom of the form is an 'OK' button, with a red arrow pointing to it.

- 3 The meeting information will be displayed. Click “Join Event.”

< Back to List

Meeting Name

Jones, Shelly@DCA | 9:45 AM - 9:55 AM | Thursday, Oct 14 2021 |
(UTC-07:00) Pacific Time (US & Canada)



Join Event

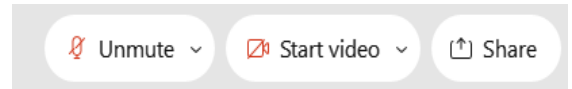
OR

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

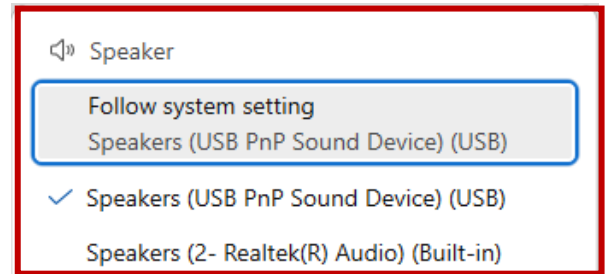
1 Click on the bottom facing arrow located on the Mute/Unmute button at the bottom of the Webex window.



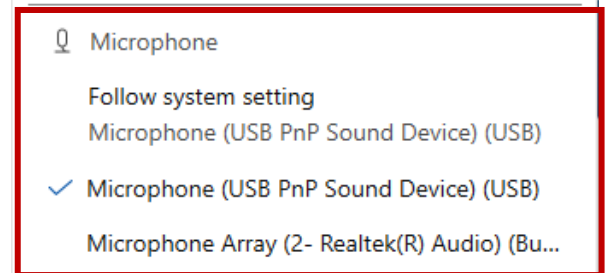
2 From the drop-down menu, select different:

- 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.

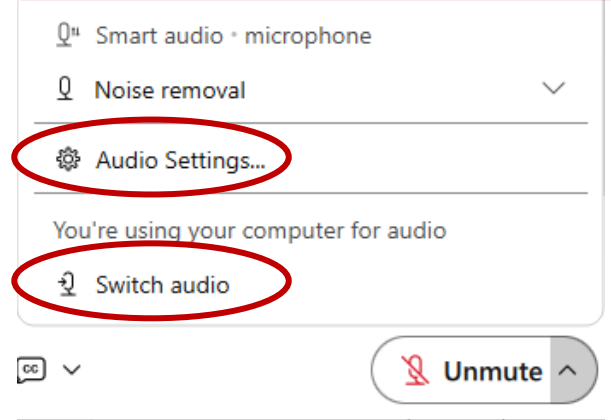
A



B

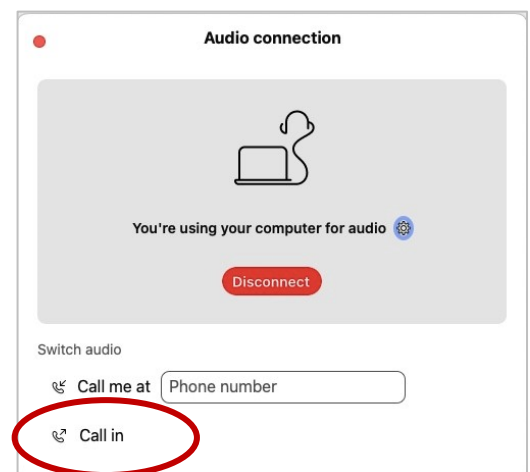


C



3 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 to call and the meeting login information.



Joined via Meeting Link

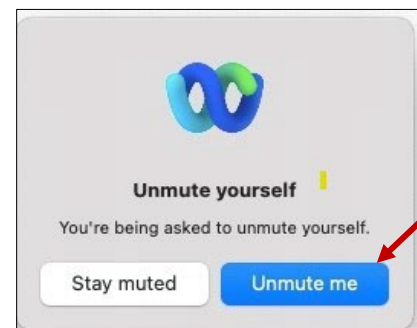
- Locate the hand icon at the bottom of the Webex window.
- Click the hand icon to raise your hand.
- Repeat this process to lower your hand.



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.

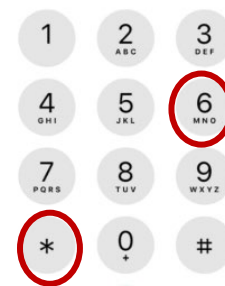


Joined via Telephone (Call-in User)

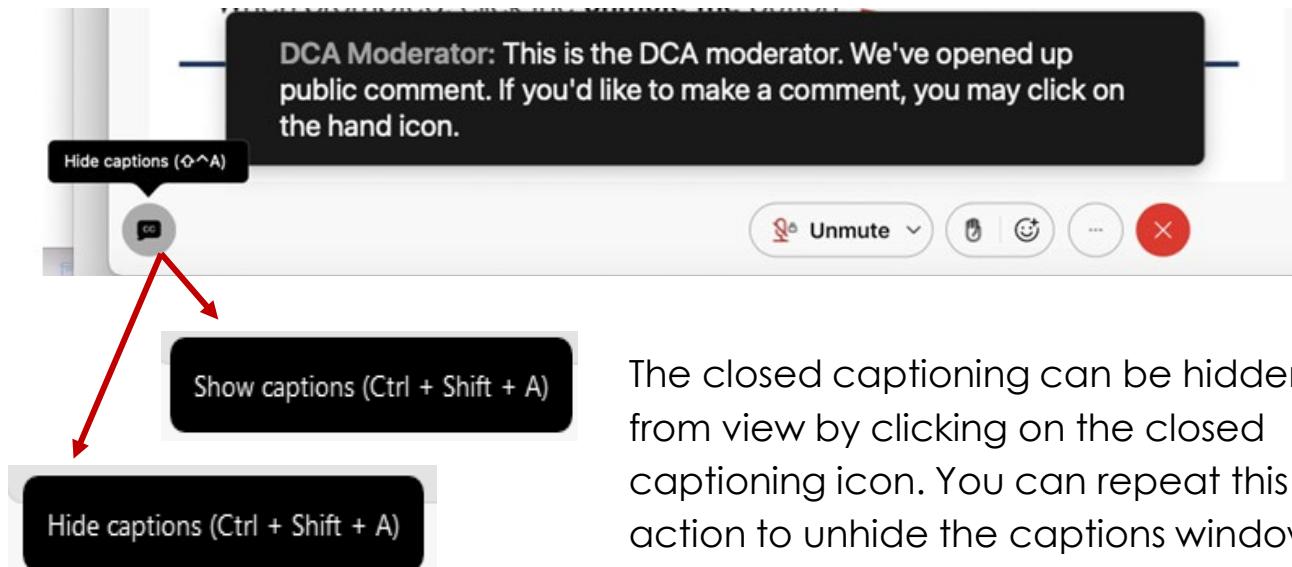


Press *3 to raise or lower your hand.

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



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.

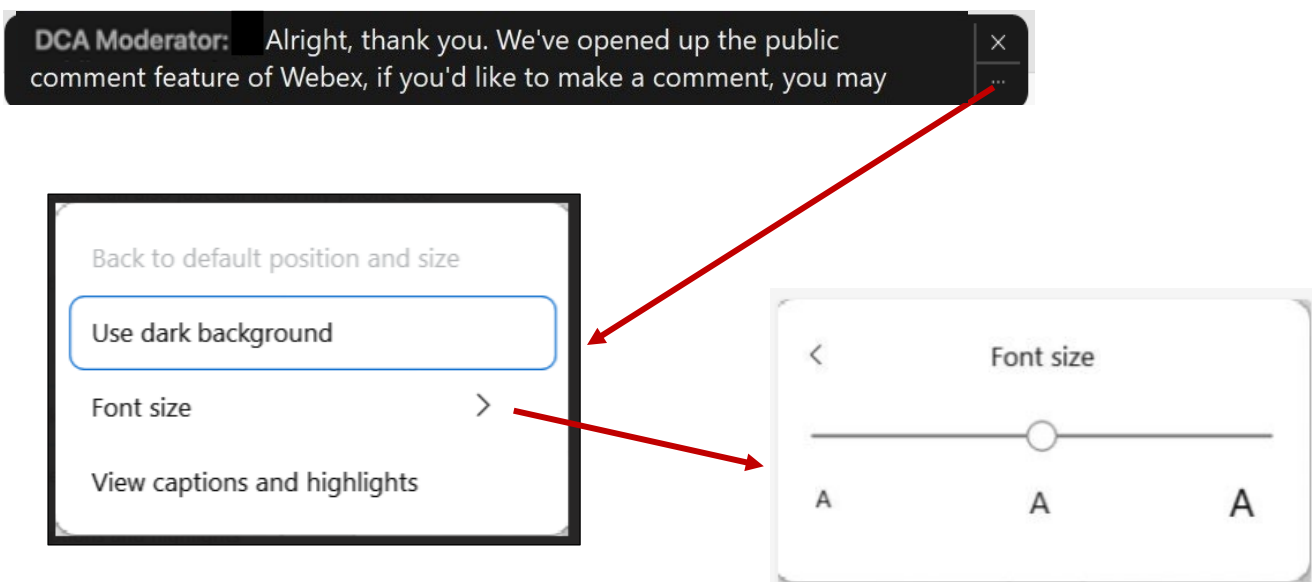


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Agenda Item 4

Fiscal Update

a. Status Update on BHGS Fee Analysis

3438 - Household Goods and Services Fund, Professions and Vocations Fund
Analysis of Fund Condition
(Dollars in Thousands)
2026 Budget Act

Prepared 10.5.2026

	Actuals 2025-26	CY 2026-27	BY 2027-28	BY +1 2028-29
BEGINNING BALANCE	\$ 13,435	\$ 12,132	\$ 14,035	\$ 12,084
Prior Year Adjustment	\$ 59	\$ -	\$ -	\$ -
Adjusted Beginning Balance	\$ 13,494	\$ 12,132	\$ 14,035	\$ 12,084
REVENUES, TRANSFERS AND OTHER ADJUSTMENTS				
Revenues				
4121200 - Delinquent fees	\$ 375	\$ 402	\$ 402	\$ 402
4127400 - Renewal fees	\$ 9,389	\$ 9,638	\$ 9,638	\$ 9,638
4129200 - Other regulatory fees	\$ 239	\$ 230	\$ 230	\$ 230
4129400 - Other regulatory licenses and permits	\$ 1,212	\$ 1,322	\$ 1,322	\$ 1,322
4141200 - Sales of Documents	\$ 1			
4163000 - Income from surplus money investments	\$ 573	\$ 979	\$ 1,080	\$ 995
4171400 - Escheat of unclaimed checks and warrants	\$ 13	\$ -	\$ -	\$ -
4172500 - Miscellaneous revenues	\$ 1	\$ -	\$ -	\$ -
Totals, Revenues	\$ 11,803	\$ 12,571	\$ 12,672	\$ 12,587
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	\$ -25	\$ -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)	\$ -	\$ 377	\$ -	\$ -
Revenue transfer from the Home Furnishings and Thermal Insulation Fund (0752) to the Household Goods and Services Fund, Professions and Vocations Fund (3438)	\$ -	\$ 1,554	\$ -	\$ -
Revenue transfer from the Household Movers Fund, Professions and Vocations Fund (3315) to the (Household Goods and Services Fund, Professions and Vocations Fund (3438)	\$ -	\$ 1,630	\$ -	\$ -
Totals, Transfers and Other Adjustments	\$ -25	\$ 3,540	\$ -21	\$ -21
TOTALS, REVENUES, TRANSFERS AND OTHER ADJUSTMENTS	\$ 11,778	\$ 16,111	\$ 12,651	\$ 12,566
TOTAL RESOURCES	\$ 25,272	\$ 28,243	\$ 26,686	\$ 24,650
Expenditures:				
1111 Department of Consumer Affairs (State Operations)	\$ 12,082	\$ 13,136	\$ 13,530	\$ 13,936
9892 Supplemental Pension Payments (State Operations)	\$ 40	\$ -	\$ -	\$ -
9900 Statewide General Administrative Expenditures (Pro Rata) (State Operations)	\$ 1,018	\$ 1,072	\$ 1,072	\$ 1,072
TOTALS, EXPENDITURES AND EXPENDITURE ADJUSTMENTS	\$ 13,140	\$ 14,208	\$ 14,602	\$ 15,008
FUND BALANCE	\$ 12,132	\$ 14,035	\$ 12,084	\$ 9,642
Reserve for economic uncertainties				
Months in Reserve	10.2	11.5	9.7	7.5

NOTES:

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

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 the final transfer of \$3.540 million from those remaining funds into the single fund (EAR: \$377,000; HFTI: \$1.554 million; and HHM: \$1.630 million).

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 conservatively estimates a reversion of \$1.1 million for fiscal year 2026-27 and ongoing. 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 is currently undergoing a fee audit in conjunction with preparation of its sunset review report for the 2027 legislative session. Depending on projected revenues and expenditures at that time, the Bureau may pursue regulatory fee increases where the statutory cap allows it and request fee increases as part of the Sunset process which, 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, 2025 to June 30, 2026)

	Delinquent Fees	Other Regulatory Fees*	Licenses and Permits	Renewal Fees	Other Revenue**	Total
EAR	\$92,478	\$22,567	\$298,563	\$2,340,278	\$18,710	\$2,772,596
HFTI	\$132,193	\$130,999	\$806,495	\$3,887,795	\$643,322	\$5,600,804
HHM	\$150,816	\$85,125	\$107,239	\$3,161,301	\$3,985	\$3,508,466

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

**Other Revenue includes: Investment Income and Interest, document sales, and cancelled check fees.



Agenda Item 5

Review May 7, 2026 Advisory Council Meeting Minutes

**Bureau of Household Goods and Services (Bureau or BHGS)
Advisory Council Meeting Minutes
In-Person and Teleconference Meeting
May 7, 2026**

**Department of Consumer Affairs (DCA)
1747 North Market Blvd.
1st Floor - Ruby Room
Sacramento, CA 95834**

Attendees:

Advisory Council Members: Sara Oakley, Industry
Steve Weitekamp, Industry
Toby Taylor, Industry
Tom Keepers, Industry

Excused Absences: Dan Rhodes, Industry
Pascal Benyamini, Public

Bureau Staff: Claire Goldstene, Deputy Bureau Chief
Chas Rifredi, Chief of Licensing and Administration
Jacqueline Castro, Licensing Manager
Chris Janus, Executive Support Analyst
Jacob Egger, Lab Manager
Raleigh Jacobe, Supervising Special Investigator
Travis Cooke, Supervising Special Investigator
Oliver Manila, Special Investigator
Elizabeth Peden, Compliance Unit Manager
Eileen Yap, Policy Manager
Joanne Van, Content Manager
Chris Sanchez, Policy Analyst

Others: Lucia Saldivar, DCA Board & Bureau Relations
Sarah Irani, DCA SOLID
Suzanne Balkis, DCA Budgets
Jennifer Tompkins, DCA Budgets
Helen Geoffroy, DCA Legal Affairs
Yeaphana LaMarr, Senate Business, Professions and
Economic Development Committee

1. Welcome, Introductions, and Roll Call

Deputy Bureau Chief Claire Goldstene began the meeting at 10:00 a.m. and took roll call. Advisory Council members Dan Rhodes and Pascal Benyamini had excused absences.

Ms. Goldstene noted that Administration Manager Kelli Williams and Enforcement Chief Alda Aguirre were unable to attend the meeting, and she thanked Chris Janus for his help coordinating the meeting logistics. Lastly, Ms. Goldstene acknowledged the contributions of Burt Grimes, who resigned from the Advisory Council in December 2025, and noted that the Bureau is looking for a replacement.

2. Public Comment on Items Not on the Agenda

Council Member Comment: Steve Weitekamp said the increase in the cost of oil has dramatically affected the cost of gas, diesel, and plastic products prices. He said that because the Max 4 Tariff does not include a line item for a fuel surcharge auditors will commonly reject bids from household movers that include fuel charges. Mr. Weitekamp suggested adding a line to the Tariff to allow fuel charges if specific requirements are met and that he hoped this could be discussed in the near future.

Deputy Chief Claire Goldstene said she had made a note about this and thanked Mr. Weitekamp for his comment.

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

Department of Consumer Affairs (DCA) Deputy Director for Board and Bureau Relations Lucia Saldivar wished everyone a happy Public Service Recognition Week and said that DCA is grateful for and appreciates the staff across all boards and bureaus.

Ms. Saldivar reported that DCA relaunched the Enforcement Academy in March, with participants from more than 20 boards and bureaus and noted that additional academies are planned for later in 2026. She also thanked BHGS staff for their participation.

Ms. Saldivar announced that 15 DCA employees were selected to join the inaugural Diversity, Equity and Inclusion (DEI) subcommittee, which will meet bi-monthly to develop and implement organizational initiatives and goals. The first

meeting is scheduled for July 31, and milestones and accomplishments will be highlighted in the future.

Lastly, Ms. Saldivar reminded everyone that, effective July 1, DCA's oversight agency is being split into two new separate entities: the California Housing and Homelessness Agency and the Business and Consumer Services Agency. The latter will oversee eight departments, including DCA.

4. Review of Strategic Planning Process, Department of Consumer Affairs

Deputy Bureau Chief Claire Goldstene said that the current four-year strategic plan expires at the end of 2026 and that the Bureau has already begun working with DCA SOLID to develop a new multi-year plan. She also noted that as part of this process, a survey will be sent to Advisory Council members, Bureau staff, and other interested parties to solicit their feedback.

DCA Solid Analyst Sarah Irani provided an overview of the five-step process and a general timeframe to update strategic plans and they relate to BHGS. Ms. Irani noted that incorporating diversity, equity, inclusion, and accessibility (DEIA) is a key element of strategic planning.

Council Member Comment: Mr. Weitekamp requested that the Advisory Council members receive an advanced copy of the survey. Ms. Irani said she will make sure Advisory Council members receive a copy prior to it being distributed to others.

5. Fiscal Update

a. Status Update on BHGS Fee Study

DCA Budget Analyst Jennifer Tompkins provided a fiscal update and reviewed the fiscal year 2025-26 fund condition. She said the Bureau had collected \$11.4 million in revenue and had \$12.86 million in expenditures. The fund balance is currently \$13.44 million, which equates to about 11.9 months in reserve.

Ms. Tompkins then reviewed projections for the fiscal year 2026-27 fund condition. She said the Bureau is projected to collect \$12.46 million in revenue and expend \$13.56 million. Authorized expenditures would leave the Bureau with a balance of \$12.3 million, or about 10.4 months in reserve. Ms. Tompkins noted that the Bureau expects additional transfers in fiscal year 2025-26 from the remaining balances in the three separate funds as part of the fund consolidation, though the amounts could change because of unpaid or late invoices from the prior year.

Ms. Tompkins noted that personnel services is among the main factors driving increased expenditures, which includes general salary increases, employee compensation, and retirement rate adjustments. She said DCA Budgets includes an ongoing 3 percent increase in expenditures on the fund condition statement to account for these ongoing adjustments. She also noted that increased enforcement expenditures, future legislation, and unanticipated events could place additional cost pressure on the Bureau's fund.

Deputy Chief Claire Goldstene added that the projections indicate that the Bureau is facing a structural deficit and that the gap between revenue and expenditures is continuing to grow. She said the Bureau historically reverted about \$3 million per year, but because of the increased expenditures, the Bureau is anticipating a reversion of \$1.5 million going forward.

Council Member Comment: Steve Weitekamp asked why the HHM initial fund transfer was higher than the other programs, though the remaining HHM balance was not.

DCA Budget Analyst Suzanne Balkis explained that some purchase orders may be processed during a later period which can make the remaining fund balance for that period appear lower. Deputy Chief Claire Goldstene added that the total dollar amounts transferred did not change and that the difference in totals was related to when the bills were paid. Mr. Weitekamp asked if detailed accounting for these accounts could be viewed. Ms. Goldstene said she will work with Ms. Balkis and Ms. Tompkins to provide that information.

Council Member Comment: Tom Keepers agreed that detailed accounting information would be appreciated.

BHGS Fee Study

Licensing and Administration Chief Chas Rifredi announced that, in conjunction with DCA Budgets, the Bureau officially launched its fee study in January. She reiterated that the Bureau is facing a structural deficit and said the study is essential to ensuring the Bureau's fee structure is fair, transparent, and aligned with the true costs of the services the Bureau provides.

Ms. Rifredi discussed the three phases of the fee study and reported that the Bureau is currently in phase two of the study, which entails documenting time that staff spend performing tasks. She said phase three of the study involves reviewing

and analyzing the collected data and then drafting the final report. The Bureau expects to be done with the fee study around August.

Council Member Comment: Sara Oakley asked if the Bureau is using a software program to track time. Ms. Rifredi answered that the Bureau is not using any special software outside of Microsoft Word and Excel.

Council Member Comment: Tom Keepers said he appreciated the Bureau's efforts with the fee study and that he looks forward to seeing the results as well as any opportunities for process improvement that are identified as part of the study.

6. Review October 16, 2025, Advisory Council Meeting Minutes

There were no comments.

7. Business Modernization Update

Deputy Chief Claire Goldstene noted some delays to several target release dates for elements of the Business Modernization project, or Connect, including the launch of the EAR/HFTI online renewal. She said that more time was needed to make improvements and ensure that the process is smooth for the Bureau's forty thousand licensees.

Policy Analyst Chris Sanchez shared that the Bureau's top priority has been to launch EAR/HFTI renewals in Connect, which is expected to go live in July.

Mr. Sanchez reported that quarterly report automatic notifications were launched after the October 2025 Advisory Council meeting, and HHM licensees now receive email notifications about quarterly report due dates, penalty dates, and impending suspension for non-compliance. Automatic notification emails now also alert licensees lacking active workers' compensation, PLPD, or Cargo Insurance. Mr. Sanchez also noted that resource links were added to the Connect dashboard for HHM quarterly report due dates, maintenance forms, and the BHGS website.

Mr. Sanchez explained that recent maintenance updates to the online transaction system allow Bureau staff to cancel and withdraw transfer, general, interstate, and maintenance applications. He noted that this improvement will help ensure greater accuracy in the Bureau's records.

Mr. Sanchez said that the Bureau is targeting July 1 to launch EAR license linking, which will allow licensees to link their existing license with Connect using a unique

PIN number and their license number. He added that online renewals for EAR/HFTI licensees are also expected to go live in July.

Lastly, Mr. Sanchez reported that among the remaining elements to be added to Connect are the EAR/HFTI initial applications, enforcement features, citation payments, and the thermal insulation directory fees.

Deputy Chief Claire Goldstene added that functionality to update licensee addresses during the online EAR/HFTI renewal process was also added to Connect, which will be a helpful feature for licensees as well as Bureau staff.

8. Administrative Program Update

Executive Support Analyst Chris Janus provided the Administration update in Kelli Williams' absence.

Mr. Janus reported that, aside from the Bureau Chief position, the Bureau has only one vacant position to fill at this time, a Licensing analyst that the Bureau expects to fill soon.

Mr. Janus said that the Bureau delayed filling three Compliance Analyst and three Special Investigator positions as a fiscal precaution, pending the release of the Governor's 2026-27 fiscal year budget and the outcome of the Bureau's fee study. He also noted that, in the short-term, this delay has not adversely affected Bureau operations and that managers are closely monitoring workload.

Mr. Janus shared that the Bureau has filled seven positions since the October 2025 Advisory Council meeting, including two Spanish bilingual positions. He also noted that three staff members left the Bureau: two retired and one left state service.

Mr. Janus touched on lab contracts and thanked Contract Analyst Sue Robinson for her work executing very time-consuming contracts that require extensive coordination with multiple parties.

Lastly, Mr. Janus discussed staff engagement and reported that the Bureau held a full-day New Employee Orientation and team building event in November 2025, a Halloween-themed potluck in October, and an all-staff meeting followed by a sports-themed potluck in January 2026.

9. Licensing Program Update

Licensing Manager Jacqueline Castro reviewed licensing statistics and reported a small decrease in EAR licenses overall, but an increase in service contract seller and administrator licenses between September 2025 and March 2026. Ms. Castro reported that the Bureau received \$440,133 in EAR renewal fees in the quarter ending March 2026.

Ms. Castro reported a small decrease in all active Home Furnishings and Thermal Insulation licenses because of business closures and delinquencies, except for sanitizer licenses, which saw a small increase. She said the Bureau received \$853,220 in HFTI renewal fees for the quarter ending March 2026.

Ms. Castro announced that the Licensing unit launched Project Delinquency in January 2026 to help return delinquent EAR and HFTI licenses to active status, with Licensing staff mailing out 50 to 75 invoices per week. She said the project has also helped the Bureau to update licensee contact information and identify non-operational businesses.

Ms. Castro reported that the Bureau issued 37 HHM permits in the quarter ending March 31, 2026; that 37 exams were administered with a 97 percent pass rate, and that 1,040 quarterly reports were received for a total of \$752,385. The Bureau continues to send quarterly report due date notifications via the Connect system and postcard mailouts, and Licensing staff continue to assist HHM permit holders with submitting their quarterly reports, addressing insurance issues, and ongoing compliance.

Before concluding, Ms. Castro introduced the Bureau's newest HHM Licensing Analyst, Megan Sekigahama.

Council Member Comment: Steve Weitekamp said that he has received positive feedback from household movers regarding Bureau licensing. He then asked if anything had changed to affect the HHM exam pass rate in the most recent quarter reported, since the numbers seemed unusually high. Mr. Weitekamp expressed interest in learning more about processing times and what factors may cause a delay. Ms. Castro responded that the Bureau could provide that information and reviewed some of the factors in the process that can cause delays specifically for HHM applications.

Council Member Comment: Mr. Weitekamp also asked who currently conducts background checks on HHM applicants and how far back in an applicant's history do the checks extend.

Ms. Castro answered that the Department of Justice conducts the background

checks to determine there are any current or past convictions on record. Mr. Weitekamp raised concerns about whether old convictions could prevent someone from being licensed. Deputy Chief Claire Goldstene explained that when an applicant has a prior conviction, dedicated Bureau staff review the case, speak with the applicant and have them complete a questionnaire, and then prepare an assessment recommending whether the license application should be approved. Policy Manager Eileen Yap added that all programs must use certain criteria if an applicant has a criminal history and that when the conviction occurred is only one of the factors. She also said that the Bureau must meet a strict and high standard to deny an application based on a conviction.

Council Member Comment: Tom Keepers commended the Licensing team for tracking application processing times in weeks and days instead of years.

10. Laboratory Update

Laboratory Manager Jacob Egger reported that the newest Lab Analysts have been fully trained and are now are independently conducting breakdown, flammability, thermal insulation and finished size testing. He also said that the Bureau had entered into a contract with Deatak Inc. to produce and install new equipment for the full-scale mattress flammability burn room and that the installation is scheduled to begin in the middle of June.

Mr. Egger reported that three of the four samples of products sold online failed testing and were passed to the Enforcement unit. The fourth item had a moderate violation, so staff notified the company of the results and they were not reimbursed for their sample. Mr. Egger said the Lab plans to conduct more testing of online products in the coming months but noted there will be a delay because of the tenant improvements and other work on lab equipment.

Mr. Egger said that the Bureau is working on the July edition of the Thermal Installation Directory and noted that all updates and fees are due by June 15.

Mr. Egger announced that the Lab made a brief presentation for the Green Science Policy Institute in January 2026 to share recent TB 117-2013 and flame-retardant chemical test results. He also reported that the Bureau attended (virtually) the International Association of Bedding Furniture Labeling Officials (IABFLO) conference in Detroit on April 28, where a new board of directors was elected and a decision was made that next year's conference would be entirely virtual.

Mr. Egger reviewed Lab statistics and gave special thanks to Caleb Sharp and Daniel Aguilera for their great attitudes and hard work.

Council Member Comment: Mr. Weitekamp asked for further explanation about the low pass rates on the labeling. Mr. Egger explained that because of these numbers the Bureau updated and publicly released a series of technical bulletins. He also said that the Bureau continues to have conversations with the industry, including at the IABFLO conference. However, because California is one of the few states that requires specific standards the Bureau is currently focused on educating industry before it moves to enforcement.

Council Member Comment: Ms. Oakley asked if council members could have a tour of the new burn room when appropriate. Deputy Chief Claire Goldstene answered that council members are welcome to come for a tour anytime they are in Sacramento.

11. Enforcement Program Update

Supervising Special Investigator Raleigh Jacobe gave a brief overview of the Enforcement program and highlighted recent activities, including: a 2-day statewide enforcement HHM sweep in October 2025, resulting in citations totaling \$12,000; a 2-day compliance sweep of 47 EAR and HFTI business in Southern California in November 2025, resulting in 14 citations totaling \$5,250; and a statewide compliance sweep of EAR and HFTI businesses in March 2026, resulting in 16 citations totaling \$4,000.

Mr. Jacobe reviewed several cases in which the Bureau worked with the State Attorney General's office, local District Attorneys, and other agencies, including the Federal Motor Carrier Safety Administration (FMCSA). He said that the Bureau's Enforcement Unit continues to attend quarterly task force meetings to share information and strategies with other state and local partners, and that the Bureau invited the FMCSA field agent to attend the ongoing meetings.

Mr. Jacobe introduced Lead Special Investigator (SI) Oliver Manila who provided updates on consumer assistance. Mr. Manila reported that the work of Enforcement staff between October 2025 and March 2026 resulted in \$65,755 in savings to the public. He also reported that the Enforcement Unit issued 73 cease letters between September 2025 and March 2026, to notify unlicensed businesses that a Bureau license is required and providing information about how to apply. Mr. Manila also reported that the Bureau's Collections Program continues to manage outstanding fees and fines from unpaid citations and sent 150 collections letters between July 2025 and March 2026, resulting in the collection of \$22,570.

Supervising Special Investigator Raleigh Jacobe gave an update on Enforcement procedures and reported that, in April, the Southern California Special

Investigation Unit implemented a zip-code-based assignment model to strengthen accountability and improve the coordination of inspections across all regulated groups. He said the Bureau is also expanding SI training on issuing infractions and that the Compliance Unit is updating several procedures.

Compliance Manager Elizabeth Peden reviewed statistics regarding complaints, investigations, and citations and reported an increase in the number of complaints received between April 2024 and March 2026, though there was a slight dip at the end of 2025. She said the number of investigations has steadily increased for all three programs each quarter. Case closures remained high for EAR cases, were slightly down for HFTI due to more complaints being submitted and for HHM because the Bureau recently began taking on both licensed and unlicensed HHM cases. Ms. Peden also noted that the retirement of two of the Bureau's seasoned investigators affected the case closure numbers.

Ms. Peden then reviewed statistics for citations and reported that collected assessment amounts have continued to rise, except for the last quarter, because of the retirement of the two seasoned special investigators. She said the number of citations issued by the Bureau increased throughout 2025 due to statewide enforcement sweeps but decreased slightly during the first quarter of 2026, as enforcement had to complete follow-up work on the 2025 citations during that time.

Lastly, Ms. Peden noted that an increased number of lab failure advisory letters were sent between April 2024 and March 2026 and said that the total fines assessed have also increased over time.

Council Member Comment: Steve Weitekamp inquired about the course requirement mentioned as part of the legal outcome in an HHM case and asked where it is offered. Deputy Chief Claire Goldstene answered that the requirement resulted from a judge's ruling and that the Bureau is working on materials for it.

Mr. Weitekamp asked which FMCSA representative the Bureau worked with in February. Supervising Special Investigator Raleigh Jacobe answered that it was a Nevada-based representative that the Bureau has worked with for many years.

Mr. Weitekamp said he believes unlicensed businesses do the most consumer harm but did not see a focus on that reflected in the Bureau's report. He also brought up previous concerns about the Bureau's legal authority regarding claims and legal actions taken against businesses. He emphasized that communication is the Bureau's authority and that the Bureau needs to exercise great caution when handling these cases to ensure that businesses are treated fairly in the process.

Deputy Chief Claire Goldstene answered that she didn't agree with Mr. Weitekamp's comment about a lack of focus on unlicensed businesses, though she acknowledged that more of the packet material focused on consumer assistance. She explained that the compliance sweeps are particularly focused on unlicensed activity and are a high priority of the Enforcement Unit.

Mr. Weitekamp asked about the update to the enforcement process, specifically regarding complaints involving HHM licensees with no prior enforcement history and wanted to know if those individuals are treated more carefully. Compliance Manager Elizabeth Peden answered that the Bureau continues to handle those cases with the same level of care as cases that involve a business with a prior enforcement history. Deputy Chief Claire Goldstene added that all new HHM cases now go to the Compliance Unit rather than to field investigators, reducing their workload and freeing them to focus on more complex, serious cases.

Mr. Weitekamp commented that cease letters must be backed by follow-up or enforcement, otherwise the letters were a waste of the Bureau's time and effort. Deputy Chief Claire Goldstene assured Mr. Weitekamp that cease letters are followed up to ensure that businesses comply or face citations. Mr. Weitekamp thanked Ms. Goldstene and said he appreciates the work the Bureau is doing.

Public Comment: Referring to the earlier comment about the HHM class ordered by a judge, Yeaphana LaMarr from the Senate Business, Professions and Economic Development Committee, asked if disciplinary guidelines had been adopted as part of the HHM enforcement regulations. Policy Manager Eileen Yap said that the citation regulations and the substantial relationship criteria and rehabilitation criteria regarding criminal convictions have been implemented. Ms. LaMarr commented that judge-ordered courses are usually part of the disciplinary guidelines adopted by a program. Ms. Yap said implementing the disciplinary guidelines is on the Bureau's to-do list.

Mr. Weitekamp asked if the updated regulations had been published, and Ms. Yap answered that they were published when they became effective and have since been included in the Bureau's law book. Ms. Goldstene added that the Bureau had previously mailed the updated law book with the regulations to Mr. Weitekamp.

12. Communications and Education Update

a. BHGS Website Improvements

Content Manager Joanne Van gave an update on the Bureau's communication and education work and started by reporting that in December 2025, the Bureau issued a press release about the statewide enforcement sweep of unlicensed and uninsured movers. It was posted in English and Spanish to the Bureau's website,

its social media accounts, and the DCA website.

Ms. Van stated that in October 2025, the Bureau released a video with helpful tips before buying a protection plan and said that the Bureau is currently working on two new videos which cover what is needed to apply for a license. Ms. Van also said that an instructional video will be posted when the online EAR/HFTI renewals are launched in Connect to show users how to register and link their license.

Ms. Van said the new BHGS website will include a dedicated page that includes all Bureau publications to make them easier to find. She said that several forms are being updated to improve user friendliness and internal forms are also being updated.

Ms. Van said postcards with annual and quarterly report due dates were mailed out to HHM licensees and are posted on the BHGS website and social media. She said the EAR guide, "Write It Right," was updated so it's easier for consumers and businesses to understand.

Ms. Van reported that the Bureau continues to post on social media weekly in English and Spanish, targeting all the Bureau's regulated industries and audience types. She noted that one of the Bureau's challenges with social media is reaching its target audience and asked advisory council members to help by engaging with and sharing the Bureau's posts.

Ms. Van said the BHGS website redesign has been a major focus and thanked Executive Support Analyst Chris Janus for his support with the project. She reported that the Bureau began working with DCA in January 2026 to execute the new site and received an initial draft in March. Since then, there has been extensive communication between the Bureau and DCA to ensure the site is correct and working properly before it's launched.

Ms. Van reported that the Bureau continues to participate in statewide outreach events to connect with and provide information to consumers, businesses, and state and local partners. She said the Bureau attended 12 events since October 2025 and thanked Bureau staff for speaking at the events.

Lastly, Ms. Van said the Bureau continues to prioritize transparent communication and collaboration with staff, including bi-annual staff meetings and monthly newsletters in addition to orientations, trainings, and potlucks. She added that the Bureau has discussed creating an industry newsletter to share important updates with licensees and will explore that idea further after the website redesign is finished.

Council Member Comment: Sara Oakley asked if there was a targeted launch date for the new website. Ms. Van answered that she did not have a set date but anticipated at least a few more months because of the adjustments at this stage.

Council Member Comment: Steve Weitekamp commended Ms. Van on the press release and asked for more of them. He suggested including more details that highlight enforcement actions taken against bad actors, including business names, though he understood the Bureau has some limitations. Deputy Chief Claire Goldstene responded that she and Ms. Van recently met with DCA Public Affairs staff to discuss how the Bureau can better facilitate sending out press releases.

13. Legislative and Policy Updates

- a. **Amendments to Labeling Requirements (Upholstered Furniture and Bedding)**
- b. **Household Movers Act Program: Implementing Regulations: Permit Requirements, Exam**
- c. **AB 1546 (Schultz) 2025-26: Vehicles: Driving Under the Influence and AB 1830 (Petrie-Norris, Lackey, and Ransom) 2025-26: Ignition Interlock Devices**
- d. **Discussion of 2026 Sunset Review Process Overview**

Policy Manager Eileen Yap reported that the regulatory proposal regarding the amendments to labeling requirements is still in progress. She said the Bureau plans to hold a public workshop for Advisory Council members and other interested parties once the proposal is finalized.

Ms. Yap explained that the regulatory proposal regarding the Household Movers Act would implement permit regulations to establish and clarify the written examination process, the process for abandoned applications, notice requirements in the event of a change in permit holder information or a change in ownership, the process to transfer permits, and the process to voluntarily suspend and restore permits. She said this proposal is also in progress and that the Bureau is currently responding to the DCA Regulatory Council's feedback on the initial draft.

Ms. Yap provided brief updates on AB 1546 and AB 1830, two bills proposed to change existing law regarding ignition interlock devices (IID). She explained that current law requires a person convicted of a DUI within 10 years of 3 or more prior DUI violations to install an IID for a mandatory term of 36 months. AB 1546 was introduced in January of this year and would require a person with 4 or more prior DUI violations to install an IID for a mandated term of 48 months.

Ms. Yap explained that courts currently have the discretion to order the installation of an IID upon a first conviction of driving while under the influence, but AB 1830 would remove the court's discretion and instead require the court to issue the order. She said the bill would also make amendments to the costs associated with installing and maintaining an IID ordered by the court, and it would also extend the provisions of the IID laws indefinitely. Ms. Yap said both bills are currently being reviewed by the Appropriations Committee.

Council Member Comment: Steve Weitekamp said the National Transportation Safety Board (NTSB) has recommended alcohol detection systems for all school buses and asked if this is something the Bureau could add to these bills.

Deputy Chief Claire Goldstene answered that, unlike boards, bureaus are not allowed to independently introduce legislation and that BHGS would not be the correct agency to address that recommendation.

Council Member Comment: Toby Taylor said he appreciated the comments about the NTSB, noting that few states have acted on this recommendation. He emphasized the importance of the issue and expressed gratitude for any support that can be provided for the legislation.

Ms. Yap continued her update and reported that the Bureau has begun its four-year Sunset Review process, during which the Legislature evaluates whether the Bureau is meeting its statutory responsibilities and should continue to operate. She said the report is due to the Legislature by December 1, followed by hearings and potential Sunset extension bills in 2027 that would extend the current January 1, 2028 Sunset date. The Bureau is also required to address the issues noted in the Legislature's 2023 background paper during the Review. Ms. Yap noted that the report must adhere to a template provided by the Legislature and be reviewed by DCA, the Business and Consumer Services Agency, and the Governor's Office before it is submitted to the Legislature. The Bureau may publicly release the report after it is submitted.

Council Member Comment: Steve Weitekamp commented about the Household Movers fee structure, noting that the quarterly fee schedule was initially adopted to mirror the schedule enforced by the California Public Utilities Commission for many years. DCA agreed to maintain this schedule, temporarily deviate from the standard annual fee schedule that other DCA programs follow, and to reevaluate the quarterly fee schedule after five years. Now that five years have passed, Mr. Weitekamp asked that this language be removed during Sunset Review and the quarterly fee schedule not be addressed again in the future. Mr. Weitekamp emphasized that household movers continue to prefer the quarterly fee schedule

and that the Bureau has adapted well to this schedule and resolved in Connect administrative issues that were present in the beginning.

Deputy Chief Claire Goldstene said she appreciated Mr. Weitekamp's feedback and made a note about it. She stated that any proposal on this issue included in the Sunset Review Report will be reviewed by the DCA Executive Office, DCA Legal, DCA Legislative Affairs, the Business and Consumer Services Agency, and the Governor's Office for review and approval.

Mr. Weitekamp noted that if the issue is not addressed in the Sunset Review hearing he and his association members would appear to testify in opposition to the Bureau's Sunset bill.

Council Member Comment: Tom Keepers commented that he is looking forward to the Sunset Review process and to providing input.

Public Comment: Yeaphana LaMarr from the Senate Business, Professions and Economic Development Committee noted that the Bureau is unique within DCA because of its product testing. She explained that the Sunset Review template is designed to try to accommodate all DCA programs, but it does not include sections for the Bureau's Lab data. Ms. LaMarr recommended that the Bureau identify a place in the report to include its Lab data so that the work is recognized. She also said that the Committee is considering updates to several Sunset template questions and welcomed suggestions to help ensure the Bureau receives credit for the work it performs.

14. Solicitation of Future Agenda Items

There were no suggested future agenda items.

15. Adjournment

Deputy Chief Claire Goldstene thanked everyone for attending and adjourned the meeting at 12:58 p.m.



Agenda Item 6

Update on 2027-31 Strategic Planning Process

Background

In 2021, the Bureau developed a five-year strategic plan for 2022-2026 that focused on high-level objectives for each unit – Licensing, Consumer Protection and Enforcement, Communication and Education, Legislation and Regulations, and Organizational Development.

In 2024, the approved plan was modified to comply with Governor Newsom’s executive order directing state agencies and departments to take additional actions to embed equity analysis and considerations into their policies and practices and to comply with guidance from the Department of Consumer Affairs to update strategic plans to account for the Department’s commitment to diversity, equity, and inclusion. The process to make these updates was shared with Advisory Council members at the November 2024 meeting and the updates themselves in December 2024. The updated strategic plan was also posted on the Bureau’s website.

2026 Update

To ensure that the Bureau’s strategic plan is revised before the end of the calendar year, management held initial planning meetings with staff from DCA SOLID to review the process and set timelines. Bureau leadership also held meetings with Bureau staff in various units to solicit ideas for the new strategic plan.

In addition, a survey about the Bureau’s activities was sent in June 2026 to Advisory Council members, staff, licensees, and other interested parties to solicit feedback that informed development of the updated plan. The Bureau received 78 survey responses. Bureau management then met with DCA SOLID in September 2026 to develop new objectives to create an updated strategic plan, which is currently under review with the Department’s Acting Director.

The Bureau will share the new multi-year plan with Council members as soon as it is approved and will also submit it to the Legislature with the Bureau’s 2026 Sunset Review Report.



Agenda Item 7

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 has an analyst working full-time on Connect.

Since the May 2026 Advisory Council meeting, staff have focused primarily on ensuring a smooth transition to the online renewal for EAR and HFTI licensees. Instructions about how to register a Connect account, link a license, and renew online were included with renewal notices. A short video was created to walk licensees through the process, which was shared on the Bureau’s website and social media channels. A dedicated email address was created to address incoming questions and additional staff were trained to assist licensees with the process.

In addition, the following updates have been made to the Connect system since the May 2026 Council meeting.

Completed System Updates & Maintenance

- EAR and HFTI Licensing Linking (June 2026)
 - EAR and HFTI licensees can link their existing license in Connect with a unique PIN code (ISN) and their license number.
- EAR License Renewals, Non-Chain (July 2026)
 - EAR licensees can renew their license online via Connect.
 - Licensees can add a business contact and update their addresses during the renewal process.
- EAR and HFTI Renewal Notifications, Non-Chain (July 2026)
 - Email notifications are sent via Connect to licenses with approaching their expiration date.
- HFTI License Renewals, Non-Chain (October 2026)
 - HFTI licensees can renew their license online via Connect.

Maintenance on Current Online Transactions

- Back Office Organization Search – Physical and Mailing Address (May 2026)
 - Issue: Analyst found in some instances the licensee’s “City” information was not displaying in the Physical Address or Mailing Address sections. This missing information was updated manually.
 - Result: The mailing address formatting logic was updated to ensure the consistent output of correct addresses.
- Quarterly Report Payment Icon Status Updates (July 2026)
 - Issue: BHGS staff found an instance where a licensee paid their quarterly report and their payment showed green and “Paid For.” However, this was not updating in the Connect back office. The payment icon showed red and could not be approved by BHGS staff.
 - Result: The payment records, payment indicator log, and payment approval validation was updated.
- Connect Notifications (July 2026)
 - Issue: Notification emails were being sent to the email used to create the Connect account and not the business contact.
 - Result: Renewal notifications are now directed to the business email, which is the appropriate point of contact for business-related communication.
- Back Office Secondary License Status Processing (August 2026)
 - Issue: Insurance related status logic could not distinguish between cargo and PLPD insurances, making it difficult for Bureau staff to accurately manage insurance compliance, notifications, and status updates.
 - Result: Independent secondary statuses were created for cargo and PLPD insurance. The back office can now display “Failure to Maintain Cargo Insurance,” “Failure to Maintain PLPD Insurance,” or both simultaneously.

Online Transactions in Progress

- EAR and HFTI New Applications
- EAR and HFTI Renewals—Chain Locations (ETA project start January 2027)

Future Online Transactions

- Enforcement functionality
- Pay a fine (all programs)
- Thermal Insulation Directory



Agenda Item 8

Administrative Program Update

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 staff, 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 and staff recruitment remain top priorities for the Bureau. The chart below shows BHGS staffing levels as of September 30, 2026.

Unit	# of Staff Allocated	# of Vacancies*
Executive	4	1 (Bureau Chief)**
Licensing	10	0
Policy	3	0
Compliance	12	3 (Analysts)
Case Management	3	1 (Analyst)
Investigations - NorCal	11	2 (Special Investigators)
Investigations - SoCal	9	2 (Special Investigators)
Administration	5	0
Laboratory	9	0
TOTAL	66	9

**As a fiscal precaution, the Bureau has delayed filling five positions—two Compliance Unit analysts and three special investigators. Bureau management is closely monitoring workload and does not anticipate that leaving these positions vacant will adversely affect operations in the short-term.

** The Bureau Chief is a Governor's appointment.

Hiring

As of September 30, 2026, the Bureau is in the process of completing two recruitments:

Unit	Classification
Compliance	Analyst: recruitment in process (interview stage)
Enforcement	Special Investigator: recruitment in final stages

Contracts

Executing contracts, which involve a negotiated scope of work and complex and extensive documentation, is a central responsibility of the Administration Unit, as shown in the table below.

Status	Quarter Ending								
	9/30/24	12/31/24	3/31/25	6/30/25	9/30/25	12/31/25	3/31/26	9/30/26	Overall Results
Contracts - Executed	1	1	0	5	2	4	3	8	24
Contracts - In Progress	N/A	N/A	N/A	N/A	N/A	N/A	N/A	5	5
Total	1	1	0	5	2	4	3	13	29

Staff Engagement

Tenant improvements in the main office building, including installation of a new roof and solar tubes and Americans with Disabilities Act (ADA) upgrades, were completed in July and August. Tenant improvements in the Lab area are in the final stages.

In September, Bureau management participated in a Strategic Planning session hosted by DCA SOLID to identify objectives for the new 2027-2031 strategic plan. The Administrative team also supported an E-Waste collection event in September.



Agenda Item 9

Laboratory Update

- a. Update on Implementation of AB 1059 (Friedman, Statutes of 2023) Product Safety: Consumer Products: Textile Fiberglass and Covered Flame Retardant Chemicals

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, 2024, to August 31, 2026. Failures are rare and, overall, manufacturers' products meet California's smoldering standards. Starting with the quarter ending December 31, 2024, and through the quarter ending March 31, 2025, Lab staff shifted focus from furniture and bedding to biannual thermal insulation to prepare for thermal insulation accreditation. Beginning April 1, 2025, the laboratory's focus shifted toward hiring and laboratory accreditation. Beginning July 7, 2025, newly hired staff were fully trained and were able to conduct testing on their own.

For the partial quarter ending August 31, 2026, tenant improvements in the lab began at the start of the quarter, which have made most lab rooms unusable for flammability testing, causing a drop in the number of samples tested.

TB 117-2013 – Smoldering Test of Upholstered Furniture									
Results	Quarter Ending								Overall Results
	12/31/24	3/31/25	6/30/25	9/30/25	12/31/25	3/31/26	06/30/26	08/31/26 (Partial)	
Pass	2	4	6	12	18	13	19	2	76
Fail	0	0	0	0	0	0	0	0	0
Total Tested	2	4	6	12	18	13	19	2	76
Pass Rate	100%	100%	100%	100%	100%	100%	100%	100%	100%

16 Code of Federal Regulations (CFR) 1633

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 lab has been unable to test mattresses for 16 CFR 1633. Before the equipment broke, mattress failures were becoming more prevalent. As reported at previous advisory council meetings, 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 new burn room equipment has been installed, and lab staff have updated procedures and are currently training on the new system. After training concludes, the lab will undergo accreditation on the new burn room process. After accreditation the lab can resume testing.

16 CFR 1633 – Flammability (Open Flame) Test of Mattress Sets									
Results	Quarter Ending								Overall Results
	12/31/24	3/31/25	6/30/25	9/30/25	12/31/25	3/31/26	06/30/26	08/31/26 (Partial)	
Pass	0	0	0	0	0	0	0	0	0
Fail	0	0	0	0	0	0	0	0	0
Total Tested	0	0	0	0	0	0	0	0	0
Pass Rate	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

16 CFR 1633 – Manufacturing Locations of Testing Failures									
Results	Quarter Ending								Overall Results
	12/31/24	3/31/25	6/30/25	9/30/25	12/31/25	3/31/26	06/30/26	08/31/26 (Partial)	
U.S. - California	0	0	0	0	0	0	0	0	0
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	0	0	0	0	0	0	0	0
Samples Tested	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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.

The lab samples thermal insulation products biannually. From the quarter ending December 31, 2024, to the partial quarter ending August 31, 2026, 17 percent of thermal insulation samples failed.

The laboratory paused thermal insulation testing after March 31, 2025, because a change in thermal insulation accreditation vendors caused a short lapse in accreditation status. As of September 2025, the laboratory's thermal insulation program was in good standing and staff resumed insulation testing.

As of June 2026, all thermal insulation samples have been tested and processed. The next request for thermal insulation samples will depend on when tenant improvements are completed.

Thermal Insulation Testing – Smoldering, Flammability, Corrosion & R-Value									
Results	Quarter Ending								Overall Results
	12/31/24	3/31/25	6/30/25	9/30/25	12/31/25	3/31/26	06/30/26	08/31/26 (Partial)	
Pass	8	10	0	0	6	10	1	0	35
Fail	1	6	0	0	0	0	0	0	7
Total Tested	9	16	0	0	6	10	1	0	42
Pass Rate	89%	62%	N/A	N/A	100%	100%	100%	N/A	83%

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.

The lab was focused on testing thermal insulation samples during the quarters ending December 31, 2024, through the quarter ending March 31, 2025, to prepare for thermal insulation accreditation and biannual thermal insulation testing. In the quarter ending June 30, 2025, the lab switched focus from thermal insulation testing to prepare for accreditation and to focus on tenant improvements.

In the quarter ending December 31, 2025, the lab shifted focus from accreditation and building improvements to conducting multiple uncertainty studies on all new measurement devices throughout all finished size technical bulletins. In the quarter ending March 31, 2026, the lab resumed the normal testing of bedding products. At the end of the partial quarter ending August 31, 2026, the laboratory increased its focus on testing bedding products because tenant improvements prevented other lab testing.

Bedding Testing – Finished Size and Net Weight*									
Results	Quarter Ending								Overall Results
	12/31/24	3/31/25	6/30/25	9/30/25	12/31/25	3/31/26	06/30/26	08/31/26 (Partial)	
Pass	0	1	0	0	0	2	5	2	10
Fail	2	4	3	4	0	9	2	6	30
Total Tested	2	5	3	4	0	11	7	8	40
Pass Rate	0%	20%	0%	0%	N/A	18%	71%	25%	25%

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

Testing Totals

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. The new accrediting body (A2LA) conducted an onsite assessment July 22, 2025, through July 24, 2025. The lab's accreditation was extended through July 2027.

Laboratory staff were focused on accreditation for the quarters ending June 30, 2025, and September 30, 2025, and as a result, conducted fewer tests. The next laboratory accreditation will take place in the summer 2027.

Tenant improvements began near the close of the quarter ending June 30, 2026, which greatly decreased the lab's capacity to conduct testing in most areas.

BHGS Laboratory Testing Totals									
Results	Quarter Ending								Overall Results
	12/31/24	3/31/25	6/30/25	9/30/25	12/31/25	3/31/26	06/30/26	08/31/26 (Partial)	
Pass	10	15	6	12	24	25	25	4	121
Fail	3	10	3	4	0	9	2	6	37
Total Tested	13	25	9	16	24	34	27	10	158
Pass Rate	77%	60%	67%	75%	100%	74%	93%	40%	77%

Flame Retardant Chemical Labeling and Testing

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 December 31, 2024 and August 31, 2026, contained over 1000ppm (parts per million) of flame-retardant chemicals. The Bureau did not send samples to DTSC in the quarters ending December 31, 2024 and March 31, 2026, due to a lapse in the contract and because DTSC was updating their methods and training new staff members. The Bureau sent seven samples to DTSC in May 2026 and is currently awaiting the test reports.

Flame Retardant Chemical Statement Analysis									
Results	Quarter Ending								Overall Results
	12/31/24	3/31/25	6/30/25	9/30/25	12/31/25	3/31/26	06/30/26	08/31/26 (Partial)	
No Added FR Chemicals	2	4	6	10	18	12	19	1	72
Added FR Chemicals	0	0	0	0	0	0	0	0	0
No Box Checked	0	0	0	0	0	0	0	0	0
Total Tested	2	4	6	10	18	12	19	1	72
Pass Rate	100%	100%	100%	100%	100%	100%	100%	100%	100%

Samples Analyzed by DTSC with the “No Added Flame Retardant” Chemical Statement									
Results	Quarter Ending								Overall Results
	12/31/24	3/31/25	6/30/25	9/30/25	12/31/25	3/31/26	06/30/26	08/31/26 (Partial)	
Pass	0	2	3	1	2	0	0	0	8
Fail	0	0	0	0	0	0	0	0	0
Total Tested	0	2	3	1	2	0	0	0	8
Pass Rate	N/A	100%	100%	100%	100%	N/A	N/A	N/A	100%

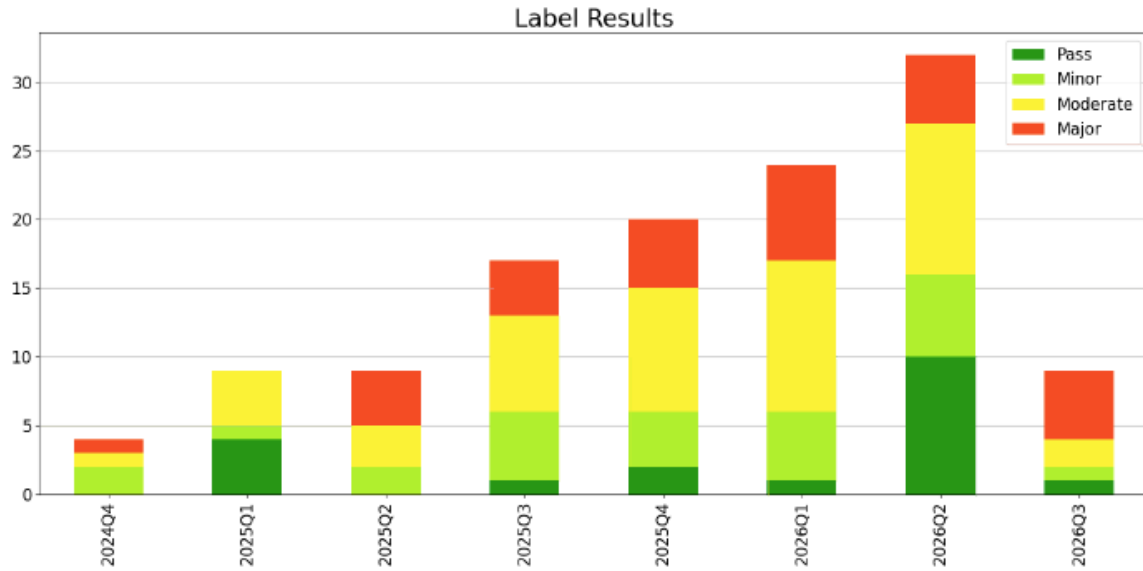
Label Review

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 15 percent of labels reviewed by the Bureau had no violations.

The Bureau reimburses 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 quarters ending December 31, 2024, March 31, 2025, June 30, 2025, and the partial quarter ending August 31, 2026, due to the lab's focus on thermal insulation testing, preparation for the consolidated accreditation, some difficulties with calibration vendors, and the disruption of tenant improvements.

Label Results									
Results	Quarter Ending								Overall Results
	12/31/24	3/31/25	6/30/25	9/30/25	12/31/25	3/31/26	06/30/26	08/31/26 (Partial)	
Pass	0	4	0	1	2	1	10	1	19
Minor	2	1	2	5	4	5	6	1	26
Moderate	1	4	3	7	9	11	11	2	48
Major	1	0	4	4	5	7	5	5	31
Total Tested	4	9	9	17	20	24	32	9	124
Pass Rate	0%	44%	0%	6%	10%	4%	31%	11%	15%



Background

In October 2023, Governor signed AB 1059 (Friedman) into law. Beginning on January 1, 2027, AB 1059 prohibits the manufacture, sale, and distribution of certain products, and the use in repair and reupholstery of components that contain “textile fiberglass.”

Bill Language

BPC § 19101.5 (a) On and after January 1, 2027, a person, including, but not limited to, a manufacturer, retailer, importer, or online seller, shall not manufacture, sell, offer, or distribute in commerce in this state any new, not previously owned juvenile product, mattress, or upholstered furniture that contains, or constituent component of which contains, textile fiberglass.

(b) On and after January 1, 2027, a custom upholsterer shall not repair, reupholster, recover, restore, or renew any mattress, juvenile product, upholstered furniture, or reupholstered furniture using a replacement component that contains, or a constituent component of which contains, textile fiberglass.

(c) For purposes of this section, “textile fiberglass” means textile yarns whose composition includes one or more continuous glass filaments in a form suitable for knitting, weaving, or otherwise intertwining to form a textile fabric, but excludes the following:

- (1) Thread or fiber when used for stitching mattress components together.
- (2) Yarns in which the glass filaments are corespun or sheathed by another fiber.

Fine Amounts:

1. First violation shall be at least \$1,000, but no more than \$2,500.
2. Second violation shall be at least \$2,500, but no more than \$5,000.
3. Third violation shall be at least \$5,000, but no more than \$7,000.
4. Any subsequent violations shall be at least \$7,500, but no more than \$10,000.

How Will the Bureau Sample Products?

The Bureau will continue to conduct random sampling, as well as investigate incoming complaints regarding the products covered by AB 1059. The lab will be conducting chemical analysis on all layers, including cover fabrics. Any layers found to contain fiberglass will undergo further examination using the Bureau’s new Polarized Light microscope to verify the presence or absence of fiberglass.

How Will the Bureau Enforce the Bill?

Once the bill comes into effect, all layers containing fiberglass will be recorded and documented in the lab report and will result in enforcement action.

Will the Bureau Provide Outreach Regarding the Bill?

The Bureau will release an industry advisory and post information on social media related to the provisions of the bill.



Agenda Item 10

Licensing Program Update

The Licensing Unit is responsible for processing, approving, issuing, and managing all Bureau licenses, registrations, and permits across four program areas: Electronic and Appliance Repair, Home Furnishings and Thermal Insulation, Service Contracts, and Household Movers. Staff review applications to ensure all requirements have been met and work daily with applicants and licensees by phone and email to address questions about applications and fees. In addition, Licensing staff process renewals, household mover quarterly reports, address/business/owner changes, delinquencies, license histories/certifications, and review new service contract agreement language.

Beginning July 1, 2026, the Licensing Unit launched online renewals through Connect for EAR non-chain businesses. Step-by-step registration instructions, along with key license details such as the business license number, expiration date, and a unique PIN, were mailed to businesses with licenses expiring on August 31, 2026. These notices continue to be sent each month to businesses with licenses expiring within the next 60 days.

Starting in October 2026, Licensing will also begin including notices to HFTI licenses that they can renew online via Connect. Please note that this process does not apply to businesses designated as chains. Licensing continues to coordinate with the Connect team on the development of the renewal process for chain businesses.

Licensing staff continue their collaboration with HHM licensees to address insurance lapses, ensure ongoing compliance, and process maintenance forms. These forms include updates, such as changes to licensee information, additional business names, and/or personnel updates. Licensing continues to work with the Connect team to develop the Voluntary Suspension form in Connect.

Following are charts with information about the number of active licensees for EAR, HFTI, and HHM. Renewal revenue for EAR and HFTI is now also included in the Licensing program update.

Electronic and Appliance Repair Active Registrations

Quarter Ending	12/31 2024	03/31 2025	06/30 2025	09/30 2025	12/31 2025	03/31 2026	06/30 2026	08/31 2026 (partial)	Average
Appliance Service Dealers	2,852	2,925	2,855	2,885	2,863	2,880	2,939	2,959	2,895
Electronic Service Dealers	2,898	2,896	2,758	2,766	2,726	2,702	2,665	2,674	2,761
Combination Electronic/Appliance Service Dealers	248	227	227	223	223	223	228	229	229
Service Contract Administrators	80	99	85	86	90	91	88	93	89
Service Contract Sellers	13,686	13,474	13,476	13,520	14,406	14,098	14,135	14,180	13,872
Total Active EAR Registrations	19,764	19,621	19,401	19,480	20,308	19,994	20,055	20,135	19,845

Revenue for EAR Renewals

Quarter Ending	12/31 2024	03/31 2025	06/30 2025	09/30 2025	12/31 2025	03/31 2026	06/30 2026	07/31 2026 (partial)
EAR Renewal Fees (including delinquent fees)*	\$619,315	\$560,706	\$499,913	\$474,038	\$960,186	\$440,133	\$552,993	\$157,255

*The renewal revenue above is captured by DCA's Budget Team and does not account for refunds or end of the year reconciliations. Revenue received near month-end may not be processed until the subsequent accounting period.

Home Furnishings and Thermal Insulation Active Licenses

Quarter Ending	12/31 2024	03/31 2025	06/30 2025	09/30 2025	12/31 2025	03/31 2026	06/30 2026	08/31 2026 (Partial)	Average
Furniture Retailers	1,739	1,733	1,713	1,652	1,695	1,679	1,670	1,655	1,692
Bedding Retailers	2,047	2,062	1,874	1,741	1,720	1,690	2,499	2,525	2,020
Furniture and Bedding Retailers	9,940	9,945	10,017	9,756	9,248	9,231	9,159	9,164	9,558
Custom Upholsterers	352	347	328	333	328	327	317	319	331
Supply Dealers	80	50	78	78	77	75	65	70	72
Importers (includes overseas Manufacturers)	5,779	5,828	5,722	5,767	5,704	5,632	5,637	5,647	5,715
Manufacturers	1,233	1,227	1,184	1,177	1,166	1,157	1,127	1,135	1,176
Sanitizers	31	30	32	32	33	41	41	41	35
Wholesalers	138	137	138	138	134	129	136	133	135
Thermal Insulation Manufacturers	104	102	105	104	106	107	108	110	106
Total Active HFTI Licenses	21,443	21,461	21,191	20,778	20,211	20,068	20,759	20,799	20,839

Revenue for HFTI Renewals								
Quarter Ending	12/31 2024	03/31 2025	06/30 2025	09/30 2025	12/31 2025	03/31 2026	06/30 2026	07/31 2026 (Partial)
HFTI Renewal Fees (including delinquent and penalty fees)*	\$719,361	\$784,911	\$726,975	\$979,973	\$1,250,618	\$853,220	\$929,624	\$333,946

*The renewal revenue above is captured by DCA's Budget Team and does not account for refunds or end of the year reconciliations. Revenue received near month-end may not be processed until the subsequent accounting period.

Household Movers Active Permits									
Quarter Ending	12/31 2024	03/31 2025	06/30 2025	09/30 2025	12/31 2025	03/31 2026	06/30 2026	08/31 2026 (Partial)	Average
New Permits Issued	35	23	33	49	37	37	36	20	34
Interstate Permits Issued	0	0	1	4	0	0	1	0	6
Exams Administered	45	35	52	51	44	37	43	26	42
Exam Pass Rate	73%	86%	83%	90%	80%	97%	86%	84%	85%
Total Active HHM Permits	1,259	1,270	1,282	1,228	1,265	1,302	1,101	1,075	1,223

Household Movers Quarterly Revenue Report

Quarter Ending	12/31 2024	03/31 2025	06/30 2025	09/30 2025	12/31 2025	03/31 2026	06/30 2026	08/31 2026 (Partial)	Average
Quarterly Reports Received	1,182	1,076	1,233	1,237	1,140	1,040	1,110	955	1,122
Revenue	\$937,443	\$684,803	\$773,043	\$935,994	\$912,266	\$741,015	\$751,172	\$777,478	\$814,152
Admin Fees	\$11,600	\$10,690	\$12,240	\$13,425	\$12,290	\$11,370	\$12,360	\$10,240	\$11,777
CHP Fees	\$5,800	\$5,345	\$6,120	\$6,665	\$6,145	\$5,685	\$6,180	\$5,120	\$5,883
BHGS Revenue <i>(does not include CHP Fees)</i>	\$949,043	\$695,493	\$785,283	\$949,419	\$924,556	\$752,385	\$763,532	\$787,718	\$825,929

Weeks-to-Process

The charts below provide 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.

The first chart provides a key to the “weeks-to-process” number; the second chart the weeks-to-process for the current calendar year; and the third chart the weeks-to-process for the prior calendar year for comparison.

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

BHGS Licensing Statistics Calendar Year 2026 Weeks-to-Process								
2026	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
EAR Initial Apps	1.8	1.1	1.4	1.7	1.5	1.8	1.1	1.3
EAR Renewals	0	0.2	0.2	0.1	0.2	0.7	0.2	0
HFTI Initial Apps	1.7	1.3	1.5	1.7	1.7	1.9	0.7	1.2
HFTI Renewals	0.1	0.1	0.1	0.1	0	0.6	0.1	0.1
EAR Service Contract Administrators	1.9	3.3	2.3	1.6	2.4	1.7	2.6	1.9
HHM General Apps	0.4	1.4	1.3	0.4	0.2	0.1	0.3	0.2
HHM Transfer Apps	0.2	0	0.1	0	0.2	0	0	0
HHM Interstate Apps	0.3	0	0	0	0	0	0	0
HHM Quarterly Reports	0.9	0.9	0.9	0.5	2.0	0.2	0.2	0
HHM Maintenance Forms*	0.3	1	0.6	0.8	0.3	0.2	0.3	0.2

*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 2025 Weeks-to-Process												
2025	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
EAR Initial Apps	0.7	1.2	1.2	1.5	1.8	2.1	2.0	1.8	2.2	1.2	1.4	1.2
EAR Renewals	0.1	0.3	0.1	0.3	0.2	0.3	0.2	0.3	0	0.1	0.1	0.1
HFTI Initial Apps	0.6	1.1	1.3	1.6	1.4	1.4	2.0	1.8	1.5	1	1.5	1.1
HFTI Renewals	0.6	0.0	0.1	0.5	0.3	0.3	0.2	0.1	0.1	0	0.1	0.1
EAR Service Contract Administrators	4.1	3.5	1.2	1.8	2.4	3.4	3.9	3.6	3.3	2.8	2.9	2.7
HHM General Apps	0.8	0.5	0.1	0.6	0.8	0.5	0.8	0.8	0.9	0.4	0.4	0.6
HHM Transfer Apps*	0.4	0.6	1.1	0.1	0.0	0.0	0.0	0.0	0	0	0.2	0.2
HHM Interstate Apps**	0.0	0.5	0.8	0.0	0.1	0.4	0.1	0.1	0	0	0	0.1
HHM Quarterly Reports	0.0	0.0	0.3	0.0	0.0	0.2	0.0	0.0	0.9	0.4	0.5	0.6
HHM Maintenance Forms***	0.9	1.3	1.8	0.7	1.0	0.4	0.8	1.0	0	0.4	1.3	0.2
HHM Certificate of Insurance Documents	0.4	0.0	-	-	-	-	-	-	-	-	-	-

*The Bureau did not start collecting weekly stats for the transfer application until Jan 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).



Agenda Item 11

Enforcement Program Update

Enforcement Program Update and Statistical Review

The Bureau's Enforcement Program is comprised of four units:

- Compliance Unit (CU) handles incoming complaints and desk investigations.
- Northern Special Investigations Unit (SIU) handles complaint cases, directed and random inspections in Northern California, the Central Coast, and the Central Valley.
- Southern Special Investigations Unit (SIU) handles complaint cases, directed and random inspections in the southern inland counties, including Kern, Los Angeles, Riverside, Orange, San Diego, San Bernardino, and Imperial.
- 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.

Compliance Sweeps

The Bureau conducts sweep operations, to protect California consumers from predatory businesses. During a sweep, investigators conduct unannounced inspections of companies believed to be violating laws and regulations, educate them on current requirements, and issues citations to those out of compliance.

Bureau staff conducted a multi-city HHM sweep in June 2026 as part of FMCSA's Operation Protect Your Move. The statewide compliance sweep began in the Bay Area June 16 through June 19, 2026, and then shifted to Southern California June 23 through June 25, 2026. The sweep focused on unlicensed and suspended household moving businesses operating in California. Investigators contacted 42 businesses, 30 of which received citations totaling \$110,230 in fines, including two federal citations, totaling \$79,230.

On June 11, and June 12, 2026, Bureau staff conducted a two-day compliance sweep in Marin County, focused on unlicensed EAR, HFTI, and HHM businesses. Investigators contacted 32 businesses, of which nine received citations with a total of \$3,750 in fines.

On July 30, August 11, August 12, and August 19, 2026, Bureau staff conducted compliance sweeps in Orange, San Diego, San Bernardino, and Riverside counties, focused on estimate and invoice inspections of EAR businesses. Investigators inspected 35 businesses, of which 23 received citations for estimate or invoice violations, totaling \$1,150 (not including delinquent license fees).

On August 12 and August 13, 2026, Bureau staff conducted a compliance sweep focused on unlicensed and delinquent EAR and HFTI business. The sweep took place

in Redding, Red Bluff, and Chester. Thirty-six businesses were checked for compliance; 13 businesses received citations for operating without a valid Bureau license, totaling \$4,500 in fines.

On September 9, September 16, and September 22, 2026, Bureau staff conducted a compliance sweep in Los Angeles, Riverside, and San Diego counties focused on product inspections at 15 licensed HFTI businesses and found one additional HFTI business operating without a license. Two businesses received citations, totaling \$1,000 in fines.

Interagency Collaboration

To leverage its governing authority, the Bureau continues to build working relationships with a variety of public safety, regulatory, and law enforcement partners.

The Enforcement program participates in regular taskforce meetings to share information and strategies with public safety partners. Since the last advisory council meeting, Bureau staff participated in five anti-fraud taskforce meetings led by local district attorney offices.

In addition, Bureau staff coordinate with the Bureau of Automotive Repair (BAR) to align complaint-investigation strategies and ensure consistent oversight of businesses operating under the authority of both agencies. These meetings support joint case review, regulatory clarification, and coordinated enforcement actions. In one case, staff discussed an unlicensed custom upholstery business that lacked the required HFTI license and was also performing automotive upholstery work without an Automotive Repair Dealer license. The business was subsequently cited for operating without the appropriate licenses. In another case, the Bureau consulted with BAR regarding an Ignition Interlock Device (IID) installation and removal that resulted in significant vehicle damage, leaving the vehicle inoperable. BAR's input on training and regulatory requirements helped determine whether the business had provided adequate instruction to its staff.

Bureau staff also continue to utilize the Memorandum of Agreement with the Federal Motor Carrier Safety Administration (FMCSA) to support investigations involving interstate household movers. Through this agreement, staff access FMCSA's portal and database to review carrier information, including enforcement history, interstate operating authority, and business address records.

During the week of June 20–24, 2026, FMCSA provided training and system access for staff from the Bureau's Compliance Unit and Northern and Southern Special Investigations Units. The Bureau also partnered with FMCSA to conduct the household mover sweep described in the previous section. As part of this coordinated effort,

FMCSA supplied investigative tips, licensing information, and delegated citation authority. This collaboration resulted in two interstate movers receiving federal citations, each carrying fines of \$39,615, for conducting interstate moves in California without the required FMCSA operating authority.

Bureau Enforcement and Consumer Assistance

The Bureau remains proactive in conducting inspections, investigating unlicensed businesses, and assisting with mediation with complaints alleging losses from unlicensed businesses and/or improper handling of services.

Consumers file complaints across all regulated industries for issues related to damaged household goods and property, mishandling of claims, overcharges or inflated charges, dishonored extended service warranties, downpayment or deposit issues, respondent unresponsiveness, delivery delays, incomplete contract agreements, and deficient invoices.

Between April 1, 2026 and August 31, 2026, this work led to over \$108,000 in savings to the public:

HFTI:	\$48,611 in savings to the public
EAR:	\$37,734 in savings to the public
HHM:	\$25,518 in savings to the public

TOTAL: \$108,863 savings to the public

The following are examples of cases since April 2026 that highlight the Bureau's work in assisting consumers and businesses.

On May 6, 2026, the Bureau mediated a case involving multiple unsuccessful sealed system repairs on a refrigerator. After working with the business and the consumer to reach an agreement, the Bureau was able to help the consumer obtain a refund of \$3,284.

On May 21, 2026, the Bureau successfully resolved a case involving an alleged hold hostage situation in which goods were being held at a carrier's warehouse. It was ultimately determined that the issue was an overcharge dispute related to storage fees of \$1,000. Bureau staff mediated a reduction of those fees by negotiating a revised set of charges that removed the access fee, allowing the shipper to pick up the goods without further conflict.

On May 21, 2026, the Bureau investigated an overcharge claim involving a pack-out service where items were stored offsite for one week but billed as a full month. The Bureau found the subcontractor was unlicensed at the time of service and secured a full refund for the consumer of \$6,864. The Bureau served a cease unlicensed operations letter to the business, which has since complied and is now licensed.

On July 8, 2026, the Bureau received a complaint regarding a sectional sofa that was delivered to a consumer with defects. Despite the business acknowledging the defects in writing, they were unwilling to replace the product. After working with the business and the consumer, the Bureau was able to assist both parties in reaching a settlement and the consumer obtained a refund of \$13,979.

On July 10, 2026, the Bureau resolved a contract dispute involving damages incurred during a residential move. The consumer initially rejected the carrier's refund offer because the claim was not evaluated under full valuation protection. After reviewing the evidence, the Bureau determined that the carrier was suspended at the time of the move. The carrier then offered the consumer \$4,396, which was accepted. The business brought their license back to active status and cooperated with the investigation.

On July 14, 2026, the Bureau investigated a consumer dispute involving a service company accused of damaging an appliance during a service call. The evidence confirmed that the service company was responsible for the damage. The Bureau reviewed the case with the service company and after a reevaluation of the appliance, the parties reached a settlement of \$800 for the damages.

On July 16, 2026, the Bureau received a complaint regarding a mattress that was delivered with defects and was not as advertised. The Bureau worked with the business and the consumer to help the consumer obtain a refund of \$1,346. The business showed a good-faith effort to resolve the consumer's complaint and Bureau staff educated them about advertising requirements.

On August 25, 2026, the Bureau received a consumer complaint regarding damage to a sofa and dining table that occurred during a household move. The Bureau assisted with communication between the mover and the consumer resulting in a \$845 refund for the damage.

On September 1, 2026, the Bureau facilitated a resolution between a consumer and a licensed restoration company. Prior to the Bureau's involvement, the consumer had difficulty communicating with the business. The Bureau assisted the consumer in communicating, which led to a \$2,580 refund. The Bureau also helped clarify for the business required moving documentation, which was not previously understood.

On September 16, 2026, the Bureau received a complaint alleging that a mover refused to compensate a consumer for damage to her goods during an interstate move performed by a licensed mover. About 30 percent of the items delivered were damaged, which led to the filing of multiple claims between October 2025 and April 2026. The consumer had purchased full value protection and a third-party adjuster recommended \$9,243 in cash replacements, but the consumer was not compensated and attempts to communicate were ignored. Because the mover failed to follow the required claims procedures on the first claim, the Bureau issued a citation. After the citation, the business paid the consumer \$16,612.

Cease Letters

Between April 2026 and August 2026, the Enforcement program issued 91 cease letters to businesses found to be operating or advertising without a valid Bureau license: 61 household movers; 17 HFTI businesses; and 13 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. Bureau staff regularly follow-up after these letters are issued to ensure compliance.

Collections Program

Initiated in October 2024, the Bureau's Collections Program continues to manage outstanding fees and fines resulting from unpaid citations. The process includes three notices to the business allowing them an opportunity to pay the outstanding fines before their debt is referred to the Franchise Tax Board (FTB) or to DCA Collections. Between April 1, 2026, and August 31, 2026, the Bureau sent 341 collection letters to businesses across all Bureau programs and referred 78 businesses to collections. To date, the Bureau's Collections Program has resulted in the collection of \$29,965.

Complaints Received and Investigations Initiated

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

The table on the following page shows the number of incoming complaints for all three program areas between October 2024 and August 2026, and the number closed without investigation (non-jurisdictional) or referred for investigation. Despite a slight dip in the

number of complaints received in the last quarter of 2025 and the first quarter of 2026, trends show that the overall number of cases referred for investigation continues to increase. Bureau management continues to monitor these numbers to identify any long-term trends.

Complaints Received*								
	10/1/24- 12/31/24	1/1/25- 3/31/25	4/1/25- 6/30/25	7/1/25- 9/30/25	10/1/25- 12/31/25	1/1/26- 3/31/26	4/1/26- 6/30/26	7/1/26- 8/31/26
EAR								
Received	450	493	478	501	408	376	433	316
Closed w/out Investigation	337	349	330	298	237	188	221	145
Referred for Investigation	128	141	152	203	174	194	204	183
HFTI								
Received	116	164	102	119	117	138	130	88
Closed w/out Investigation	65	64	29	21	40	36	47	24
Referred for Investigation	52	99	73	92	79	106	85	70
HHM								
Received	114	96	114	119	99	117	187	145
Closed w/out Investigation	1	0	0	0	0	1	0	0
Referred for Investigation	113	96	114	119	99	116	177	156
Bureau Totals								
Received	680	753	694	739	624	631	750	549
Closed w/out Investigation	403	413	359	319	277	225	268	169
Referred for Investigation	293	336	339	414	352	416	466	409

*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 and household mover 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 unlicensed businesses in all three program areas, investigating and writing citations for laboratory testing that result in label, plumage, or flammability failures, investigating licensing fee waivers, and investigating applicant background cases.

The Special Investigations unit investigates egregious complaints against licensed and unlicensed businesses in all program areas. 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, as well as collect products for testing in the Bureau lab.

The chart on the next page shows the number of investigations conducted between October 2024 and August 2026. While the number of cases referred for investigation varies from quarter to quarter, the number of cases investigated has steadily increased between 2024 and 2026.

Investigations*								
	10/1/24- 12/31/24	1/1/25- 3/31/25	4/1/25- 6/30/25	7/1/25- 9/30/25	10/1/25- 12/31/25	1/1/26- 3/31/26	4/1/26- 6/30/26	7/1/26- 8/31/26
EAR								
Received	128	141	152	203	174	194	201	183
Closed	179	233	183	189	188	170	231	176
HFTI								
Received	52	99	73	92	79	106	84	70
Closed	90	113	103	94	106	70	101	66
HHM								
Received	113	96	114	119	99	116	187	145
Closed	213	117	170	197	136	94	184	93
Bureau Totals								
Received	293	336	339	414	352	416	472	398
Closed	482	463	456	480	430	334	516	335

*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.

Enforcement Program Citations Assessed

Enforcement staff use a variety of methods to achieve compliance during an investigation or while conducting inspections. These include education, cease letters, and citations. The chart on the next page details the number of citations issued and the overall fine amount assessed for all three programs between October 2024 and August 2026.

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

As seen in the chart on the following page, the amount cited and amount collected have increased across all program areas, with the exception of the first quarter of 2026. Since April 1, 2026, there has been an increase in citations as a result of proactive enforcement sweep operations throughout the state and across all three programs.

Citations Assessed								
	10/1/24- 12/31/24	1/1/25- 3/31/25	4/1/25- 6/30/25	7/1/25- 9/30/25	10/1/25- 12/31/25	1/1/26- 3/31/26	4/1/26- 6/30/26	7/1/26- 8/31/26
EAR								
Citations Issued	58	61	44	60	53	34	62	55
Amount Cited	\$14,220	\$12,865	\$10,550	\$15,750	\$13,300	\$9,600	\$16,050	\$9,950
Amount Collected	\$3,330	\$1,140	\$2,850	\$6,300	\$5,030	\$3,900	\$6,470	\$2,750
HFTI								
Citations Issued	12	65	33	30	49	19	33	25
Amount Cited	\$5,600	\$50,500	\$19,450	\$18,600	\$25,200	\$12,500	\$22,200	\$14,950
Amount Collected	\$2,100	\$2,046	\$5,500	\$5,400	\$10,000	\$5,250	\$13,625	\$2,700
HHM								
Citations Issued	17	3	4	10	16	6	41	6
Amount Cited	\$68,900	\$6,000	\$3,500	\$14,500	\$29,100	\$14,500	\$164,095	\$9,000
Amount Collected	\$1,000	\$1,000	\$3,000	\$2,000	\$4,500	\$1,000	\$2,000	\$2,500
Bureau Totals								
Citations Issued	87	129	81	100	118	59	136	86
Amount Cited	\$88,720	\$69,365	\$33,500	\$48,850	\$67,600	\$36,600	\$202,345	\$33,900
Amount Collected	\$6,430	\$4,186	\$11,350	\$13,700	\$19,530	\$10,150	\$22,095	\$7,950

Lab Failures

Enforcement staff collect home furnishing and thermal insulation samples throughout the state for testing by the Bureau's Lab for compliance with label and flammability requirements. Products that fail testing are sent to the Compliance unit. Compliance unit staff investigate and write citations for these label and flammability violations.

The chart below shows the number of lab failure cases processed between October 2024 and August 2026. The total number of citations issued has continued to remain steady over the last year, with a slight increase in total fines assessed between January 2026 and June 2026 because of an increase in plumage lab failures during that timeframe.

For the partial quarter between July 2026 and August 2026, there was a slight decrease in the number of lab failures issued and fines assessed because of ongoing construction in the Bureau's laboratory, which resulted in fewer lab failures being referred for enforcement action.

Please note that these statistics are now broken down into quarters as opposed to prior council meeting packets which showed the data in six-month timeframes.

Lab Failures							
10/1/24-12/31/24	1/1/25-3/31/25	4/1/25-6/30/25	7/1/25-9/30/25	10/1/25-12/31/25	1/1/26-3/31/26	4/1/26-6/30/26	7/1/26-8/31/26
Lab Failure Advisory Letters							
0	0	0	0	5	0	1	1
Lab Failure Citations Issued							
0	11	8	3	4	4	6	4
Lab Failure Total Fines Assessed							
0	\$18,425	\$8,225	\$5,100	\$5,700	\$8,500	\$8,450	\$4,100
Lab Failure Cases Completed							
0	12	9	7	9	4	7	5



Agenda Item 12

Communications and Education Update

a. BHGS Website Improvements

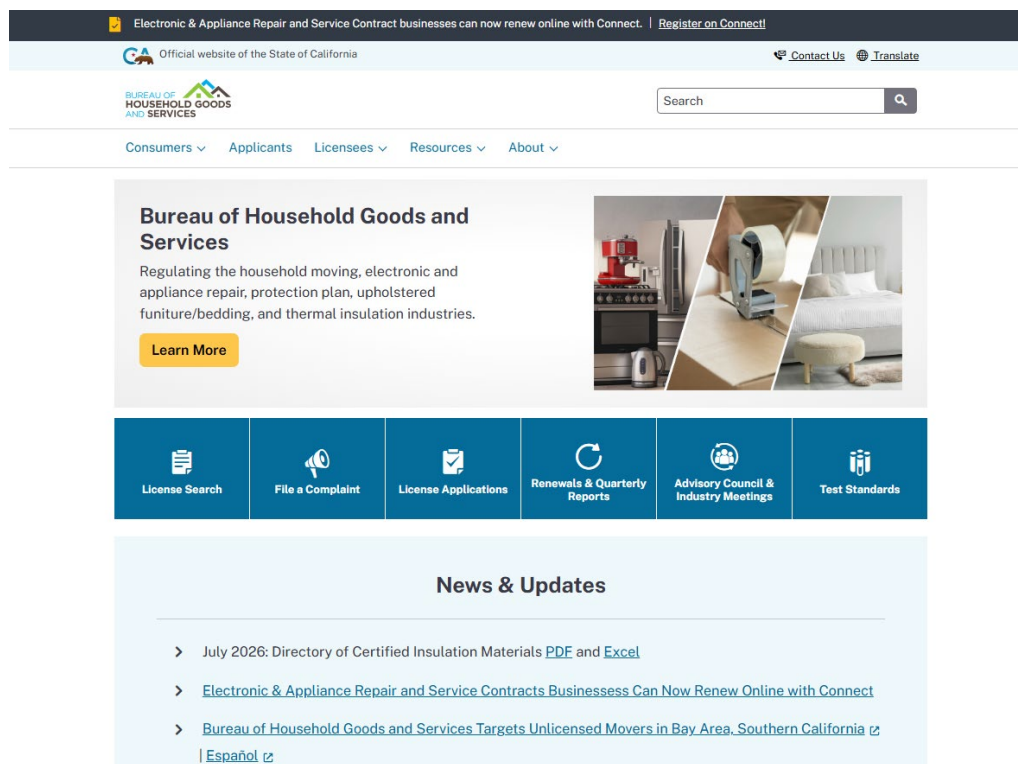


The Bureau's Outreach Unit, in coordination with the Department of Consumer Affairs' Communications Office, leads efforts related to outreach, updating publications, website updates, social media management, video editing, and overall communications targeted to consumers, licensees, applicants, and other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

Since May 2026, the Bureau has increased its outreach and communications efforts in the following areas:

Website

On September 14, 2026, the Bureau launched a redesign of its website – its first major refresh since 2016. Designed and developed in coordination with the Department of Consumer Affairs' Office of Information Services, the updated site offers a modern look and improved navigation to better support the public and staff. Visitors will now find easy-to-access buttons on the homepage leading to the Bureau's top resources; dedicated webpages for [applicants](#), [publications](#), and [videos](#); a centralized [Manage Your License page](#) for all industries; and [consumer guides](#) tailored to each industry that the Bureau regulates.



To accommodate changes to the website, the Bureau updated its [Linktree](#), which can be accessed through the Bureau's main QR code. The QR code is shared with consumers at outreach events and with businesses during compliance checks, and now contains individual pages for [HHM](#), [EAR](#), and [HFTI](#).



Press Release

On July 9, 2026, the Bureau issued a press release in [English](#) and [Spanish](#) on an enforcement sweep focused on unlicensed household movers in the Bay Area and Southern California. The sweep resulted in 30 citations totaling \$110,230, including two federal citations at \$39,615 each. The press release was also posted on the Bureau's website, Facebook, Instagram, LinkedIn, and X accounts, as well as [DCA's website](#).

On July 16, KCBX aired an interview with the Bureau's enforcement chief Alda Aguirre discussing the purpose of enforcement sweeps as well as the importance to consumers of hiring a licensed mover.

Video

On July 7, 2026, the Bureau posted a video titled "[Connect Online Account Registration & License Link](#)." The instructional video was timed with the launch of online EAR-HFTI renewals on Connect and guides viewers on how to get started with the new system. In addition to being posted on the Bureau's website and social media platforms, the video is shared with businesses as needed during outreach and inspections. The video had 133 views as of September 30, 2026.

The Bureau is in the process of producing of two videos explaining the documents and information required to apply for a license. One video will cover EAR-HFTI requirements and the other will cover HHM requirements. In addition to being posted on the Bureau's platforms, the videos will be shared with unlicensed businesses during compliance checks.

All BHGS videos are posted to DCA's YouTube channel (youtube.com/user/californiadca) and are shared to the Bureau's website, Facebook, Instagram, LinkedIn, and X accounts.

Forms and Publications

The Bureau's publications now have a [dedicated webpage](#) on the redesigned website. Publications are also printed for distribution at community outreach events and available to the public in the Bureau's front lobby.

The Bureau updated its licensee forms to further clarify submission instructions. Updated forms include the Change of Information, Declaration of Business Activities or Non-Operation, and Request for Cancellation forms. The Bureau continues to develop and update internal forms, including a form used for subpoenas.

A guide on proper documentation for electronic and appliance repairs, titled "Write It Right!" was updated with simplified language and an improved layout. The document was distributed to staff for use during inspections and investigations and now has a [dedicated page](#) on the redesigned website.

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.

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

Platform	Followers 12/31/2025	Followers 3/31/2026	Followers 6/30/2026	Followers 9/30/2026	% Change 12/31/2025 – 9/30/2026
Facebook	344	347	354	368	+6.98%
Instagram	212	214	219	226	+6.60%
LinkedIn	249	255	263	267	+7.23%
X	165	167	166	167	+1.21%

Examples of the Bureau's social media graphics follow:



Outreach Events

The Bureau participates in outreach events to connect with and provide resources to community members and state and local partners.

In an effort to train more Bureau staff for participation in outreach events, Special Investigator Destiny Wells led the Compliance Unit in an outreach training on September 9th. The training covered effective communication tactics and the importance of outreach.

In October 2026, the Bureau began participating in SMUD community resource events held in the lobby of SMUD's Headquarters Building in Sacramento. These events serve as an opportunity for the Bureau to share consumer protection information with a wider variety of people.

Since May 2026, the Bureau participated in the following outreach events:

1. On May 15, Claire Goldstene and Alda Aguirre represented the Bureau at the California Moving and Storage Association 108th Annual Conference in Rancho Mirage with over 200 people in attendance. They shared updates on quarterly reports, interstate applications, enforcement efforts, and HHM outreach materials.
2. On June 9, Christopher Herron and Terae McKinney represented the Bureau at a Strike Force Meeting in San Bernardino coordinated by the San Bernardino County District Attorney's Office. Bureau updates were shared with representatives from the San Bernardino County Fire Department and District Attorney's Office.
3. On June 17, Christopher Herron and Mei Di represented the Bureau at a virtual Consumer Fraud Task Force meeting coordinated by the San Diego County District Attorney's Office. Bureau updates were shared with representatives from the Department of Real Estate, Department of Public Health, Department of Food and Agriculture, and the Department of Motor Vehicles.
4. On June 23, Mary Le represented the Bureau at a Seniors Against Financial Exploitation outreach event in Napa with about 120 people in attendance coordinated by the Napa County District Attorney's Office.



Attendees at a Senior Scam Stopper outreach event in Napa.

5. On July 15, Destiny Wells and Mary Le represented the Bureau at a Senior Scam Stopper outreach event in Fairfield coordinated by the Contractors State License Board and the City of Fairfield Community Development Department.



Destiny Wells and Mary Le at a Senior Scam Stopper outreach event in Fairfield.

6. On August 11, Oliver Manila represented the Bureau at a virtual Strike Force Meeting at the San Bernardino County District Attorney's Office. Bureau updates were shared with representatives from the San Bernardino Fire Department, District Attorney's Office, and Water Board.
7. On September 16, Lizzette Castro and Nicholas Ching represented the Bureau at a virtual Consumer Fraud Task Force meeting coordinated by the San Diego County District Attorney's Office. Bureau updates were shared with representatives from the Department of Tax and Fee Administration, Department of Food and Agriculture, Contractors State License Board, Federal Motor Carrier Safety Administration, Department of Motor Vehicles, United States Postal Service, and San Diego County District Attorney's Office.
8. On September 24, Lizzette Castro and Mei Di represented the Bureau at a Senior Resource Fair in Perris with about 100 people in attendance coordinated by the Contractors State License Board and the Office of Assemblymember Corey Jackson.
9. On October 2, Lizzette Castro and Raleigh Jacobe represented the Bureau at a Senior Scam Stopper outreach event in Palm Springs coordinated by the Contractors State License Board and the Office of Assemblymember Greg Wallis.
10. On October 7, Jared Liang and Destiny Wells represented the Bureau at a SMUD outreach event in Sacramento coordinated by SMUD. They provided an overview of the Bureau and consumer protection information to SMUD customers.
11. On October 13, Nicholas Ching represented the Bureau at a Senior Scam Stopper outreach event in Claremont coordinated by the Contractors State License Board and the Claremont United Church of Christ, Congregational.

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12. On October 24, Destiny Wells represented the Bureau at a Senior Scam Stopper outreach event in Santa Clara coordinated by the Contractors State License Board and the Office of Assemblymember Alex Lee.
 13. On October 27, Christopher Herron represented the Bureau at a Senior Scam Stopper outreach event in Lakewood coordinated by the Contractors State License Board and the Office of Senator Lena Gonzalez.

Internal Communications

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



Agenda Item 13

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 1546 (Schultz) 2025-26: Vehicles: Driving Under the Influence and AB 1830 (Petrie-Norris, Lackey, and Ransom) 2025-26: Ignition Interlock Devices
- d. Update on 2026 Sunset Review Report

**Excerpt from AB 1830 (Petrie-Norris, 2026)
Regarding Ignition Interlock Devices**

1 (1) Failure to take any random retest.

2 (2) Failure to pass any random retest with a breath alcohol
3 concentration not exceeding 0.03 percent breath alcohol
4 concentration.

5 (m) The department shall adopt regulations specifying the
6 intervals between random retests.

7 (n) For purposes of this section, “random retest” means a breath
8 test performed by the driver upon a certified ignition interlock
9 device at random intervals after the initial engine startup breath
10 test and while the vehicle’s motor is running.

11 (o) This section shall remain in effect only until January 1, 2031,
12 and as of that date is repealed.

13 SEC. 97. Section 23575 of the Vehicle Code, as amended by
14 Section 25 of Chapter 689 of the Statutes of 2025, is repealed.

15 SEC. 98. Section 23575.1 of the Vehicle Code is amended to
16 read:

17 23575.1. (a) The department may undertake a study and report
18 its findings of that study to the Legislature on or before January
19 1, 2013, regarding the overall effectiveness of the use of ignition
20 interlock devices (IID) to reduce the recidivism rate of first-time
21 violators of Section 23152 or 23153. If the department exercises
22 this authority, the study shall focus on those drivers who actually
23 have an IID installed in their vehicles rather than on those who are
24 subject to a judicial order to have an IID installed.

25 (b) This section shall remain in effect only until January 1, 2031,
26 and as of that date is repealed.

27 SEC. 99. Section 23575.3 of the Vehicle Code is amended to
28 read:

29 23575.3. (a) In addition to any other requirement imposed by
30 law, a court shall notify a person convicted of a violation listed in
31 subdivision (h) that the person is required to install a functioning,
32 certified ignition interlock device on any vehicle that the person
33 operates and that the person is prohibited from operating a motor
34 vehicle unless that vehicle is equipped with a functioning, certified
35 ignition interlock device in accordance with this section.

36 (b) The Department of Motor Vehicles, upon receipt of the
37 court’s abstract of conviction for a violation listed in subdivision
38 (h), shall inform the convicted person of the requirements of this
39 section, including the term for which the person is required to have
40 a certified ignition interlock device installed. The records of the

1 department shall reflect the mandatory use of the device for the
2 term required and the time when the device is required to be
3 installed by this code.

4 (c) The department shall advise the person that installation of
5 a functioning, certified ignition interlock device on a vehicle does
6 not allow the person to drive without a valid driver's license.

7 (d) (1) A person who is notified by the department pursuant to
8 subdivision (b) shall do all of the following:

9 (A) Arrange for each vehicle operated by the person to be
10 equipped with a functioning, certified ignition interlock device by
11 a certified ignition interlock device provider under Section 13386.

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

15 (C) Pay a fee, determined by the department, that is sufficient
16 to cover the costs of administration of this section.

17 (2) A person who is notified by the department pursuant to
18 subdivision (b), is exempt from the requirements of this subdivision
19 until the time the person purchases or has access to a vehicle if,
20 within 30 days of the notification, the person certifies to the
21 department all of the following:

22 (A) The person does not own a vehicle.

23 (B) The person does not have access to a vehicle at their
24 residence.

25 (C) The person no longer has access to the vehicle they were
26 driving at the time they were arrested for a violation that
27 subsequently resulted in a conviction for a violation listed in
28 subdivision (h).

29 (D) The person acknowledges that they are only allowed to
30 drive a vehicle that is equipped with a functioning, certified ignition
31 interlock device.

32 (E) The person acknowledges that they are required to have a
33 valid driver's license before they can drive.

34 (F) The person acknowledges that they are subject to the
35 requirements of this section when the person purchases or has
36 access to a vehicle.

37 (e) In addition to any other restrictions the department places
38 on the driver's license record of the convicted person when the
39 person is issued a restricted driver's license pursuant to Section
40 13352 or 13352.4, the department shall place a restriction on the

1 driver's license record of the person that states the driver is
2 restricted to driving only vehicles equipped with a functioning,
3 certified ignition interlock device for the applicable term.

4 (f) (1) A person who is notified by the department pursuant to
5 subdivision (b) shall arrange for each vehicle with a functioning,
6 certified ignition interlock device to be serviced by the installer at
7 least once every 60 days in order for the installer to recalibrate and
8 monitor the operation of the device.

9 (2) The installer shall notify the department if the device is
10 removed or indicates that the person has attempted to remove,
11 bypass, or tamper with the device, or if the person fails three or
12 more times to comply with any requirement for the maintenance
13 or calibration of the ignition interlock device.

14 (g) The department shall monitor the installation and
15 maintenance of the ignition interlock device installed pursuant to
16 subdivision (d).

17 (h) A person is required to install a functioning, certified ignition
18 interlock device pursuant to this section for the applicable term,
19 as follows:

20 (1) A person convicted of a violation of subdivision (a), (b),
21 (d), (e), or (g) of Section 23152 shall be required to do the
22 following, as applicable:

23 (A) Upon a conviction with no priors, punishable under Section
24 23536, only one of the following may occur:

25 (i) The court may order installation of a functioning, certified
26 ignition interlock device on any vehicle that the person operates
27 and prohibit that person from operating a motor vehicle unless that
28 vehicle is equipped with a functioning, certified ignition interlock
29 device. If the court orders the ignition interlock device restriction,
30 the term shall be determined by the court for a period not to exceed
31 six months from the date of conviction. The court shall notify the
32 department of the conviction as specified in subdivision (a) of
33 Section 1803 or Section 1816, and shall specify the terms of the
34 ignition interlock device restriction in accordance with subdivision
35 (a) of Section 1804. The department shall place the restriction on
36 the driver's license record of the person that states the driver is
37 restricted to driving only vehicles equipped with a functioning,
38 certified ignition interlock device for the applicable term.

39 (ii) The person may apply to the department for a restriction of
40 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.

(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

1 of the Harbors and Navigation Code, that occurred within 10 years
2 of the current violation.

3 (4) The terms prescribed in this subdivision shall begin once a
4 person has complied with subparagraph (B) of paragraph (1) of
5 subdivision (d) and either upon the reinstatement of the privilege
6 to drive pursuant to Section 13352 or the issuance of a restricted
7 driver's license pursuant to Section 13352. A person shall receive
8 credit for any period in which they had a restricted driver's license
9 issued pursuant to Section 13353.6 or 13353.75.

10 (i) Subdivisions (g), (h), (j), and (k) of Section 23575 apply to
11 this section.

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

17 (k) (1) Every manufacturer and manufacturer's agent certified
18 by the department to provide ignition interlock devices, under
19 Section 13386, shall adopt the following fee schedule that provides
20 for the payment of the costs of the certified ignition interlock
21 ~~device device, the administration of the program, installation of~~
22 ~~the device, service, maintenance, and recalibration of the device~~
23 by offenders subject to this chapter in amounts commensurate with
24 that person's income relative to the federal poverty level, as defined
25 in Section 127400 of the Health and Safety Code:

26 (A) A person with an income at 100 percent of the federal
27 poverty level or below and who provides income verification
28 pursuant to paragraph (2) is responsible for 10 percent of the cost
29 of the manufacturer's standard ignition interlock device program
30 costs, and any additional costs accrued by the person for
31 noncompliance with program requirements.

32 (B) A person with an income at 101 to 200 percent of the federal
33 poverty level and who provides income verification pursuant to
34 paragraph (2) is responsible for 25 percent of the cost of the
35 manufacturer's standard ignition interlock device program costs,
36 and any additional costs accrued by the person for noncompliance
37 with program requirements.

38 (C) A person with an income at 201 to 300 percent of the federal
39 poverty level and who provides income verification pursuant to
40 paragraph (2) is responsible for 50 percent of the cost of the

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

4 (D) A person who is receiving CalFresh benefits and who
5 provides proof of those benefits to the manufacturer or
6 manufacturer's agent or authorized installer is responsible for 50
7 percent of the cost of the manufacturer's standard ignition interlock
8 device program costs, and any additional costs accrued by the
9 person for noncompliance with program requirements.

10 (E) A person with an income at 301 to 400 percent of the federal
11 poverty level and who provides income verification pursuant to
12 paragraph (2) is responsible for 90 percent of the cost of the
13 manufacturer's standard ignition interlock device program costs,
14 and any additional costs accrued by the person for noncompliance
15 with program requirements.

16 (F) All other offenders are responsible for 100 percent of the
17 cost of the ignition interlock device.

18 (G) The manufacturer is responsible for the percentage of costs
19 that the offender is not responsible for pursuant to subparagraphs
20 (A) to (E), inclusive.

21 (2) The ignition interlock device provider shall verify the
22 offender's income to determine the cost of the ignition interlock
23 device pursuant to this subdivision by verifying one of the
24 following documents from the offender:

25 (A) The previous year's federal income tax return.

26 (B) The previous three months of weekly or monthly income
27 statements.

28 (C) Employment Development Department verification of
29 unemployment benefits.

30 (3) *At any point, during which a device is installed and in use,*
31 *an individual shall be permitted to apply for reduced costs and*
32 *shall be credited for any previously paid costs that were in excess*
33 *of the fee schedule set forth in this subdivision. An individual shall*
34 *also be permitted to apply for reduced costs based on a change of*
35 *income.*

36 (4) (A) *The ignition interlock device provider shall post*
37 *conspicuously on its internet website and contracts the information*
38 *set forth in this subdivision. Prior to an individual's execution of*
39 *a contract for an ignition interlock device, the provider shall also*

1 *give verbal notification of the fee schedule and how to apply for*
2 *reduced costs.*

3 *(B) Installation service and repair providers shall post*
4 *conspicuously in their place of business and verbally inform a*
5 *person of the information set forth in this subdivision prior to*
6 *installation and servicing of the device.*

7 *(C) A copy of this information set forth in this subdivision shall*
8 *also be provided to an individual together with the court order*
9 *requiring the installation of an ignition interlock device.*

10 *(D) The department shall post the information set forth in this*
11 *subdivision on its internet website. The department shall also*
12 *include the information included in this subdivision in any notice*
13 *of suspension that notifies an individual of the requirement to*
14 *install an ignition interlock device.*

15 *(I) The Department of Consumer Affairs may impose a civil*
16 *assessment not to exceed one thousand dollars (\$1,000) upon a*
17 *manufacturer or manufacturer's agent certified to provide ignition*
18 *interlock devices who fails to inform an offender subject to this*
19 *chapter of the provisions of subdivision (k), or who fails to comply*
20 *with the provisions of subdivision (k).*

21 *(m) This section does not permit a person to drive without a*
22 *valid driver's license.*

23 *(n) The requirements of this section are in addition to any other*
24 *requirements of law.*

25 *(o) For the purposes of this section, the following definitions*
26 *apply:*

27 *(1) "Bypass" means either of the following:*

28 *(A) Failure to take any random retest.*

29 *(B) Failure to pass a random retest with a breath alcohol*
30 *concentration not exceeding 0.03 percent, by weight of alcohol,*
31 *in the person's blood.*

32 *(2) "Operates" includes operating a vehicle that is not owned*
33 *by the person subject to this section.*

34 *(3) "Owned" means solely owned or owned in conjunction with*
35 *another person or legal entity.*

36 *(4) "Random retest" means a breath test performed by the driver*
37 *upon a certified ignition interlock device at random intervals after*
38 *the initial engine startup breath test and while the vehicle's motor*
39 *is 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 remain in effect only until January 1, 2031, and as of that date is repealed.

SEC. 100. Section 23575.4 is added to the Vehicle Code, to read:

23575.4. The Department of Motor Vehicles shall include in its annual report to the Legislature under Section 1821 the following information:

(a) The number of individuals with no priors, as described in subparagraph (A) of paragraph (1) of subdivision (h) of Section 23575.3, who were required to have a functioning, certified ignition interlock device installed as a result of the program, who killed or injured anyone in a crash while they were operating a vehicle under the influence of alcohol, during the term in which the person was required to have the ignition interlock device installed.

(b) The number of individuals with no priors, as described in subparagraph (A) of paragraph (1) of subdivision (h) of Section 23575.3, who were required to have a functioning, certified ignition interlock device installed as a result of the program, who killed or injured anyone in a crash while they were operating a vehicle and were not under the influence of alcohol, during the term in which the person was required to have the ignition interlock device installed.

(c) The number of individuals with no priors, as described in subparagraph (A) of paragraph (1) of subdivision (h) of Section 23575.3, who were required to have a functioning, certified ignition interlock device installed as a result of the program, who were convicted of an alcohol-related violation of Section 23103, as specified in Section 23103.5, or Section 23140, 23152, or 23153, or Section 191.5 of, or subdivision (a) of Section 192.5 of, the Penal Code during the term in which the person was required to have the ignition interlock device installed.

Overview of Sunset Review Process

Business and Professions Code (BPC) section 9810 establishes the Bureau of Household Goods and Services, its composition, and the date it sunsets. The Bureau's Sunset date, which can only be extended by the Legislature, is January 1, 2028.

Each year, the Assembly Business and Professions Committee and the Senate Business, Professions, and Economic Development Committee hold joint Sunset Review Oversight hearings to review the boards and bureaus under the Department of Consumer Affairs (DCA). The Sunset review process provides an opportunity for DCA, the Legislature, the boards and bureaus, and interested parties to discuss the performance of the boards and bureaus and make recommendations for improvements.

This comprehensive process allows the Legislature to review the laws and regulations governing each board and bureau, assess their programs and policies, and determine whether they are effectively fulfilling their regulatory responsibilities and statutory mandates. It includes a review of fiscal management practices and an evaluation of key performance measures, such as timeliness of actions and enforcement activities, to ensure they meet the needs of California consumers while promoting regulatory efficiency and effectiveness.

BHGS 2026-27 Sunset Review Process

The Bureau's Sunset review process began this year. The Sunset Review Process Timeline that follows provides a general overview of the process and milestone dates, which includes a Sunset Review Report that is typically due to the Legislature in December. The submission date for the Bureau's report has been extended to January 5, 2027.

In July, the Legislature provided a template for the Sunset Review Report that required the Bureau to provide various critical information and data to assist the Legislature in their evaluation of the Bureau. The Bureau completed a draft of the report and submitted it to DCA for review on September 11, 2026. The report will also be reviewed by the Business and Consumer Services Agency and the Governor's Office prior to submission to the Legislature, after which it will be publicly released.

Following submission of the Sunset Review Report, other milestone dates (subject to change) include:

- January 2027 – Sunset extension bills are introduced.

- February/March 2027 – Sunset Review hearings are held.
- May to August 2027 – Sunset extension bills are usually amended to include provisions discussed in the hearing, which often include some of the “New Issues” a program includes in its report.
- September 2027 – Sunset extension bills, including any statutory changes, are passed and signed with effective dates, unless otherwise specified, of January 1, 2028.

SUNSET REVIEW PROCESS

Every four years, the Bureau of Household Goods and Services undergoes a Sunset Review by the Legislature through oversight hearings jointly held by the Assembly Business and Professions Committee and the Senate Business, Professions, and Economic Development Committee. This process provides an opportunity for the DCA, the Legislature, the Bureau, interested parties, and other stakeholders to evaluate the Bureau's performance and identify areas for improvement.





Agenda Item 15

2027 Meeting Dates:

- a. May 6 or May 13
- b. October 28 or November 4

2027

April

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	

May

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					

October

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						

November

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				