# May 16, 2024 SACRAMENTO, CALIFORNIA

Bureau of Household Goods and Services

**Advisory Council Meeting** 





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

#### IN PERSON AND TELECONFERENCE MEETING

Thursday, May 16, 2024, 10:00 am Until the Completion of Business

#### **Meeting Location**

WebEx and
Bureau of Household Goods and Services
4244 South Market Court, Suite D
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 a teleconference platform.

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

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

https://dca-meetings.webex.com/dca-meetings/j.php?MTID=m893dc58b2b0064bbef48a4be690d5adb

Event Number: 2490 964 2785 Event Password: BHGS516

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

Members of the public may but are not obligated to provide their names or personal information as a condition of observing or participating in the meeting. When signing into the WebEx platform, participants may be asked for their name and email address. Participants who choose not to provide their names will be required to provide a unique identifier, such as their initials or another alternative, so that the meeting moderator can identify individuals who wish to make public comment; participants who choose not to



provide their email address may utilize a fictitious email address in the following sample format: XXXXX@mailinator.com.

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

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

#### **Teleconference/Audio Conference Option:**

US Toll +1-415-655-0001 US Toll Access code: 2490 964 2785 Passcode: 2447516

#### **Advisory Council Members:**

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

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

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

The Bureau plans to webcast this meeting at <a href="https://thedcapage.blog/webcasts/">https://thedcapage.blog/webcasts/</a>. 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 needs disability-related accommodations or modifications to participate in the meeting may make a request by



contacting Drue Goncalves via email at <a href="mailto:drue.goncalves@dca.ca.gov">dca.ca.gov</a>, by sending a written request to the address indicated above, or at TDD (800) 326-2297 for the hearing impaired. Please provide at least five working days' notice before the meeting to help ensure accommodations.

#### **AGENDA**

- 1. Bureau Chief Introduction, Call to Order, and Roll Call
- 2. Public Comment for Items Not on the Agenda Please note that the Advisory Council may not discuss any matter raised during this public comment section that is not included on this agenda (Government Code sections 11125, 11125.7(a)).
- 3. Update from Board and Bureau Relations, Department of Consumer Affairs
- 4. Business Modernization Update from Jason Piccione, Deputy Director, Chief Information Officer, Department of Consumer Affairs
- 5. Fiscal Update
  - a. Fund Merger
- 6. Review October 12, 2023, Advisory Council Meeting Minutes
- 7. Administrative Program Update
  - a. Review Updates to Member Orientation and Reference Manual
- 8. Licensing Program Update
- 9. Laboratory Update
  - a. Implementation of AB 1059 (Friedman, 2023) Product Safety:
     Consumer Products: Fiberglass
- 10. Enforcement Program Update
- 11. Communications and Education Update
- 12. Legislative and Policy Updates
  - a. Household Movers Enforcement Regulation Update
  - b. Upholstered Furniture and Bedding Law Label Regulatory Proposal
  - c. SB 814 (Roth, 2023) BHGS Sunset Bill
  - d. AB 1985 (Patterson, 2024) Home Solicitation Contracts
  - e. Implementation of SB 244 (Eggman) Right to Repair Act



- 13. Confirm November 14, 2024 Meeting Date
- 14. Future Agenda Items
- 15. Adjournment

#### If joining using the meeting link

- Click on the meeting link. This can be found in the meeting notice you received.
- If you have not previously used Webex on your device, your web browser may ask if you want to open Webex. Click "Open Cisco Webex Start" or "Open Webex", whichever option is presented. DO NOT click "Join from your browser", as you will not be able to participate during the meeting.



Enter your name and email address\*.
Click "Join as a guest" .
Accept any request for permission to use your microphone and/or camera.



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

#### If joining from Webex.com

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

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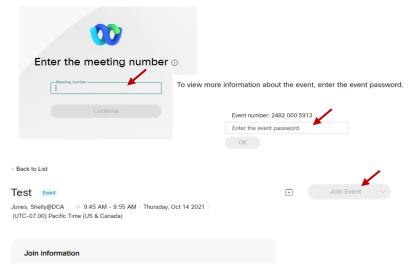
Join a Meeting Sign In 

Start For Free

OR -

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



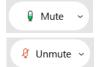
#### Connect via telephone\*:

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

#### Microphone

Microphone control (mute/unmute button) is located on the command row.





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 enables their microphone at which time the attendee will be provided the ability to unmute their microphone by clicking on "Unmute Me".

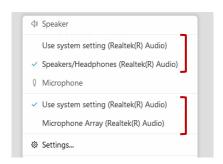
#### If you cannot hear or be heard

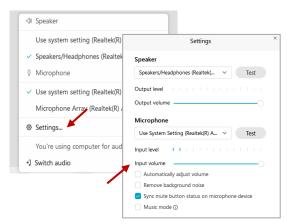
- Click on the bottom facing arrow located on the Mute/Unmute button.
- 2 From the pop-up window, select a different:
  - Microphone option if participants can't hear you.
  - Speaker option if you can't hear participants.

#### If your microphone volume is too low or too high

- Locate the command row click on the bottom facing arrow located on the Mute/Unmute button.
- From the pop-up window:
  - Click on "Settings...":
  - Drag the "Input Volume" located under microphone settings to adjust your volume.

# Unmute yourself You're being asked to unmute yourself. Unmute me Stay muted

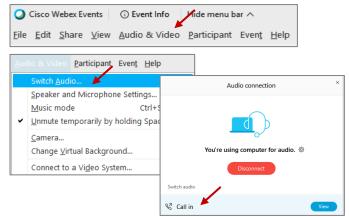




#### **Audio Connectivity Issues**

If you are connected by computer or tablet and you have audio issues or no microphone/speakers, you can link your phone through Webex. Your phone will then become your audio source during the meeting.

- Click on "Audio & Video" from the menu bar.
- Select "Switch Audio" from the drop-down menu.
- Select the "Call In" option and following the directions.



The question-and-answer (Q&A) and hand raise features are utilized for public comments. NOTE: This feature is not accessible to those joining the meeting via telephone.

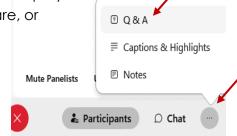
#### **Q&A Feature**



Access the Q&A panel at the bottom right of the Webex display:

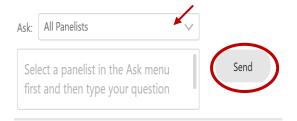
- Click on the icon that looks like a "?" inside of a square, or
- Click on the 3 dots and select "Q&A".





2 In the text box:

- Select "All Panelists" in the dropdown menu,
- Type your question/comment into the text box, and
- · Click "Send".



- OR

#### Hand Raise Feature



- Hovering over your own name.
- Clicking the hand icon that appears next to your name.
- Repeat this process to lower your hand.

If connected via telephone:

- Utilize the raise hand feature by pressing \*3 to raise your hand.
- Repeat this process to lower your hand.

#### **Unmuting Your Microphone**



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.



OR

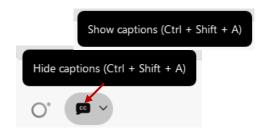
If connected via telephone:

• Press \*3 to unmute your microphone.

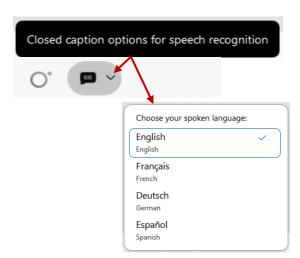
Webex provides real-time closed captioning displayed in a dialog box on your screen. The captioning box can be moved by clicking on the box and dragging it to another location on your screen.

Jones, Shelly@DCA: Public comments today. We will be utilizing the question and answer feature in Webex

The closed captioning can be hidden from view by clicking on the closed captioning icon. You can repeat this action to unhide the dialog box.



You can select the language to be displayed by clicking the drop-down arrow next to the closed captioning icon.



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.

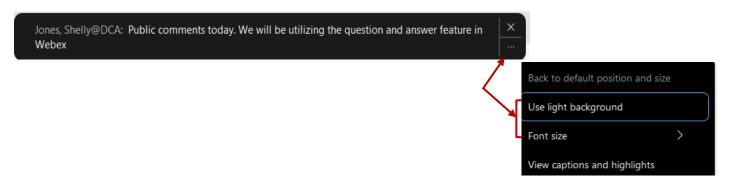


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### **AGENDA ITEM 4**

Business Modernization Update from Jason Piccione, Deputy Director, Chief Information Officer, Department of Consumer Affairs





#### **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.

#### **Current Online Transactions**

The following transactions are currently available online:

- HHM initial application (June 1, 2023)
- HHM data transfer from TMIS (the PUC database) to Connect (December 2023)
- HHM quarterly report filing (April 1, 2024)
  - To assist existing permit holders in creating and linking existing accounts, as well as filing their quarterly reports, the Bureau created a step-by-step guide and video, both of which are also posted on the Bureau's website.

#### **Completed System Updates & Maintenance**

- Credit card inadvertent double payment of transactions resolved and affected users refunded.
- Mobile friendly web browser resolved and confirmed to work on android and apple devices

#### **Maintenance on Current Online Transactions**

The following transactions/items are being further refined:

- DBAs on License Look-Up (Target Release Date: June 2024)
   The Bureau is working with DCA and the vendor to ensure that consumers can look-up a permit holder using the DBA in addition to the corporate/business name.
- Automatic Notifications (Target Release Date: August 2024)
   The Bureau is working with DCA and the vendor to set-up automated notices to permit holders about quarterly report deadlines, pending insurance coverage lapses, and other time sensitive matters for permit maintenance. Currently, staff generate these notices.
- Automatic Permit Suspension (Target Release Date: August 2024)
   The Bureau is working with DCA and the vendor to set-up automatic permit suspension when permit requirements are not met (e.g., insurance).
- HHM Permit Information (ongoing)
   In late 2023, Connect transferred historical permit holder information from TMIS



#### **BHGS**

#### **Business Modernization Update**

to Connect. Since that process, examinee information does not appear on the permit record in Connect.

Deficiency Emails
 The Bureau and DCA are refining how an applicant or permit holder receives information when a transaction requires correction. At present, these notifications can be confusing and necessitate users calling the Bureau.

#### **Online Transactions in Process**

- HHM Transfer Application
- Complaint Form

#### **Future Online Transactions**

The following transactions are slated for future development:

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

#### **Overall Project Timeline**

Bureau management has chosen to refine the project schedule to include intentional development, testing, and release of future transactions. Specifically, there is more time spent testing the transaction before it is released and soliciting feedback from users to make alterations/fixes before moving to the next transaction.

# **AGENDA ITEM 5**

## Fiscal Update

a. Fund Merger



# 0325 - Bureau of Electronic Appliance Repair Fund Analysis of Fund Condition (Dollars in Thousands)

Prepared 3.22.2024

2024-25 Governor's Budget With FM 8		Actual 022-23	CY 2023-24		BY 2024-25		BY +1 2025-26	
BEGINNING BALANCE Prior Year Adjustment	\$ \$	3,652 107	\$ \$	3,334 -	\$ \$	2,335 -	\$ \$	1,186 -
Adjusted Beginning Balance	\$	3,759	\$	3,334	\$	2,335	\$	1,186
REVENUES, TRANSFERS AND OTHER ADJUSTMENTS Revenues	•		•		•		•	
4121200 - Delinquent fees 4127400 - Renewal fees	\$ \$	123 2,049	\$ \$	119 2,088	\$ \$	- -	\$ \$	<u>-</u> -
4129200 - Other regulatory fees	\$	12	\$	12	\$	-	\$	-
4129400 - Other regulatory licenses and permits	\$	249	\$	390	\$	-	\$ \$	-
4163000 - Income from surplus money investments 4171400 - Escheat of unclaimed checks and warrants	\$ \$	83 5	\$ \$	83 5	\$ \$	-	\$ \$	-
Totals, Revenues	\$	2,521	\$	2,697	\$	-	\$	-
Revenue Transfer from the Electronic and Appliance Repair Fund (0325) to the Household Goods and Services Fund, Professions and Vocations Fund (3438)					\$	-1,149		
Totals, Transfers and Other Adjustments	\$	-	\$	-	\$	-1,149	\$	-
TOTALS, REVENUES, TRANSFERS AND OTHER ADJUSTMENTS	\$	2,521	\$	2,697	\$	-1,149	\$	-
TOTAL RESOURCES	\$	6,280	\$	6,031	\$	1,186	\$	1,186
Expenditures:								
1111 Department of Consumer Affairs Regulatory Boards, Bureaus, Divisions (State Operations)	\$	2,711	\$	3,338	\$	-	\$	-
9892 Supplemental Pension Payments (State Operations)	\$	46	\$	46	\$	-	\$	-
9900 Statewide General Administrative Expenditures (Pro Rata) (State Operations)	\$	189	\$	312	\$	-	\$	-
TOTALS, EXPENDITURES AND EXPENDITURE ADJUSTMENTS	\$	2,946	\$	3,696	\$	-	\$	
FUND BALANCE								
Reserve for economic uncertainties	\$	3,334	\$	2,335	\$	1,186	\$	1,186
Months in Reserve		10.8		7.6				

#### **NOTES:**

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

# 0752 - Home Furnishings and Thermal Insulation Fund Analysis of Fund Condition (Dollars in Thousands)

Prepared 3.25.2024

2024-25 Governor's Budget With FM 8	Actual 2022-23		CY 2023-24		BY 2024-25		BY +1 2025-26	
BEGINNING BALANCE	\$	6,821	\$	6,562	\$	6,515	\$	2,289
Prior Year Adjustment Adjusted Beginning Balance	<u>\$</u> \$	-3 6,818	<u>\$</u> \$	6,562	<u>\$</u> \$	6,515	<u>\$</u> \$	2,289
REVENUES, TRANSFERS AND OTHER ADJUSTMENTS Revenues	•	·	T		,		·	,
4121200 - Delinquent fees	\$	164	\$	173	\$	-	\$	-
4127400 - Renewal fees	\$	3,866 113	\$	4,080 106	\$	-	\$	-
4129200 - Other regulatory fees 4129400 - Other regulatory licenses and permits	\$ \$	695	\$ \$	843	\$ \$	-	\$ \$	-
4163000 - Income from surplus money investments	φ \$	164	\$ \$	164	\$ \$	_	\$ \$	_
4171400 - Escheat of unclaimed checks and warrants	\$	16	\$	27	\$	-	\$	-
Totals, Revenues	\$	5,018	\$	5,393	\$	_	\$	-
Revenue transfer from the Home Furnishings and Thermal Insulation Fund (0752) to the Household Goods and Services Fund, Professions and Vocations Fund (3438)					\$	-4,226		
Totals, Transfers and Other Adjustments	\$	-	\$	-	\$	-4,226	\$	-
TOTALS, REVENUES, TRANSFERS AND OTHER ADJUSTMENTS	\$	5,018	\$	5,393	\$	-4,226	\$	-
TOTAL RESOURCES	\$	11,836	\$	11,955	\$	2,289	\$	2,289
Expenditures: 1111 Department of Consumer Affairs Regulatory Boards,	\$	4,802	\$	4,945	\$	_	\$	_
Bureaus, Divisions (State Operations) 9892 Supplemental Pension Payments (State Operations)	\$	111	\$	111	\$	_	\$	_
9900 Statewide General Administrative Expenditures (Pro			•		•	_		_
Rata) (State Operations)	\$	361	\$	384	\$	-	\$	-
TOTALS, EXPENDITURES AND EXPENDITURE ADJUSTMENTS	\$	5,274	\$	5,440	\$	-	\$	-
FUND BALANCE								
Reserve for economic uncertainties	\$	6,562	\$	6,515	\$	2,289	\$	2,289
Months in Reserve		14.5		14.4				

#### **NOTES:**

Assumes workload and revenue projections are realized in BY +1 and ongoing.

Expenditure growth projected at 3% beginning BY +1.

# 3315 - Household Movers Fund Analysis of Fund Condition (Dollars in Thousands)

Prepared 3.26.2024

024-25 Governor's Budget With FM 8		Actual 2022-23		CY 2023-24		BY 2024-25		BY +1 2025-26	
BEGINNING BALANCE	\$	7,911	\$	8,544	\$	8,757	\$	1,650	
Prior Year Adjustment	\$	-120	\$	-	\$	_	\$		
Adjusted Beginning Balance	\$	7,791	\$	8,544	\$	8,757	\$	1,650	
REVENUES, TRANSFERS AND OTHER ADJUSTMENTS Revenues									
4121200 - Delinquent fees	<b>Φ</b>	128	¢	124	¢		¢		
4127400 - Dellinguetti Tees 4127400 - Renewal fees	\$ \$	3,663	\$ \$	3,300	\$	-	Φ Φ	-	
					\$ \$	-	\$ \$ \$	-	
4129200 - Other regulatory fees 4129400 - Other regulatory licenses and permits	\$	76 84	\$ \$	68 85	\$ \$	-	Φ Φ	-	
4171400 - Cities regulatory licenses and permis 4171400 - Escheat of unclaimed checks and warrants	\$ \$	5	\$	6		-	\$	-	
4171400 - Escribar of officialmed checks and waitams	Ф	3	Ф	0	\$	-	Φ	-	
Totals, Revenues	\$	3,956	\$	3,583	\$	-	\$	-	
Revenue Transfer from Household Mover's Fund (3315) to Motor Carriers Safety Improvement Fund (0293) per Public Utilities Code Section 5003.1	\$	-23	\$	-21	\$	-	\$	-	
Revenue transfer from the Household Movers Fund, Professions and Vocations Fund (3315) to the (Household Goods and Services Fund, Professions and Vocations Fund (3438)	\$	-	\$	-	\$	-7,107			
Totals, Transfers and Other Adjustments	\$	-23	\$	-21	\$	-7,107	\$	-	
TOTALS, REVENUES, TRANSFERS AND OTHER ADJUSTMENTS	\$	3,933	\$	3,562	\$	-7,107	\$	-	
TOTAL RESOURCES	\$	11,724	\$	12,106	\$	1,650	\$	1,650	
Expenditures:									
1111 Department of Consumer Affairs Regulatory Boards, Bureaus, Divisions (State Operations)	\$	2,969	\$	3,251	\$	-	\$	-	
9900 Statewide General Administrative Expenditures (Pro Rata) (State Operations)	\$	211	\$	98	\$	-	\$	-	
TOTALS, EXPENDITURES AND EXPENDITURE ADJUSTMENTS	\$	3,180	\$	3,349	\$	-	\$		
FUND BALANCE									
Reserve for economic uncertainties	\$	8,544	\$	8,757	\$	1,650	\$	1,650	
Months in Reserve		30.6		31.4					

#### **NOTES:**

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



#### **Background**

During the June 2023 Advisory Council meeting, council members asked to see how certain fund projections change over time to better understand how projections compare to final numbers.

Below, Bureau staff have compiled the numbers for each fund as reported at the October 2023 Advisory Council meeting in red and compared it with what is in the current report. (All numbers in thousands, e.g., \$2,520 = \$2.52 million).

#### **EAR**

	(Actual) July 1, 2022 –	(Current Year) July 1, 2023 –
Davianus	June 30, 2023	June 30, 2024
Revenue	\$2,520	\$2,644
	\$2,521	\$2,697
Expenditure	\$2,946	\$4,242
	\$2,946	\$3,696
Months in	9.1	4.5
Reserve	10.8	7.6

#### HFTI

••••									
	July 1, 2022 –	July 1, 2023 –							
	June 30, 2023	June 30, 2024							
Revenue	\$5,017	\$5,393							
	\$5,018	\$5,393							
Expenditure	\$5,274	\$6,646							
-	\$5,274	\$5,440							
Months in	11.9	9.3							
Reserve	14.5	14.4							

#### HHM

	July 1, 2022 – June 30, 2023	July 1, 2023 – June 30, 2024
Revenue	\$3,956	\$4,458
	\$3,956	\$3,583
Expenditure	\$3,180	\$3,650
	\$3,180	\$3,349
Months in	28.5	30.2
Reserve	30.6	31.4

### **AGENDA ITEM 6**

Review October 12, 2023, Advisory Council Meeting Minutes



BHGS

# Bureau of Household Goods and Services (Bureau or BHGS) Advisory Council Meeting Minutes In-Person and Teleconference Meeting October 12, 2023

Department of Consumer Affairs – HQ 2 Hearing Room 1747 North Market Blvd., Room 186 Sacramento, CA 95834

#### Attendees:

Advisory Council Members: Pascal Banyamini, Industry

Burt Grimes, Industry Tom Keepers, Industry Donald Lucas, Public Dan Rhodes, Industry Toby Taylor, Industry Sara Oakley, Industry

Bureau Staff: Justin Paddock, Bureau

Chief Claire Goldstene,

**Deputy Chief** 

Jacqueline Castro, Licensing Manager

Alda Aguirre, Supervising Special Investigator

Jacob Egger, Environmental Scientist

Others: Judie Bucciarelli, DCA Board and Bureau

Relations Michael Kanotz, DCA Division of Legal

Affairs Suzanne Balkas, DCA Budgets

#### 1. Welcome, Introductions, and Roll Call:

Bureau Chief Justin Paddock began the meeting and took roll call. Council Member Steve Weitekamp had an excused absence.

#### 2. Public Comment on Items Not on the Agenda

Troy Willis, a licensed public adjuster and California resident, raised a concern about insurance companies that hire movers who do not follow the requirements of the Household Movers Act. These movers charge unfair fees, hold items hostage, and are not licensed in California. Mr. Willis would like the Bureau to take action against those who violate California laws related to moving.

Chief Paddock responded that Enforcement Chief Alda Aguirre will reach out to discuss his concerns in more detail.

# 3. Update from Board and Bureau Relations, Department of Consumer Affairs Judie Bucciarelli, DCA Board and Bureau Relations, provided an update on the Department of Consumer Affairs.

Ms. Bucciarelli announced that the Diversity Equity and Inclusion (DEI) committee plans to launch it's webpage by the end of the year and that future DCA-issued press releases will be published in both English and Spanish.

Ms. Bucciarelli also provided an update on recent legislative changes related to the Bagley- Keene Open Meeting Act. Beginning on January 1, 2024, four meeting options will be available: traditional single location meetings; traditional teleconference options; a new teleconference option that allows a majority of members to gather at one publicly noticed and accessible location while the remaining members participate remotely from private, non-public sites; and a new advisory body teleconference option.

Ms. Bucciarelli reminded advisory council members about the required sexual harassment prevention training this year and said that 2024 dates for board member orientation training will be announced shortly. Lastly, she announced that Business, Consumer Services and Housing Agency Secretary Lourdes Castro Ramirez has been appointed to serve as the Chief of Housing and Homelessness in the Office of Los Angeles Mayor Karen Bass, effective November 2, 2023.

#### 4. Fiscal Update

Suzanne Balkas from the DCA Budget Office presented the fiscal update. She reported that the Electronic Appliance Repair (EAR) fund has 4.5 months in reserve, the Home Furnishing and Thermal Insulation (HFTI) fund has 9.3 months in reserve, and the Household Movers (HHM) fund has 30.2 months in reserve for the current fiscal year.

Chief Paddock discussed projected financial changes over time and reiterated the importance of the months in reserve figures. He also reminded council members that, beginning July 1, 2024, all Bureau funds will consolidate into a single fund.

<u>Councilmember Comment:</u> Mr. Keepers expressed interest in seeing financial data that highlights changes between council meetings.

Chief Paddock stated that the Bureau will make these changes for future packets.

#### a. Discussion of Amount of Citation Fines Collected

Chief Paddock reviewed the statistics related to the collection of citation fines. He noted that while he was uncertain about the accuracy of these numbers in the prior Council meeting packet, the numbers in this packet are derived from internal reports and he is confident they are correct.

Chief Paddock also mentioned that the once the newly created Case Management unit is created, the Bureau will be better positioned to increase its collection rate for citation fines.

<u>Councilmember Comment:</u> Mr. Benyamini asked about the timing before cases are referred to the Franchise Tax Board.

Chief Paddock responded that the Bureau sends three letters to the business before sending the citation to collection with the Franchise Tax Board, but would confirm that information.

<u>Councilmember Comment</u>: Mr. Grimes asked for an explanation about the \$33,000 issued in citations as compared to the \$9,500 collected.

Chief Paddock answered that these two numbers reflect businesses that fail to pay what they owe. He added that there are several instances where citation amounts are reduced or withdrawn through citation review conferences.

Review June 14, 2023, Advisory Council Meeting Minutes
 There were no edits to the June 14, 2023, Advisory Council meeting minutes.

# 6. Presentation from Advisory Council Members Dan Rhodes and Toby Taylor on Ignition Interlock Devices

Mr. Rhodes and Mr. Taylor made a presentation on ignition interlock devices providing background on how the technology works and how it is regulated throughout the United States.

<u>Councilmember Comment:</u> Mr. Benyamini asked about the Bureau's role with ignition interlock devices.

Chief Paddock responded that the Bureau and the Bureau of Automotive Repair (BAR) jointly regulate this industry. A consumer can have the device installed by an automobile mechanic, regulated BAR; however, a consumer can also have it installed by a business that works on car stereos, regulated by the Bureau. He also stated that the Bureau's role is to ensure that consumers get an appropriate cost estimate, that businesses keep the proper equipment for the installation, and that all guidelines are followed by contracted companies.



<u>Councilmember Comment:</u> Mr. Benyamini asked how many of the 32,000 businesses are related to the Bureau.

Chief Paddock stated that while it is hard to know, anecdotally he would say one in four. Mr. Rhodes added that their industry operates to its own standard, which encompasses both Bureau and BAR regulations, and that his clients can have their device installed or calibrated at either type of regulated shop. Mr. Taylor added that because businesses regularly enter and exit installing and servicing ignition interlock devices these numbers can be difficult to track.

<u>Councilmember Comment:</u> Mr. Benyamini asked if the Bureau makes money from this program or if it is a burden since the number of EAR licenses is less than the number of those convicted of drunk driving.

Chief Paddock stated that it's not currently a burden but if a mandatory program were introduced he would need to determine if additional staff would be required.

<u>Councilmember Comment:</u> Mr. Benyamini inquired about facial recognition and if someone else could drive their friend's car if it had an interlock device.

Mr. Taylor stated that it can be used to sort through data for purposes of reported violations. Mr. Rhodes stated that it can be used to prove the car owner didn't fail the test if someone else using the car did.

<u>Councilmember Comment:</u> Ms. Oakley asked where all the data collected is pulled from?

Mr. Taylor explained that the data is managed by the manufacturers. There has been some talk about exporting the data to DMV systems, but in California it is currently a paper process where those paper records are sent to the DMV. Mr. Rhodes added that in Arizona, where the records are electronic, businesses are required to hold the data for seven years after the client has been removed from the program. He added they send all the data to Arizona DMV daily where it is also stored.

Chief Paddock asked about desired changes related to document requirements in California.

Mr. Taylor responded that they hope shops can get some relief from storing the paper data because of the storage required and that in some instances it

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effects their willingness to participate in the program.

Chief Paddock asked how much time a client has to retest after getting an alert from the device. Mr. Taylor answered five minutes and that they ask drivers to pull over and do it in a safe way.

#### 7. Business Modernization Update

Licensing Manager Jacqueline Castro provided an update on the Bureau's Business Modernization project. She began by announcing that the Bureau has issued 12 mover permits since the Connect systems launched on June 1,2023.

Ms. Castro then provided an update on the work the Bureau has been doing under product increment II (PI2), which includes the household mover quarterly report and notifications for permit holders. She also noted that Bureau staff have been working on adding permit changes to Connect, such as changing an exam qualifier, updating insurance policies, requests for cancellation, requests for voluntary suspensions, and report of equipment. Staff are also working to have the HHM transfer application as part of product increment III, which begins in January 2024.

Ms. Castro also reported that the TMIS conversion will take place on November 30, 2023, and noted that notifications will be sent to permit holders announcing the transition to Connect along with instructions about how to register a user account.

In closing Ms. Castro thanked Bureau Deputy Chief Claire Goldstene and Licensing staff Avra Wallace-Schoell and Laveenia Peavy for their help with Connect.

<u>Councilmember Comment</u>: Ms. Oakley asked, since many permit holders prefer email to mail, what communication avenues will be explored.

Ms. Castro replied that the Bureau will notify permit holders using both email and US mail. She noted that because many records in TMIS do not include email addresses, staff have been diligently trying to collect email addresses from permit holders and said staff may call permit holders directly for this information, if needed.

#### 8. Division Updates and Statistical Overviews

#### a. Licensing

Ms. Castro provided a statistical update on Licensing, noting slight increases and decreases in licenses and registrations for EAR and HFTI. She also announced that Bureau staff have begun working with licensees that operate as a corporation or LLC to ensure license



records are accurate so that information in the license-look up system is correct.

Ms. Castro also reviewed the statistical update on HHM and noted both a decrease in permit numbers and an increase in quarterly report revenue. She explained that the lower number of permits issued could be related to the transition to Connect and noted that Licensing staff have been proactive in calling applicants to explain the process.

#### i. Update on Strategic Plan Objectives 1.1 – 1.4

Ms. Castro provided updates on Licensing strategic plan objectives 1.1 – 1.4, which center on the continued work on Connect.

#### b. Administrative

Deputy Bureau Chief Claire Goldstene provided an update on the administrative unit. Ms. Goldstene began by thanking personnel analyst Marie Gouthier for her work assisting with hiring.

Ms. Goldstene announced the promotions of two Bureau staff members – Jacob Egger was promoted to lab manager and Alda Aguirre to enforcement chief. She then provided an update on the hiring status of multiple positions across the Bureau.

Ms. Goldstene announced that Bureau management has decided to reduce the number of investigator positions subject to the longer background review in order to help expedite the hiring process.

Ms. Goldstene also announced that all units are currently working on a hybrid work schedule that is closely monitored by management. She added that this has enhanced the number of applicants for open positions, as well as the quality of applicants.

#### i. Update on Strategic Plan Objectives 5.1 – 5.5

Ms. Goldstene provided an update on Strategic Plan Objectives 5.1 - 5.5. She noted that the increase in telework, along with expanding where jobs are advertised, have helped address the strategic plan objectives related to hiring.

Ms. Goldstene also noted that, with the inclusion of all recruitments in process, the Bureau's vacancy rate drops to 14 percent.

Lastly, Ms. Goldstene stated that the Bureau is planning a staff event later in November, that she and Chief Paddock will travel to Southern California in November to meet with staff, and that an annual enforcement training will take place in January 2024.

#### c. Laboratory

Lab manager Jacob Egger provided an update on Laboratory statistics and staff vacancies.

Mr. Egger noted the four staff vacancies in the Lab: an environmental scientist, that will be advertised shortly; an analyst position that is being reclassified to attract a more appropriate candidate for the needed work; and two lab technician positions.

Mr. Egger also announced that the deadline to make changes to listings for the 2024 Thermal Insulation Directory is November 15, 2023, and that directory fee payments are due December 15, 2023.

He also announced that Bureau staff plan to attend the April 2024, International Association of Bedding and Furniture Labeling Officials conference in Portsmouth, Virginia, and reviewed statistics related to Technical Bulletin 117-2013, California's upholstered furniture smoldering test, and 16 CFR 1633 testing, the federal government open-flame test for mattresses.

Mr. Egger also reported that Lab staff have spoken with representatives from the federal Consumer Product Safety Commission to compare protocols and test results for open-flame. One significant difference is that the CPSC tests based off of complaints, while the Bureau tests random samples.

Councilmember Comment: Mr. Lucas asked about CPSC's mattress failure rate.

Mr. Egger answered that because CPSC tests based on complaints their failure rate is significantly higher than the Bureau's, but that he could not share their specific data.

Mr. Egger announced that the Bureau has finalized a contract to send samples of upholstered furniture to the California Department of Toxic Substances Control for chemical analysis and expects samples to go out by the end of the month. Lastly, Mr. Egger discussed statistics related to label reviews and provided examples about various types of violations.

Councilmember Comment: Mr. Lucas inquired about the 23 cases that have been sent to Enforcement and asked about actions taken and responses from manufacturers.

Chief Paddock responded that there is now a monthly meeting on Lab failures and that staff will provide this information for the next Advisory Council meeting packet.





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Councilmember Comment: Mr. Lucas suggested that publicizing major violations and enforcement actions might serve as a deterrent and promote compliance.

Chief Paddock responded that once an outreach manager is hired they will be able to help with those efforts.

Councilmember Comment: Mr. Benyamini stated the importance of having FAQs to share with the industry as a means to improve compliance.

Mr. Paddock responded that the Bureau has a number of separate FAQs on the website and the staff would like to consolidate them for greater clarity. He added that many existing guidelines will be incorporated into the rulemaking as part of the HFTI regulatory update.

Councilmember Comment: Mr. Grimes expressed hope that the new label regulations will lower the number of violations. He added that the Bureau should wait until the new regulations are finalized before posting the FAQs to the website and asked about the timing of the regulatory changes.

Chief Paddock responded that DCA legal has reviewed a first draft of the proposed changes and that once the Bureau fills the vacant policy position, which is in the final stages of recruitment, completing the process will be a top priority.

Councilmember Comment: Mr. Lucas inquired about the low failure rate with DTSC.

Mr. Egger noted that the low failure rate indicates that industry is following regulations and not including flame retardant chemicals in their products. He also said that in the coming months, Lab staff hope to send a greater number of samples to DTSC for testing.

#### d. Enforcement

Enforcement Chief Alda Aguirre provided the Enforcement update and statistical review.

Ms. Aguirre spoke about the Bureau's relationship with local district attorneys in regard to enforcement sweeps and noted Bureau enforcement staff attendance at various collaborative task force meetings.

#### i. Update on Strategic Plan Objectives 2.1 – 2.5

Ms. Aguirre noted that as part of leveraging the Bureau's memorandum of agreement with FMSCA (objective 2.5), Bureau staff helped two consumers recover their belongings: one in Texas and one in Montana.



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On proactive enforcement efforts (objective 2.2), Ms. Aguirre reported that undercover stings are paused until 2024, when it's expected the supervising special investigators will be hired. She added that Bureau staff will continue to conduct monthly sweeps targeting unlicensed business. She also provided statistics on a September compliance sweep in San Diego where Enforcement staff visit 24 businesses and issued 14 citations – 11 EAR and three HFTI.

Ms. Aguirre noted that Bureau management has refined a number of processes and developed and updated procedures (objective 2.1), including the complaint intake triage process to determine what should be assigned as a desk or field investigation. Ms. Aguirre also discussed development of a procedure to send cease letters to unlicensed businesses that grants them an opportunity to apply for a license before they receive a visit from Enforcement staff. She provided statistics on cease letters, 44 of which were sent to household movers.

Ms. Aguirre highlighted consumer/business assistance provided by Bureau staff, including negotiating consumer refunds, reducing consumer fees, and releasing consumer property without having to pay additional fees. Between May 2023 and August 2023, these examples amounted to \$25,000, not including a restoration company where insurance did not pay the company \$34,000 for moving services that were not permitted by the Bureau.

She also noted Bureau staff regularly solicit input from partners on industry trends and business practices to ensure the Bureau uses up-to-date enforcement practices (objective 2.3). Lastly, Ms. Aguirre presented statistics on complaint intake, desk investigations, field investigations, enforcement citations assessed, and hold hostage cases.

#### 9. Communications and Education Update

Ms. Goldstene provided the communications and education update.

She began by stating that the Bureau is in the process of recruiting the outreach and education manager and expects an increase in outreach activity once that person is hired. She stated that in the meantime, Bureau staff from Licensing and Enforcement have been assisting with outreach.

Ms. Goldstene also reported that Bureau staff have been updating existing publications, which includes creating new outreach material, and have been making changes to the website, including to the contact us page and the complaint forms.

Ms. Goldstene highlighted four communication and education priorities for the new outreach and education manager – updating existing outreach material,



virtual applicant workshops, an annual industry newsletter, and a plan to relaunch the Bureau's website.

#### 10. Legislative and Policy Updates

#### a. Update on Bureau's Sunset Review & SB 814 (Roth 2023)

Chief Paddock announced that on October 8, 2023, the governor signed the Bureau's Sunset bill. He added that the next review will be in 2027.

Chief Paddock reminded the Advisory Council about a number of important provisions in the Sunset bill: on July 1, 2023, the Bureau's three funds will be consolidated into one fund; HFTI flame-retardant documentation requirements were removed from the law; and HHM applicants will not need to make financial disclosures when applying for a permit.

<u>Councilmember Comment:</u> Mr. Grimes asked if the statewide withhold from sale program was still in effect.

Chief Paddock replied that no changes were made to that program and that he hopes to make it more robust during the next Sunset Review.

<u>Councilmember Comment:</u> Mr. Grimes inquired about withholding a single defective product from sale when there are 100 on the floor.

Chief Paddock replied that when the Bureau hires the new content manager they will work to see how to publicly disclose a problem with one item since the law currently precludes the Bureau from requiring a statewide product recall.

- b. Household Movers Enforcement Regulation Update
- c. Upholstered Furniture and Bedding Law Label Regulatory Proposal
- d. AB 1059 (Freidman, 2023) Product Safety: Consumer Products: Fiberglass

Chief Paddock combined items 10b, c, and d.

Chief Paddock stated that updates to the HHM regulations are nearly complete and that the new policy manager will make refinements to the law label proposal.

He also shared the Bureau's plan for upcoming proposed regulatory changes: HHM enforcement, followed by law labels, and then HHM license regulations. Lastly, he stated after these regulatory packages are complete, staff will address disciplinary guideline refinements for all three acts.



Lastly Chief Paddock provided update on AB 1059, which takes effect January 1, 2024.

#### e. SB 244 (Eggman) – Right to Repair Act

Chief Paddock stated that there will be no additional workload for the Bureau associated with this legislation, but anticipates a possible increase in call volume.

#### f. SB 271 (Dodd) - Powered Wheelchairs: Right to Repair

Chief Paddock announced that Governor Newsom vetoed this bill, which would have ensured that materials are available to anyone who wants to repair a product and that there are no embargoes on parts. He noted that Bureau staff will monitor the bill if it is reintroduced in the next legislative session.

#### 11. Confirm Future Meeting Dates for 2024

Chief Paddock asked Advisory Council members to share their preferences about meeting either two or three times a year. There will be two scheduled meetings in 2024 (May 16 and November 14), and a third meeting if necessary.

Chief Paddock announced that Mr. Lucas is retiring and will step down from his role on the Advisory Council. Mr. Paddock spoke about Mr. Lucas' excellent insight and expressed his appreciation for all he has done for the Bureau.

<u>Councilmember Comment:</u> Mr. Lucas thanked Chief Paddock, the Bureau, and his fellow councilmembers and said he believes the Bureau is doing a great job.

<u>Councilmember Comment:</u> Mr. Benyamini said it was wonderful working with Mr. Lucas and that he respects what he brought to the table.

Councilmember Comment: Mr. Keepers wished Mr. Lucas well in all his endeavors.

<u>Councilmember Comment:</u> Mr. Grimes expressed his appreciation for Mr. Lucas' insight and level headedness.

#### 12. Future Agenda Items

There were none.

#### 13. Adjournment

Chief Paddock adjourned the meeting.

### **AGENDA ITEM 7**

### Administrative Program Update

a. Review Updates to Member Orientation and Reference Material



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#### Administration

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

#### **Bureau Staffing**

Since the addition of the Household Movers division in 2018, Bureau staffing has increased by 44 percent, growing from 47.9 positions to 68.9 positions covering all three program areas. Most of this growth has occurred in Enforcement and also includes five additional management positions throughout the Bureau. With this increase in staff, hiring priorities have been based on business needs and available resources. Hiring continues to be a top priority for the Administration unit and management.

As shown below, between September 15, 2023 and April 15, 2024, the Bureau filled 15 positions (three of which were internal promotions) and is currently in the midst of 11 additional employee recruitments. As of January 16, 2024, the Bureau has had a full management team in place.

#### Staff Hired— September 1, 2023 - April 2024

	Licensing	Admin.	Lab	Enforcement	Management
Sept. 2023				Analyst	
Oct. 2023				Office Technician	
Nov. 2023				Analyst	Policy Manager
				Special Investigator	
Dec. 2023					Supervising Special Investigator
Jan. 2024				Analyst	Content Manager
				Special Investigator	Supervising Special Investigator
Feb. 2024	Analyst				
March 2024					
April 2024	Analyst		Analyst	Analyst	
			Environmental Scientist		

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# Recruitments in Process (Job Posted/Interviews Scheduled/Background) As of April 15, 2024

Enforcement
Analyst (2)
Investigator (8)
Office Technician

Bureau management reduced the number of investigator positions subject to the longer background review conducted by DCA's Division of Investigation that allows staff to issue notices to appear. In the short-term, this change will speed up the hiring process, and in the longer-term the background review can be conducted after someone is hired. Job applicants will continue to be fingerprinted for background checks with the Federal Bureau of Investigation and the California Department of Justice.

As of April 15, 2024, six Special Investigator candidates are undergoing background checks and second interviews are being conducted to fill the remaining two positions; second round interviews for the Office Technician position will take place the week of April 22, 2024; and the two remaining analyst position are expected to be posted this month.

#### Vacancies—As of April 15, 2023

Licensing	Admin.	Lab	Management	
Fully	Fully	Textile Tech	Investigator (8)	Full Staffed
Staffed	Staffed	(2)	Analyst (2)	
		, ,	Office Technician	

#### **Vacancy Rate and Attrition**

Between January 1, 2023 and April 15, 2024, the Bureau filled 28 positions. Currently, the Bureau's vacancy rate is 19 percent.

Attrition: January 1, 2023 – April 15, 2024
7 staff members promoted within the Bureau
5 retirements
3 lateral transfers to another agency
2 promotional transfers to another agency

#### Telework

The Bureau recognizes that telework is vital for employee recruitment and retention. Managers closely monitor productivity to ensure that telework does not interfere with work completion. The Bureau is compliant with Governor Newsom's recent hybrid telework policy: all office-based staff are in the office at least two days per week.

#### **Staff Engagement**

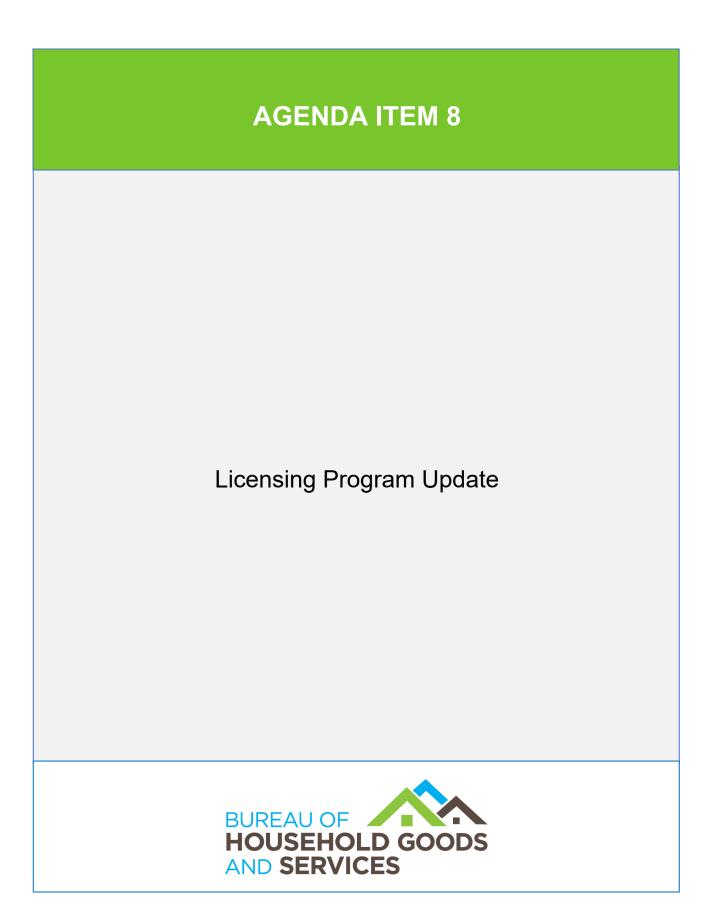
Bureau staff and management continue to work together to promote employee engagement. The Bureau has successfully improved communication by sending a monthly Bureau newsletter to all staff, conducting all-staff meetings, hosting new staff



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orientations, and increasing collaboration among units. Bureau staff have organized Bureau-wide potlucks, and there have been several team-building events. The next joint all-staff meeting and potluck will be in June 2024.



**Licensing Statistics** 

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

Electronic and Appliance Repair Registrations										
Quarter Ending	6/30 2022	9/30 2022	12/31 2022	3/31 2023	6/30 2023	9/30 2023	12/31 2023	3/31 2024	Average	
Appliance Svc Dealers	2,539	2,564	2,586	2,663	2,696	2,722	2,748	2,812	2,666	
Electronic Svc Dealers	3,377	3,239	3,190	3,192	3,151	3,113	3,056	3,001	3,165	
Combination Electronic/Appliance Svc Dealers	258	265	267	258	260	258	262	257	261	
Service Contract Administrators	69	73	75	79	80	80	80	81	77	
Service Contract Sellers	11,703	11,397	11,877	11,773	11,489	11,806	12,884	12,621	11,944	
Total Active EAR Registrations	17,946	17,538	17,995	17,965	17,676	17,979	19,030	18,772	18,113	



	Home F	urnishin	gs and T	Thermal	Insulation	on Licen	ses		
Quarter Ending	6/30 2022	9/30 2022	12/31 2022	3/31 2023	6/30 2023	9/30 2023	12/31 2023	3/31 2024	Average
Furniture Retailers	1,925	1,922	1,871	1,894	1,879	1,830	1,826	1,822	1,871
Bedding Retailers	1,846	1,868	1,869	1,903	1,964	1,985	1,976	1,965	1,922
Furniture and Bedding Retailers	10,334	10,209	10,303	10,319	10,310	10,219	10,214	10,063	10,246
Custom Upholsterers	454	447	433	415	397	392	386	368	412
Supply Dealers	92	91	89	91	91	89	90	87	90
Importers (includes overseas Manufacturers)	5,879	5,965	5,946	5,940	5,894	5,843	5,802	5,782	5,881
Manufacturers	1,333	1,331	1,340	1,332	1,323	1,309	1,290	1,270	1,316
Sanitizers	32	32	31	32	31	31	31	31	31
Wholesalers	155	152	152	151	147	148	148	146	150
Thermal Insulation Manufacturers	98	97	100	99	93	95	99	103	98
Total Active HFTI Licenses	22,148	22,114	22,134	22,176	22,129	21,941	21,862	21,637	22,006

### **Licensing Statistics**

Household Movers Permits											
Quarter Ending	6/30 2022	9/30 2022	12/31 2022	3/31 2023	6/30 2023	9/30 2023	12/31 2023	3/31 2024	Average		
New Permits Issued	45	33	31	25	42	16	22	21	29		
Exams Administered	36	45	30	32	37	36	32	40	36		
Exam Pass Rate	89%	93%	90%	94%	92%	94%	93%	90%	92%		
Total Active HHM Permits	1,097	1,107	1,096	1,063	1,090	1,051	N/A*	1,163	1,095		

<sup>\*</sup>Staff continue to work with DCA IT to pull numbers for the quarter ending December 2023.

	Household Movers Quarterly Revenue Report												
Quarter Ending	6/30 2022	9/30 2022	12/31 2022	3/31 2023	6/30 2023	9/30 2023	12/31* 2023	3/31** 2024	Average				
Quarterly Reports Received	1,116	1,068	1,123	768	1,039	1,205	1,028	518	983				
Gross Revenue	\$868,678	\$1,067,781	\$812,411	\$471,001	\$690,021	\$921,955	\$857,179	\$323,150	\$751,522				
Admin Fees	\$11,160	\$10,680	\$11,230	\$7,680	\$10,390	\$12,050	\$10,280	\$5,050	\$9,815				
CHP Fees	\$5,580	\$5,340	\$5,615	\$3,840	\$5,195	\$6,025	\$5,140	\$2,525	\$5,248				
Net Revenue	\$851,938	\$1,051,761	\$795,566	\$459,481	\$674,436	\$903,880	\$841,759	\$315,575	\$736,800				

<sup>\*</sup> Because of delays related to the transition to Connect and online quarterly report filing, as of April 30, 2024 and for the quarter ending December 31, 2023, the Bureau is processing quarterly reports received February 28, 2024. Delinquent fees for this quarter were waived. Staff will provide a further update at the May 16, 2024, meeting.

<sup>\*\*</sup> The "Quarterly Reports Received" and the "Net Revenue" collected for the current quarter will increase as the Bureau continues to receive outstanding revenue.

# **AGENDA ITEM 9**

# **Laboratory Update**

a. Implementation of AB 1059(Friedman,2023) - Product Safety: Consumer Products: Flberglasss



#### **Laboratory Statistics**

The Bureau Laboratory conducts testing to ensure that manufacturers comply with all BHGS laws and regulations for the Household Furnishings and Thermal Insulation program. Laboratory staff conduct physical break downs, 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 which has 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 April 1, 2022 to March 31, 2024. Failures are rare, and overall, manufacturers' products are meeting California's smoldering standards. Those that have failed, as seen in the second table, are products manufactured outside the United States.

TB 117-2013 – Smoldering Test of Upholstered Furniture												
Results	Quarter Ending											
rtodano	6/30/22	//22 9/31/22 12/31/22* 3/31/23 6/30/23* 9/31/23 12/31/23 3/31/24										
Pass	4	7 29 22 12 9 11 10										
Fail	1	0	0	1	0	0	0	0	2			
Total tested	5	7	30	23	15	9	11	10	110			
Pass rate	80%	100%	100%	96%	100%	100%	100%	100%	99%			

TB 117-2013 – Manufacturing Locations of Testing Failures													
Results			Quarter Ending										
	6/30/22	9/31/22	12/31/22* 3/31/23 6/30/23* 9/31/23 12/31/23 3/31/24										
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.	1	0	0	1	0	0	0	0	2				
Total Failures	1	0	0	1	0	0	0	0	2				
Samples Tested	5	7	30	23	15	9	11	10	110				

<sup>\*</sup>There was one inconclusive sample in the quarter that ended 12/31/2022 and three inconclusive samples in the quarter that ended 6/30/2023. These follow-up samples needed for additional testing information and are included in the total tested, but their results were not counted in the pass/fail rate.

#### 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.

Overall, mattress failures are becoming more prevalent; over the past two years 35 percent of mattresses tested have failed 16 CFR 1633. Further, we anticipate an increase in failures following the implementation in 2027 of Assembly Bill 1059, which will ban fiberglass in all mattresses.

16 CFR 1633 – Flammability (Open Flame) Test of Mattress Sets											
Results				Quart	ter Endin	g			Overall		
	6/30/22	9/31/22	12/31/22	3/31/23	6/30/23	9/31/23	12/31/23	3/31/24	Results		
Pass	4	2 2 1 4 7 5 3									
Fail	1	0	5	0	1	6	0	2	15		
Total tested	5	2	7	1	5	13	5	5	43		
Pass rate	80%	100%	29%	100%	80%	54%	100%	60%	65%		

16 CFR 1633 – Manufacturing Locations of Testing Failures										
Results				Quart	er Endin	g			Overall	
	6/30/22	9/31/22	12/31/22	3/31/23	6/30/23	9/31/23	12/31/23	3/31/24	Results	
U.S California	0	0	4	0	1	3	0	2	10	
U.S. – Other States	1	0	1	0	0	2	0	0	4	
Outside U.S.	0	0	0	0	0	1	0	0	1	
Total Failures	1	0	5	0	1	6	0	2	15	
Samples Tested	5	2	7	1	5	13	5	5	43	

HOUSEHOLD GOODS
AND SERVICES

#### **Thermal Insulation**

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

In recent years, thermal insulation testing had declined amid a greater focus on the furniture and bedding programs. However, in June 2023, the laboratory implemented a new protocol to increase thermal insulation testing by sending out thermal insulation sample requests every June and December. All products that failed were manufactured in the United States.

Thermal Insulation Testing – Smoldering, Flammability, Corrosion & R-Value											
Results				Quart	ter Endin	g			Overall		
	6/30/22	9/31/22	12/31/22	3/31/23	6/30/23	9/31/23	12/31/23	3/31/24	Results		
Pass	4	1 0 4 0 1 5 3									
Fail	2	2	1	1	0	0	2	1	9		
Total tested	6	3	1	5	0	1	7	4	27		
Pass rate	67%	33%	0%	80%	N/A	100%	71%	75%	67%		

Thermal Insulation – Manufacturing Locations of Testing Failures												
Results				Quart	er Endin	g			Overall			
	6/30/22	[22 9/31/22 12/31/22 3/31/23 6/30/23 9/31/23 12/31/23 3/31/24 F										
U.S California	0	0	0	0	0	0	2	0	2			
U.S. – Other States	2	2	1	1	0	0	0	1	7			
Outside U.S.	0	0	0	0	0	0	0	0	0			
Total Failures	2	2	1	1	0	0	2	1	9			
Samples Tested	6	3	1	5	0	1	7	4	27			



#### **Bedding Testing – Finished Size and Net Weight**

BHGS

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

Bedding failures (finish size and net weight) are relatively split among all manufacturing locations.

Bedding Testing – Finished Size and Net Weight*											
Results				Quart	er Endin	g			Overall		
	6/30/22	9/31/22	12/31/22	3/31/23	6/30/23	9/31/23	12/31/23	3/31/24	Results		
Pass	6	5 1 11 2 7 10 7 5									
Fail	5	2	4	3	5	2	4	6	31		
Total tested	11	3	15	5	12	12	11	11	80		
Pass rate	55%	33%	83%	40%	58%	83%	64%	45%	61%		

<sup>\*</sup>Please note: Label failures are not reported in this section of the Lab update.

Bedding Testing – Manufacturing Locations of Testing Failures											
Results				Quart	ter Endin	g			Overall		
	6/30/22	9/31/22	12/31/22	3/31/23	6/30/23	9/31/23	12/31/23	3/31/24	Results		
U.S California	2	0	2	0	1	2	2	3	12		
U.S. – Other States	1	1	0	1	3	0	1	2	9		
Outside U.S.	2	1	2	2	1	0	1	1	10		
Total Failures	5	2	4	3	5	2	4	6	31		
Samples Tested	11	3	15	5	12	12	11	11	80		



#### **Laboratory Statistics**

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

Each year the lab undergoes one onsite accreditation review which requires significant staff time to prepare. As a result, testing numbers decline during this period. In 2022, accreditation was in October and in 2023 it was in May. For 2024, accreditation will likely happen in the Fall. Additionally, mattress and TB 117-2013 testing slowed because of difficulty with outside vendors and equipment calibration.

	BHGS Laboratory Testing Totals											
Results												
	6/30/22											
Pass	18	8 11 42 29 23 27 28 21										
Fail	9	4	10	5	6	8	6	9	57			
Total tested	27	15	52	34	29	35	34	30	260			
Pass rate	67%	73%	81%	85%	79%	77%	82%	70%	77%			

<sup>\*</sup>There was one inconclusive sample in the quarter that ended 12/31/2022, and three inconclusive samples in the quarter that 6/30/2023. These follow-up samples needed for additional testing information and are included in the total tested, but their results were not counted in the pass/fail rate.



#### 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 April 1, 2022 and March 31, 2023, contained over 1000ppm (parts per million) of flame-retardant chemicals. Though each sample can involve sending multiple layers to DTSC for testing, it will only be recorded as one overall pass or fail. BHGS did not send any samples to DTSC between April 1, 2023 and March 31, 2024 because the contract with DTSC expired. Currently, the contract is back in effect and samples have been sent and tested by DTSC.

Flame Retardant Chemical Statement Analysis									
Results			Quarter Ending						Overall
	6/30/22	9/31/22	12/31/22	3/31/23	6/30/23*	9/31/23	12/31/23	3/31/24	Results
No Added FR Chemicals	13	7	29	23	14	9	10	10	115
Added FR Chemicals	0	0	0	0	0	0	0	0	0
No Box Checked	1	0	1	0	2	0	1	0	5
Total tested	14	7	30	23	16	9	11	10	120
Pass rate	93%	100%	97%	100%	93%	100%	91%	100%	96%

<sup>\*</sup>In the quarter ending June 30, 2023, one of the upholstered furniture items predated TB 117-2013 and SB 1019 and was, therefore, not factored into the pass rate for flame retardant chemical statements.



# Laboratory Statistics

Samples Analyzed by DTSC with the "No Added Flame Retardant" Chemical Statement									nt
Results		Quarter Ending							
	6/30/22	9/31/22	12/31/22	3/31/23	6/30/23	9/31/23	12/31/23	3/31/24	Results
Pass	2	3	1	1	0	0	0	0	7
Fail	0	0	0	0	0	0	0	0	0
Total tested	2	3	1	1	0	0	0	0	7
Pass rate	100%	100%	100%	100%	N/A	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. Between April 1, 2022 and March 31, 2024, only 21 percent of labels reviewed had no violations, while 79 percent of the labels reviewed had at least one violation, as shown in the two charts below.

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

Label Results									
Results				Quart	ter Endin	g			Overall
	6/30/22	9/31/22	12/31/22	3/31/23	6/30/23	9/31/23	12/31/23	3/31/24	Results
Pass	4	1	5	10	5	7	6	5	43
Minor	4	6	17	6	3	7	7	3	53
Moderate	4	7	19	13	10	6	10	10	79
Major	0	0	6	2	10	5	3	4	30
Total tested	12	14	47	31	28	25	26	22	205
Pass rate	33%	7%	11%	32%	18%	28%	23%	23%	21%









# **AGENDA ITEM 10 Enforcement Program Update** BUREAU OF HOUSEHOLD GOODS AND SERVICES

#### **Enforcement Program Update and Statistical Review**

The Enforcement Program is comprised of four units: The Compliance Unit handles incoming complaints and desk investigations; the Northern Special Investigations Unit handles cases from northern Los Angeles, along the coast to Northern California; the South Special Investigations Unit handles cases from Kern County, across Southern Los Angeles, and through Orange County and the Inland Empire to San Diego: Case Management schedules citation review conferences, reviews citations, follows-up on unpaid citation fines, and gathers the Enforcement program logs and statistics.

#### **Investigation Highlights**

#### **Attorney General Referrals**

Between October 2023 and March 2024, the Enforcement division referred two HHM cases and two EAR cases to the Attorney General's Office for license revocation.

#### **Cooperation Among Agencies and Partners**

The Enforcement program participates in quarterly consumer fraud taskforce meetings with the San Diego County District Attorney's Office, along with other local and state regulatory and law enforcement agencies, to discuss ongoing trends in consumer fraud. In October 2023, Bureau staff attended the Riverside County Law Enforcement Summit; In December 2023 and March 2024, the San Bernardino County Strike Force meeting; and in February 2024, the San Diego Consumer Fraud Task Force.

Over the last few months, a Bureau investigator collaborated with the Better Business Bureau to create a Central Valley Task Force and invited several regulatory and law enforcement agencies covering the Central Valley to participate. The Central Valley Task Force held their first meeting on April 9, 2024.

In February 2024, the California Moving and Storage Association presented a workshop for Bureau Enforcement staff to review the Max 4 Tariff and discuss industry trends and business practices related to intrastate moves.

#### **Memorandum of Agreement with Federal Motor Carrier Safety Administration**

In October 2020, the Bureau and the Department of Transportation Federal Motor Carrier Safety Administration (FMCSA) signed a Memorandum of Agreement. As a result, Bureau staff have access to various FMCSA systems and can assist with taking enforcement action and the release of goods for moves that take place outside of California. In February 2024, FMCSA conducted a required 40-hour training for Bureau Enforcement staff to allow access to their federal database system.

Additionally, FMCSA and Bureau staff met in February 2024 and March 2024, to review interstate cases, citations, fines, and procedures. On April 15, 2024, the Special Investigations Unit participated in the FMCSA field operation Protect Your Move in Southern California, visiting businesses during household mover inspections.

**Enforcement** 

#### **Sweep and Sting Operations**

On November 8 and 9, 2023, the Enforcement program performed a compliance sweep in San Bernardino County and the Bay Area and focused on businesses operating without a valid license. In San Bernardino County, investigators visited 19 businesses and issued 11 citations for operating without a license or with a delinquent license: six EAR and five HFTI. During the two-day sweep, staff also provided educational outreach to five businesses. In the Bay Area, investigators visited 17 businesses and issued 14 citations for operating without a license or with a delinquent license: six EAR and eight HFTI. During the two-day sweep, staff also provided educational outreach to three businesses.

On February 20, 2024, the Enforcement program performed a compliance sweep in Sacramento and Placer County and focused on businesses who were operating without a valid license. Investigators visited 16 businesses and issued 11 citations to EAR businesses for operating without a license or with a delinquent license. During the two-day sweep, staff also provided educational outreach to three businesses.

On March 20, 2024, the Enforcement program performed a compliance sweep in Fresno County and focused on businesses who were operating without a valid license. Investigators visited 16 businesses and issued 14 citations for operating without a license or with a delinquent license: six EAR and eight HFTI. During the two-day sweep, staff also provided educational outreach to two businesses.

Enforcement management is planning an undercover sting operation in Southern California for Summer 2024, with a particular focus on household mover unlicensed operations.

#### **Cease Letters**

Between October 2023 and March 2024, the Enforcement program issued 77 cease letters to businesses found to be operating or advertising without a valid Bureau license: 41 household movers; nine HFTI businesses; and 27 EAR businesses. These letters notify businesses that a Bureau license is required, include information about how they can obtain a license, and inform businesses that continued operations may result in administrative action.

#### Consumer/Business Assistance

The Enforcement program works daily with consumers to help resolve complaints filed against both licensed and unlicensed businesses. Between October 1, 2023 and March 30, 2024, this work resulted in savings to the public of \$66,825 for EAR and HFTI complaints. The following are examples of cases that also highlight these efforts.

On October 15, 2023, the resolution of two complaints filed against an unregistered furniture retailer resulted in refunds of \$950 for one consumer and \$2,900 for another. Enforcement staff visited the store numerous times and issued citations for unlicensed activity that ultimately resulted in the business applying for a Bureau license.

On October 18, 2023, the Bureau issued a citation for \$1,500 to a household mover who conducted a residential move in California without the required household mover permit in June 2023. This move resulted in consumer financial harm. The consumer took the mover to



#### Enforcement

court, utilizing the information and resources provided by the Bureau. On February 6, 2024, a judge awarded the consumer \$3,104, which included court fees and restitution for damaged items.

Multiple complaints in November 2023 against an interstate carrier for late delivery resulted in one of the consumer's taking the mover to civil court and, using information provided by the Bureau showing the carrier was not permitted during the date of the move, receiving a favorable judgment of \$10,176. A Bureau special investigator had previously mediated a \$270 refund for the other consumer.

In December 2023, the Bureau received a complaint alleging hold hostage of goods. A Bureau special investigator negotiated a release of the goods that originated in California and were being stored in Fresno, Texas. The consumer recovered their goods after paying \$7,237 rather than the \$12,000 originally demanded by the carrier.

After a furniture retailer refused to replace a sectional that was coming apart, in January 2024, a Compliance unit analyst contacted the business and discussed the evidence provided by the consumer. Through mediation, the business provided a replacement sectional with an equivalent value of \$2,459.

In March 2024, the Bureau received a complaint against a licensed carrier for damages and overcharges during an intrastate move. The initial offer for the damage claim was \$150. The special investigator discovered deficiencies with the carrier's documentation and mediated a settlement for \$750.

On March 7, 2024, the Bureau received multiple complaints against a licensed service administrator that denied claims to consumers who purchased extended protection plans for their upholstered furniture. The investigation led to the review of the service administrator's updated terms and conditions. The special investigator provided outreach to the service administrator and explained some details in the terms and conditions of the contract that could mislead consumers. As a result, one consumer received a full refund for \$419, the cost of the protection plan, and another consumer received a replacement of their upholstered furniture.

A Compliance unit analyst negotiated a replacement mattress for a recently widowed consumer who couldn't sleep comfortably on a lopsided mattress. The manufacturer previously sent out an inspector who told the consumer to rotate her mattress. The furniture dealer told the consumer she would have to pay \$135 to replace the mattress. After mediation by the Bureau, in March 2024, the business replaced the mattress free of charge, saving the consumer both the \$135 restocking fee and \$699 to replace the mattress.



#### **Complaints Received and Investigations Initiated**

**BHGS** 

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

The table below shows the number of incoming complaints for all three program areas between April 1, 2022, and March 31, 2024, and the number closed without investigation (nonjurisdictional) or referred for investigation. The number of cases referred for investigation fluctuates from quarter to quarter. While variance is not uncommon, Bureau staff will continue to closely monitor these numbers to identify any potential long-term trends. In addition, beginning in September 2022, the Bureau changed its process so that all incoming HHM complaints are investigated.

Complaints Received*									
	4/1/22- 6/30/22	7/1/22- 9/30/22	10/1/22- 12/31/22	1/1/23- 3/31/23	4/1/23- 6/30/23	7/1/23- 9/30/23	10/1/23- 12/31/23	1/1/24- 3/31/24	
EAR									
Received	281	329	287	276	303	303	292	319	
Closed w/out Investigation	172	210	204	192	165	184	167	212	
Referred for Investigation	101	121	88	72	128	126	119	116	
HFTI									
Received	146	114	124	141	136	115	146	99	
Closed w/out Investigation	60	45	92	75	56	35	60	33	
Referred for Investigation	81	73	37	54	72	81	86	68	
HHM									
Received	216	142	89	96	91	111	97	79	
Closed w/out Investigation	5	9	0	0	0	0	0	0	
Referred for Investigation	211	133	109	94	91	111	97	79	
Bureau Totals									
Received	643	585	500	513	530	529	535	497	
Closed w/out Investigation	237	264	296	267	221	219	227	245	
Referred for Investigation	393	327	234	220	291	318	302	263	

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

#### **Investigations**

Compliance unit analysts perform desk investigations and mediate licensed electronic and appliance repair complaints, as well as home furnishings and thermal insulation complaints. Household mover complaints are forwarded to a lead Compliance unit analyst and the Special Investigations unit for investigation following initial triage. The Compliance unit is also responsible for investigating and writing citations for laboratory testing that result in label or flammability failure, investigating licensing fee waivers, and investigating criminal background and subsequent arrest investigations.

The Special Investigations unit investigates egregious complaints against licensed and unlicensed businesses. SIU staff are located throughout California and work with other state and local agencies, sharing case information and strategies to assist in mediation between businesses and consumers. In addition, SIU staff conduct field inspections to address unlicensed operations and license renewal delinquencies and collect product samples for testing in the Bureau lab.

The chart below shows the number of investigations conducted between April 1, 2022 and March 31, 2024. As in years past, the number of cases referred for investigation varies from quarter to quarter. Bureau management continues to monitor these numbers to identify any long-term trends.

	Investigations									
	4/1/22- 6/30/22	7/1/22- 9/30/22	10/1/22- 12/31/22	1/1/23- 3/31/23	4/1/23- 6/30/23	7/1/23- 9/30/23	10/1/23- 12/31/23	1/1/24- 3/31/24		
EAR										
Received	111	135	96	72	140	126	119	116		
Closed	86	93	80	50	57	94	109	80		
HFTI										
Received	88	76	49	57	135	81	86	68		
Closed	77	66	34	40	35	35	59	87		
ННМ										
Received	211	133	109	94	67	111	97	79		
Closed	23	40	136	24	28	32	24	109		
Bureau Totals										
Received	410	344	254	223	342	318	302	263		
Closed	186	199	250	114	120	161	192	276		

Note: Until June 1, 2023, household mover complaints were forwarded to the Special Investigations Unit for investigation after the Compliance Unit completed its initial triage. Since then, the Compliance Unit began to conduct desk investigations for household mover complaints.

#### **Enforcement**

#### **Enforcement Program Citations Assessed**

**BHGS** 

During an investigation and while conducting inspections, Enforcement staff use a variety of methods to achieve compliance, including education, cease letters, and citations.

The chart below details the number of citations issued and the overall amount assessed for all three programs between April 1, 2022, and March 31, 2024. Changes in SIU staffing – onboarding, new employees, and extended leave – have led to some fluctuations quarter-to-quarter in the number of citations issued. Management is committed to cross-training Enforcement staff so that all investigators can work in all three program areas.

Citations Assessed									
	4/1/22- 6/30/22	7/1/22- 9/30/22	10/1/22- 12/31/22	1/1/23- 3/31/23	4/1/23- 6/30/23	7/1/23- 9/30/23	10/1/23- 12/31/23	1/1/24- 3/31/24	
EAR									
Citations Issued	39	42	39	20	27	38	42	31	
Amount	\$10,750	\$11,250	\$10,450	\$5,250	\$7,000	\$11,315	\$10,400	\$7,525	
HFTI	HFTI								
Citations Issued	71	35	19	42	45	18	43	38	
Amount	\$41,750	\$23,200	\$9,100	\$18,950	\$26,350	\$11,100	\$27,650	\$29,750	
ННМ									
Citations Issued	10	19	13	21	12	19	13	10	
Amount	\$24,000	\$24,500	\$22,000	\$45,000	\$20,500	\$26,000	\$29,500	\$13,500	
Bureau T	Bureau Totals								
Citations Issued	39	96	71	83	84	75	98	79	
Amount	\$76,500	\$58,950	\$41,550	\$69,200	\$53,850	\$48,415	\$67,550	\$50,775	

#### **Lab Failure Statistics**

In response to requests from Advisory Council members, below is information on enforcement actions related to Lab failures. Home furnishings and thermal insulation samples are collected by Enforcement staff throughout the state for testing by the Bureau's Lab for compliance with label and flammability requirements. For products that fail, Compliance unit staff investigate and write citations for violations of label and flammability requirements. As of March 31, 2024, all advisory letters and citations for Lab failures were for label-related violations. Pending citations, which are not included in the chart below, relate to flammability failures.

Lab Failures – January 1, 2024—March 31, 2024 (Tracking Began January 1, 2024)					
Lab Failure Advisory Letters	7				
Lab Failure Citations Issued	19				
Lab Failure Total Fines Assessed	\$17,850				
Lab Failure Cases Completed	26				

AGENDA ITEM 11					
Communications and Education Update					
BUREAU OF HOUSEHOLD GOODS AND SERVICES					

#### Outreach

In January 2024, the Bureau hired Content Manager Joanne Van who, in coordination with the Department of Consumer Affair's Communications Office, leads efforts related to outreach, updating various publications, website redesign/update, social media management, video editing, and overall communications targeted to consumers, licensees, applicants, and other interested parties.

The Bureau has since increased its outreach and communications efforts, particularly in the following areas:

#### Video

As part of promotion efforts for the launch of online HHM quarterly reports on Connect, a video (<a href="youtu.be/UDEZH-BzXEw">youtu.be/UDEZH-BzXEw</a>) was released highlighting the system's key components and best practices for navigating the system. In addition to being published on YouTube, the video was promoted on the Bureau's website, Facebook, Instagram, LinkedIn, and X. This is the first video the Bureau has scripted, produced, and edited inhouse.

Another video, aimed at consumers hiring a household mover, is in progress and is expected to be released this year. The video will highlight key information consumers should be aware of when hiring an HHM, as well as provide tips on how to avoid scams.

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

#### Fliers and Publications

As part of promotion efforts for the launch of online HHM quarterly reports on Connect, an infographic was created and distributed to permit holders highlighting the key benefits of utilizing the online system. The infographic also features the registration URL for Connect and instructions on how to link an existing license.

The Bureau is working on a consumer publication on helpful information to know before signing a service contract. The flier will explain the jargon commonly used in service contract transactions, consumer rights, and tips on what to do when there is a problem. The publication will be published in English and Spanish.



A publication was posted to the website providing consumer information across the household moving, electronic and appliance repair, thermal insulation, service contracts, and upholstered furniture and bedding industries. In addition to providing consumer protection tips, this publication serves as a broad overview of the Bureau's jurisdiction.

Outreach

#### **QR Code**

The Bureau now has a QR code that directs visitors to a single page (linktr.ee/calbhgs) housing the Bureau's popular links and platforms, including the website, links for applicants, and social media channels. The QR code simplifies how visitors can view and access some of the Bureau's most important resources. The QR code is used by field staff when directing individuals and businesses to license applications, at outreach events so consumers can quickly access the Bureau website and social media links, and in the Bureau's social media profiles so followers and visitors can easily access the Bureau's top links.

#### **Social Media**

Starting in February 2024, the Bureau began updating its social media accounts at least once a week. Starting in April 2024, social media posts in Spanish were published regularly in conjunction with English content.

Topics posted on social media include job listings, industry advisories, how-to guides, consumer resources, behind-the-scenes footage, timely announcements, and more across all Bureau programs for applicants, licensees, and consumers.

Since January 2024, the Bureau increased its following on social media:

Platform	Followers – 01/2024	Followers – 04/2024	Percent Change
<u>Facebook</u>	248	262	5.64%
<u>Instagram</u>	166	170	2.40%
<u>LinkedIn</u>	175	183	4.57%
X	117	122	4.27%

Examples of published social media graphics follow:

HOUSEHOLD GOODS



#### Outreach



#### Website

As part of promotion efforts for the launch of online HHM quarterly reports on Connect, a banner was added to the Bureau's website homepage. This banner acts as a direct link to Connect as the Bureau continues to restructure the website.



The process for submitting a complaint form is being simplified for consumers. The Bureau plans to consolidate the complaint forms for HHM and other regulated industries into one cohesive form that will work across all industries.

#### Outreach

Plans are also underway to refresh how citation data is displayed on the website. The Bureau aims to redesign its citation webpages so that information is presented in a clear manner, as well as define an internal process for maintaining and updating the system regularly.

The Bureau plans to fully redevelop the public website to encourage ease of navigation, prioritize essential tools and information, and maintain ADA compliance. While the Bureau prepares for this project in collaboration with DCA, interim adjustments are being made to the website as mentioned above. Bureau management will provide a more specific update on the website redesign at the November 2024 Advisory Council meeting.

#### **Presentations**

The Bureau participated in eight outreach events between October 2023 and May 2024:

 On December 9, 2023, Oliver Manila, Levi Jacobe, and Alda Aguirre represented the Bureau at a Senior Scam Stopper outreach event in Santa Ana with over 200 people in attendance coordinated by the Contractors State License Board and Assembly Member Valencia's district office.



Attendees at a Senior Scam Stopper outreach event in Santa Ana.

 On December 15, 2023, Nancy Torres-Mancia and Oliver Manila represented the Bureau at a Senior Scam Stopper outreach event in Santa Ana with about 20 people in attendance coordinated by the Contractors State License Board and Assembly Member Essayli's district office.



Oliver Manila and Nancy Torres-Mancia at a Senior Scam Stopper outreach event in Santa Ana.

- On January 25, 2024, the Bureau sent materials to a Senior Resource Fair in Mission Viejo coordinated by the Contractors State License Board and Orange County Supervisor Wagner's district office.
- 4. On February 15, 2024, Oliver Manila and Larry Perlman represented the Bureau at a Senior Scam Stopper outreach event in Claremont with about 50 people in attendance coordinated by the Contractors State License Board and Assembly Member Holden's district office.



Attendees at a Senior Scam Stopper outreach event in Claremont.



#### Outreach

5. On April 5, 2024, Nancy Torres-Mancia and Larry Perlman represented the Bureau at a Senior Scam Stopper outreach event at the Cathedral Center in Rancho Mirage with about 200 people in attendance coordinated by the Contractors State License Board and Assembly Member Wallis' district office.



Attendees at a Senior Scam Stopper outreach event in Rancho Mirage.

- 6. On April 19, 2024, Tracy Cortina and Nancy Torres-Mancia represented the Bureau at a Senior Scam Stopper outreach event in Palos Verdes Estates with about 120 people in attendance coordinated by the Contractors State License Board and Assembly Member Muratsuchi's district office.
- 7. On April 24, 2024, Destiny Wells and Brian Kauth represented the Bureau at a virtual Financial Literacy Resource Webinar coordinated by the Department of Financial Protection and Innovation. The Bureau provided an overview of its programs, updates, and fraud prevention efforts.
- 8. On May 4, 2024, Alanna Dubois and Maria Rodriguez represented the Bureau at a Senior Scam Stopper outreach event in Fresno with about 200 people in attendance coordinated by the Contractors State License Board and the Marlene Hubbell Elder Care Ministry.

#### **Internal Communications**

With staff numbers growing, the Bureau is committed to building internal communication efforts to boost transparency, encourage collaboration, and nurture a strong work culture. An internal newsletter is distributed monthly to keep staff informed about Bureau activities, regulated industries, and different divisions within the Bureau.

# California Bureau of Household Goods and Services Essential Consumer Tips



4244 South Market Court, Suite D Sacramento, California 95834-1243 Email: HomeProducts@dca.ca.gov Call: (916) 999-2041 • Fax: (916) 921-7279

The Bureau of Household Goods and Services (BHGS) protects California consumers in five areas: household moving, electronic and appliance repair, service contracts, upholstered furniture/bedding, and thermal insulation.

#### **HOUSEHOLD MOVERS**

- All businesses that move household goods, either within California or into/out of the state, must have a BHGS license. Be sure to check that the mover is licensed, in active status, and in good standing: bhgs.dca.ca.gov.
- For moves within California, we recommend your contract include a "not to exceed price."
- For moves into/out of California, be sure you understand the difference between a binding and nonbinding estimate.



#### FIFCTRONIC AND APPLIANCE REPAIR

- Businesses in California that repair or service major home appliances (e.g., refrigerators, washers, dryers) and that install, repair, or service electronics (e.g., televisions, personal computers, tablets, phones) must be licensed by BHGS. Be sure to check the license status before requesting a repair: <a href="mailto:bhgs.dca.ca.gov">bhgs.dca.ca.gov</a>.
- By law, consumers must receive a written estimate with the total cost before the repair, though you may have to pay a diagnostic fee.



#### THERMAL INSULATION

 The R-value listed on thermal insulation measures how well it prevents the flow of heat into and out of a space; the higher the R-value the greater the effectiveness.

#### **SERVICE CONTRACTS/EXTENDED WARRANTIES**

- Anyone who sells or administers service contracts in California must be licensed by BHGS. Be sure to check the license status: <a href="mailto:bhgs.dca.ca.gov">bhgs.dca.ca.gov</a>. BHGS also reviews all service contracts to ensure they meet California consumer protection requirements.
- Always take the time to read and understand the contract before you sign. Be clear about what it does and does not cover, its duration, your responsibilities as the buyer, and how it differs from the manufacturer warranty.



#### **UPHOLSTERED FURNITURE/BEDDING**

All upholstered furniture and bedding (e.g., sofas, chairs, ottomans, mattresses, comforters, bed pillows) sold in California must have a label attached with information about the contents in the product. Be sure to confirm you have no allergies to the material in the item. The label also has information about flammability standards.





# Oficina de Bienes y Servicios del Hogar de California

# **Consejos Esenciales para Consumidores**





4244 South Market Court, Suite D
Sacramento, California 95834-1243
Correo electrónico: HomeProducts@dca.ca.gov
Teléfono: (916) 999-2041 • Fax: (916) 921-7279

La Oficina de Bienes y Servicios para el Hogar (BHGS) protege a los consumidores de California en cinco áreas: las mudanzas, la reparación de aparatos electrónicos y electrodomésticos, contratos de servicios, la adquisición de muebles tapizados y ropa de cama, y el aislamiento térmico.

#### **MUDANZAS**

- Todas las empresas que realizan la mudanza de bienes de los hogares, ya sea dentro de California, hacia el estado desde otro lugar o viceversa, deben tener una licencia de BHGS. Verifique que la empresa de mudanzas esté autorizada, activa y en buen estado: <a href="mailto:bhgs.dca.ca.gov">bhgs.dca.ca.gov</a>.
- Para las mudanzas que se realizan dentro de California, recomendamos que su contrato incluya un "precio máximo".
- Para las mudanzas hacia California desde otro lugar y viceversa, asegúrese de entender la diferencia entre un presupuesto vinculante y uno no vinculante.



# REPARACIÓN DE APARATOS ELECTRÓNICOS Y ELECTRODOMÉSTICOS

- Las empresas de California que reparan o realizan el mantenimiento de electrodomésticos grandes (p. ej., refrigeradores, lavadoras, secadoras) y que instalan, reparan o realizan el mantenimiento de aparatos electrónicos (p. ej., televisores, computadoras personales, tabletas, teléfonos) deben tener una licencia BHGS.
   Verifique el estado de la licencia antes de solicitar una reparación: bhgs.dca.ca.gov.
- Por ley, los consumidores deben recibir un presupuesto por escrito con el costo total antes de la reparación, aunque es posible que tengan que pagar una tarifa por el diagnóstico.



#### **AISLAMIENTO TÉRMICO**

 El valor R que figura en el aislamiento térmico mide la capacidad que este tiene para impedir que el flujo de calor entre a un espacio o salga de él. Cuanto mayor sea el valor R, mayor será su eficacia.

# CONTRATOS DE SERVICIOS/GARANTÍAS EXTENDIDAS

- Cualquier persona que venda o administre contratos de servicios en California debe tener una licencia BHGS.
   Verifique el estado de la licencia: <a href="mailto:bhgs.dca.ca.gov">bhgs.dca.ca.gov</a>. BHGS también revisa todos los contratos de servicios para asegurarse de que cumplen los requisitos de protección al consumidor de California.
- Siempre tómese el tiempo necesario para leer y entender el contrato antes de firmarlo. Entienda lo que abarca y lo que no abarca, su duración, sus responsabilidades como comprador y la manera en que se diferencia de la garantía del fabricante.



#### **MUEBLES TAPIZADOS Y ROPA DE CAMA**

 Todos los muebles tapizados y la ropa de cama (p. ej., sofás, sillas, otomanas, colchones, edredones, almohadas) que se venden en California deben llevar una etiqueta con información sobre el contenido del producto. Asegúrese de que no es alérgico al material del cual está hecho el artículo. La etiqueta también debe contener información sobre las normas de inflamabilidad.





## **AGENDA ITEM 12**

## Legislative and Policy Updates

- b. Upholstered Furniture and Bedding LawLabel Regulatory Proposal
- c. SB 814 (Roth, 2023) BHGS Sunset Bill
- d. AB 1985 (Patterson, 2024) Home Solicitation Contracts
- e. Implementation of SB 244 (Eggman) Right to Repair



# **AGENDA ITEM 12b**

Upholstered Furniture and Bedding Law Label Regulatory Proposal





#### **Background**

In 2022, the Bureau sought feedback from interested parties about updates to its furniture and bedding labeling requirements and, following responses from the Advisory Council at the June 2022 meeting, submitted proposed changes to the regulatory language to the Department of Consumer Affairs in Fall 2022.

In April 2023, staff from the Bureau attended the annual meeting of the International Association of Bedding and Furniture Labeling Officials (IABFLO). At the June 2023 Advisory Council meeting, the Bureau sought additional feedback from advisory council members, the public, and other parties on several concepts raised during IABFLO's meeting.

In response to this various feedback, Bureau staff have further updated the draft regulatory proposal. The additional updates are intended to make the regulations easier to identify, understand, and follow.

#### **Proposed Updates to Labeling Rules**

#### Cleanup and Reorganization

Content has been cleaned up and reorganized. Definitions have been updated and are now consolidated into one section, including "Upholstered Furniture," which has been expanded to include pillows and cushions that are sold separately.

Definitions related to filling-material descriptions have been removed from the regulations and placed in an external Glossary that will be made available on the Bureau's website. For example, definitions for "cotton," "wool," and "man-made" materials are now in the Glossary.

#### Updates to Labeling Requirements

Labeling requirements have been updated, clarified, and made consistent, including by specifying how the labels must be attached and the types of materials that may be used. Statements and information required on the label have been streamlined. Except for plumage products, the label will no longer have to state the percentages of the filling materials present in the product. (Filling materials must continue to be listed by preponderance.)

#### New Digital Law Label

A new regulation would require a Digital Law Label be displayed for each product that is sold or offered for sale online. The Digital Law Label would be displayed in the product details, product description, product specifications, or an equivalent location. It would state whether the product is new, secondhand, or used, and include the product's filling materials and other information.

#### **Updated Template Labels**

Template labels have been updated and streamlined. New template labels are provided to ensure that all products that must be labeled have an appropriate label. To promote compliance and uniformity, the proposed regulation clarifies that the templates are required.

All templates have been moved to a new Appendix A. Labels are now grouped as follows:

- "All New Material" Law Labels
  - Type No. 1 has been updated.
  - Type No. 2 has been updated.
  - Type Nos. 4, 5, and 8 have been updated/combined and replaced with Type No. 5.
  - Type No. 6 has been updated and replaced with Type No. 3.
  - Type No. 7 has been updated and replaced with Type No. 4.

#### "Secondhand" Law Labels

- Type No. 9 has been updated and replaced with Type No. 7.
- o A **new** Type No. 6 is provided for bedding foundation, bedding furniture, upholstered furniture, and articles of upholstered furniture, including chair cushions, decorator pillows, hassocks, and similar items that contain secondhand filling material.
- A **new** Type No. 8 is provided for filling material in batting, pad, or any other prefabricated form and for loose filling material packaged for ready use by a consumer that contain secondhand filling material.
- "Owner's Material" Law Labels
  - Type No. 3 has been updated and replaced with Type No. 9.

#### **Updated Sanitization and New Flammability Labels**

The template Sanitization label has been updated. New template Flammability labels are provided. These labels are in the new Appendices B and C and are required.

# DEPARTMENT OF CONSUMER AFFAIRS TITLE 4. BUSINESS REGULATIONS

# PROPOSED REGULATORY LANGUAGE Amendments to Labeling Requirements

**Legend:** Added text is indicated with an underline.

Omitted text is indicated by (\* \* \* \*)
Deleted text is indicated by strikeout.

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

#### 1101. Definitions [of Bureau and Act].

The definitions in this section shall govern the construction of this division unless otherwise indicated. [For the purposes of these rules and regulations the term "Bureau" means the Bureau of Household Goods and Services, and the term "act" means Chapter 3 of Division 8 of the Business and Professions Code, which chapter is also cited as the Home Furnishings and Thermal Insulation Act.]

- (a) "Act" means Chapter 3 of Division 8 of the Business and Professions Code, which chapter is also cited as the Home Furnishings and Thermal Insulation Act.
- (b) "Advertising" or "Advertisement" means all representations disseminated in any manner or by any means, relating to [upholstered furniture, etc.] within the scope of the Act.
- (c) "Batting" means fibers which have been carded or garneted into layer form.
- (d) "Bedding" includes any bedding foundation and bedding furniture, such as a cot, an upholstered spring bed, a davenport or day bed, a metal couch, a metal folding bed, a metal cot, a metal cradle or any other substantially similar article, which is or can be stuffed or filled in whole or in part with any concealed substance or material, which can be used by any human being for sleeping or reclining purposes.
- (e) "Bedding foundation" means a ticking covered structure used to support a mattress or sleep surface. The structure may include constructed frames, foam, box springs, or other materials, used alone or in combination.
- (f) "Box springs" means an article of bedding designated to support a mattress, consisting of coiled springs on a wood, metal, plastic, or any such combination thereof, frame upholstered on top with filling material and covered on top and sides with fabric.
- (g) "Code" means the Business and Professions Code, unless otherwise specified.
- (h) "Fabric" means any material woven, knitted, felted, or otherwise produced from, or in combination with, any natural or manufactured fiber, yarn, or substitute therefor.
- (i) "Felt" means nonwoven fabric matted together by heat, moisture, and great pressure.
- (j) "Fiber" means a unit of matter which is capable of being spun into a yarn or made into a fabric by bonding or interlacing in a variety of methods including weaving,

- knitting, braiding, felting, twisting, or webbing, and which is the basic structural element of textile products.
- (k) "Furniture," as used in "Upholstered furniture" in Section 19006 of the Act, means seating furniture or an article of seating furniture that is constructed with an upholstered seat, back, or arm.
- (I) "Garnetted" shall mean material that has been made into thread, yarn, or fabric and subsequently reduced to a fibrous state and processed through a garnetting machine.
- (m)"Law label" or "Label" means the label required by the Act and these regulations to be attached to upholstered furniture, an article of upholstered furniture, bedding, an article of bedding, loose filling material, and filling material in batting, pads, or any other prefabricated form and on which information is required to appear.
- (n) "Loose filling material" means a general term for loose material such as, but not limited to shredded foam, ungarnetted fiber, plumage, and beads.
- (o) "Mattress" has the same definition as that term is defined in Section 1633.2 of Title 16 of the Code of Federal Regulations.
- (p) "Mattress pad" means a thin, flat mat or cushion, or ticking filled with resilient material for use on top of a mattress. This definition includes, but is not limited to, absorbent mattress pads, flat decubitus pads, and convoluted foam pads which are totally enclosed in ticking. This definition excludes convoluted foam pads which are not totally encased in ticking.
- (q) "Matching box springs" means an article of bedding designated to support a mattress, consisting of coiled springs on a wood, metal, plastic, or any such combination thereof, frame, upholstered on top with filling material and covered on top and sides with the same fabric as the mattress.
- (r) "Separate service to the trade," as used in Section 19014 of the Act, includes any of the following services by the parent house, when rendered by a subsidiary establishment:
  - (1) Sale of Goods. Except for the display and sale of goods in an established furniture mart or exchange when the subsidiary establishment is the principal place of business of the wholesaler maintaining the display and service.
  - (2) <u>Delivery of goods sold in the subsidiary establishment with local stock and independent of the parent house.</u>
  - (3) Entire or partial billing for goods sold and delivered.
  - (4) Entire or partial billing and collection for goods sold and delivered.
- (s) "Ticking" means the outermost layer of fabric or related material of a mattress or foundation. It does not include any other layers of fabric or related materials quilted together with or otherwise attached to, the outermost layer of fabric or related material.
- (t) "Ungarnetted" shall mean loose fiber, not garneted.
- (u) "Upholstered furniture" includes cushions and pillows, that are:
  - (1) stuffed or filled in whole or in part with any substance or material, or can be stuffed or filled in whole or in part with any substance or material.
  - (2) uncovered or hidden or concealed by fabric or any other covering,
  - (3) sold separately or offered for sale separately, and
  - (4) intended to be used with upholstered furniture.

A cushion or pillow that is sold separately, or offered for sale separately, shall be considered intended to be used with upholstered furniture if it is sold or offered for sale in an area where upholstered furniture is sold or offered for sale or advertising for the cushion or pillow suggests that the cushion or pillow may be used with upholstered furniture. Cushions and pillows, as described in this subdivision, include beanbags, decorator pillows, and seating cushions.

- (v) "Waste" means filling material with any of the following characteristics:
  - (1) trash content in excess of 7.0%,
  - (2) grease and oil content in excess of 2.0%,
  - (3) bits or scraps of cellulose wadding, paper, or other foreign matter,
  - (4) variable diameter fiber,
  - (5) pulp and undecorticated fiber in excess of 10.0%. or
  - (6) bits or scraps of fabric.
- (w) "Yarn" means a strand of textile fiber in a form suitable for weaving, knitting, braiding, felting, webbing, or otherwise fabricating into a fabric.

Note: Authority cited: Sections 19228, Business and Professions Code. Reference: Section 19225, Business and Professions Code, Section 11309.9(g), Government Code.

#### 1102. Scope.

It is hereby declared to be the purpose of these regulations and the policy, intent, and direction of the Bureau to employ the terms, definitions, and nomenclature as are commonly used, and as recognized in the manufacture, sale and distribution of furniture and bedding products. Classifications of materials in these regulations are intended to have understandable meaning to the ultimate consumer.

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

#### 1103. "Separate Service to the Trade."

As used in Section 19014 of the act, includes any of the following services by the parent house, when rendered by a subsidiary establishment:

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

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

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

As used in Sections 19060.5 and 19060.6 of the actAct, the term "on his or her own

account" is intended to limit the requirement for a license to the person who is obligated as a principal in contracts to sell or contracts to render services. The requirement for a license does not extend to salesmen, factors, agents, solicitors, factory representatives or those who act only in a representative capacity for others.

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

#### 1105. Exemptions.

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

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

#### 1107. License Fees.

(a) Except as provided in subsection (c) herein, the fees for the issuance and biennial renewal of the following licensing categories shall be fixed as follows:

oriental or the felletting heerlening of	21090110
(1) Importer's license	\$750
(2) Furniture and bedding	
manufacturer's license	\$750
(3) Wholesale furniture and	
bedding dealer's license	\$625
(4) Supply dealer's license	\$625
(5) Custom upholsterer's license	\$420
(6) Sanitizer's license	\$420
(7) Retail furniture dealer's license	\$140
(8) Retail bedding dealer's license	\$140
(9) Retail furniture and bedding	

(b) Except as provided in subsection (c) herein, the fee for the issuance and annual renewal of the insulation manufacturing license shall be \$2,000.

\$280

- (c) The reduction or waiver of any license fee shall be made only in accordance with subsections (b) and (c) of Section 19170 of the Business and Professions Code.
- (d) The delinquency fee and additional penalty fees for subsection (a), herein, are those specified in Section 19170.5 of the Business and Professions Code.

Note: Authority cited: Sections 19034, 19170, and 19170.3, Business and Professions Code. Reference: Sections 19170 and 19170.5, Business and Professions Code.

#### 1108. Procedure Re License.

dealer's license

- (a) A new license must be secured when there is change of ownership.
- (b) Licensees must notify the Bureau within thirty (30) days of a change of name and/or address when the ownership remains the same.
- (c) All furniture and bedding manufacturers whose products are offered for sale in California, regardless of the point of manufacture, must hold a valid license with the Bureau.
- (d) Importer as defined in Business & Professions Code Section 19011.1 includes, but is not limited to, "brokers" and "traders".
- (e) Manufacturers located outside of the United States who do not hold an Importer's license, must obtain a Furniture and Bedding Manufacturer's license if their products are imported into California.
- (f) A licensed importer in the United States may co-hold a license with a manufacturer located outside the United States. A co-holder license can only be held by one importer in the United States on behalf of one manufacturer outside the United States.
- (g) If an importer chooses to hold a co-holder license with more than one manufacturer outside the United States, he/she shall obtain a separate co-holder license with each manufacturer. There is no limit on the number of co-holder licenses an importer may hold, but only one manufacturer may appear on each co-holder license; licenses may not be pooled.

Note: Authority cited: Section 19034 and 19061.5, Business and Professions Code. Reference: Sections 19053.1, 19054, 19060, 19061 and 19061.5, Business and Professions Code.

#### 1109. Registry Numbers.

- (a) The location of every manufacturer, custom upholsterer, sanitizer, supply dealer or importer who manufactures shall bear a separate registry number. The registry number uniquely identifies each location (branch) of a licensed manufacturer, custom upholsterer, sanitizer, supply dealer, or importer.
- (b) No registry number shall be issued or recognized without the required license fee.
- (c) The registry number must appear on the law label that is attached to all upholstered furniture, bedding or filling materials.
- (d) Every registry number issued by the Bureau shall be exclusively for the person to whom it is issued and the number shall not hereafter be reissued to, or used by, any other person.

Note: Authority cited: Sections 19034 and 19061.5, Business and Professions Code. Reference: Sections 19060, 19061 and 19061.5, Business and Professions Code.

#### 1110. "Withhold from Sale" Tag.

A "Withhold from Sale" tag attached by the Bureau to the material or article of upholstered furniture and bedding withheld from sale shall not be concealed or obstructed from view in any manner. The licensee shall not remove or allow the removal of the withhold from sale tag without the express approval of the Bureau.

Note: Authority cited: Sections 19034 and 19081, Business and Professions Code. Reference: Sections 19081, 19202, 19203 and 19204, Business and Professions Code.

## 1111. Names of Filling Materials.

The kinds and types of filling materials shall be stated on the law label. Any kinds and types of filling materials that are not named or defined in these regulations will be assigned names for labeling purposes when samples are submitted to the Bureau.

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

### 1112. Additional Terms Not Prohibited.

These regulations shall not be construed as prohibiting the use in conjunction with the prescribed names or descriptive terms, of additional words or phrases that correctly designate and more fully describe any filling material, when such additional words or phrases are required or approved by the Bureau.

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

### 1113. Deviations from Percentages Stated.

Any deviation from percentages stated of a blend of types or kinds of filling materials shall not exceed 10% of the smaller component, i.e., a product labeled as 50% polyester fiber/50% polyurethane must contain no less than 45% polyester fiber.

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

### 1114. Water Repellent, Water Resistant.

Articles and materials labeled as "water repellent," "water resistant" and words of similar import shall conform to a minimum rating of 90 when tested in accordance with the American Association of Textile Chemists and Colorists' Designation 22-1980 "Water Repellence: Spray Test."

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

### 1116. Mildew Proof, Mildew Resistant.

Articles and materials labeled as mildew proof, mildew resistant and words of similar import shall show no visual growth when examined by the unaided eye when tested by the American Association of Textile Chemists and Colorists' Designation 30-1979, Section 9, Aspergillus Niger-glucose Mineral Salts Agar Test.

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

#### 1118. Moth Proof, Moth Resistant.

Articles and materials labeled as moth proof, moth resistant and words of similar import shall show no damage when tested in accordance with the American Association of Textile Chemists and Colorists' Designation 24-1980 "Resistance of Textiles to Insects," using the fabric weight loss method.

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

### 1119. Bacteria Resistant, Odor Resistant.

Articles and materials labeled as bacteria resistant, odor resistant or words of similar import shall demonstrate clear areas of no growth adjacent to the fabric when tested in accordance with the American Association of Textile Chemists and Colorists'
Designation 147-1977 "Detection of Antibacterial Activity of Fabrics: Parallel Streak Method."

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

## 1120. Stain Resistant, Stain Repellent.

Articles labeled as "stain resistant," "stain repellent" and words of similar import shall not allow an oil or water based staining material to penetrate or wick into the textile product when tested in accordance with Bureau of Home Furnishings Technical Bulletin No. 107 dated July, 1973.

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

### 1121. Soil Resistant, Soil Repellent.

Articles labeled as "soil resistant," "soil repellent" and words of similar import shall permit the textile product to release household type dirt or dry soil when tested in accordance with Bureau of Home Furnishings Technical Bulletin No. 108 dated July, 1973.

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

# 2. Amend Article 2 of Division 3 of Title 4 of the California Code of Regulations to read as follows:

### 1125. Labeling Requirements.

The kinds, types and percentage of filling materials used in articles of upholstered furniture and bedding and in bulk form concealed or not concealed shall be stated on the law label. Percentages shall be computed on the basis of avoirdupois weight of the filling material present and shall be designated on the law label in order of

predominance, the largest component first.

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

### 1126. Official Law Label Requirements.

- (a) Attachment of Law Labels. Labels shall be securely fastened onto completed articles and bulk materials in a manner approved by the Bureau in such an area as to be openly and easily visible to view. Labels are not to be concealed or obstructed from view in any manner.
- (b) Label Material. Law labels shall be constructed of material approved by the Bureau and shall not be easily torn or defaced.
- (c) Color of Label and Color of Ink:
  - (1) A white law label printed in black ink shall be used for new materials.
  - (2) A red law label printed in black ink shall be used for materials which are in whole or in part secondhand (used).
  - (3) A green label printed in black ink shall be used for "Owner's Material."
- (d) Statements and Headings to be Shown on Law Labels:
  - (1) "UNDER PENALTY OF LAW THIS TAG NOT TO BE REMOVED EXCEPT BY THE CONSUMER" shall appear at the top of the label.
  - (2) Headings shall read "All New Material" when the material is wholly new; "Secondhand (Used) Material" when the material is in whole or in part secondhand.
  - (3) Description of filling material as provided in the applicable regulations.
  - (4) For owner's own materials the heading shall state: "THIS ARTICLE NOT FOR SALE" "OWNER'S MATERIAL."
  - (5) The registry number assigned or approved by the Bureau.
  - (6) "Certification is made by the manufacturer that the materials in this article are described in accordance with law."
  - (7) For owner's own materials the certification portion of the label shall state:
    "CERTIFICATION IS MADE THAT THIS ARTICLE CONTAINS THE SAME
    MATERIAL IT DID WHEN RECEIVED FROM THE OWNER AND THAT ADDED
    MATERIALS ARE DESCRIBED IN ACCORDANCE WITH LAW AND CONSIST
    OF THE FOLLOWING."
  - (8) For owner's own materials the name and address of the owner.
  - (9) The finished size of articles of bedding such as sleeping bags, mattresses, comforters, mattress pads, pads, box springs, pillows, and similar articles, showing the width and length expressed in inches. Decorator pillows need not show size.
  - (10)The net weight of filling materials in articles of bedding such as sleeping bags, mattresses, box springs, pads and similar items, stated in pounds and ounces.
  - (11)All bulk filling materials which meet the requirements of Bureau of Household Goods and Services Technical Bulletin No. 117-2013, dated January 2019 shall have imprinted on the law label immediately following the requirements as set forth in subsection (c) of this section the statement: "THIS PRODUCT MEETS THE REQUIREMENTS OF BUREAU OF HOUSEHOLD GOODS AND

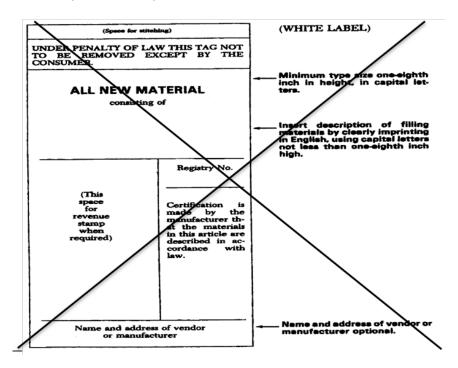
### SERVICES TECHNICAL BULLETIN NO. 117-2013."

- (12)In addition to the requirements set forth in subsection (11) of this section all invoices for products meeting the requirements of Bureau of Household Goods and Services Technical Bulletin No. 117-2013, dated January 2019 shall have stated on such invoices the identification of the product meeting the requirement and the statement that such identified products meet the requirements of Bureau of Household Goods and Services Technical Bulletin No. 117-2013.
- (e) Size of Law Labels and Type of Printing:
  - (1) The minimum size of labels shall be 2 x 3 inches. Labels shall be larger when the required size of type and statements make it necessary.
  - (2) The minimum size of type shall be one-eighth inch in height, in capital letters.
  - (3) All printing shall be in English.
- (f) Forms of Law Labels.



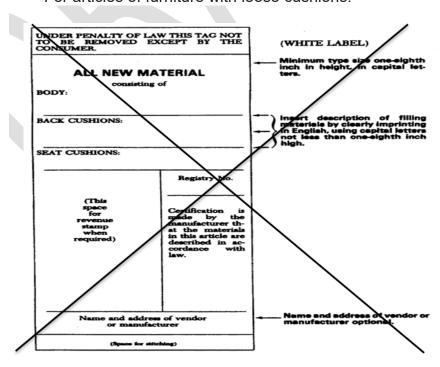
# Type No. 1

For articles of upholstered furniture without loose cushions, also for decorator pillows, chair cushions, quilted bedspreads, headboards, hassocks, and similar items.



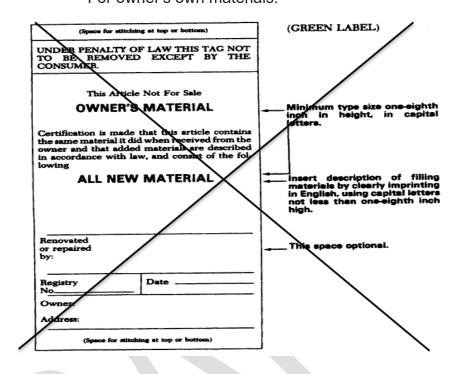
Type No. 2

For articles of furniture with loose cushions.



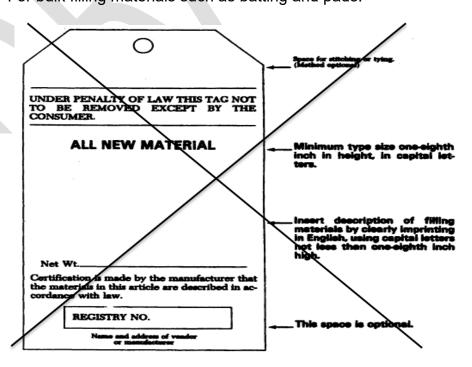
Type No. 3

For owner's own materials.



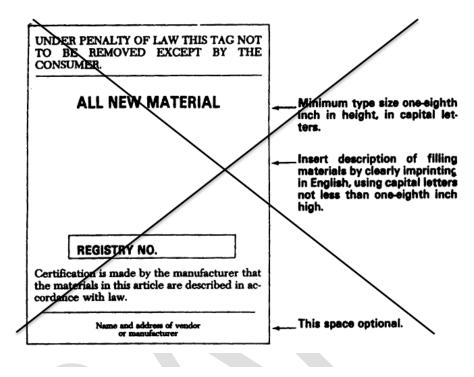
Type No. 4

For bulk filling materials such as batting and pads.



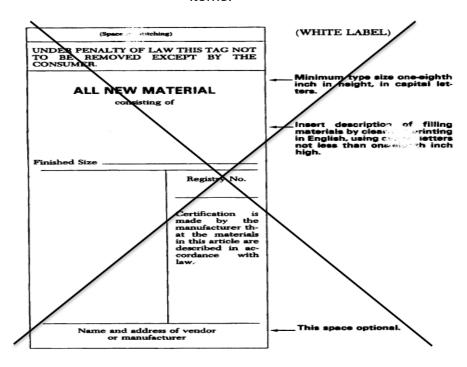
Type No. 5

For packaged filling materials ready for use by the ultimate customer.



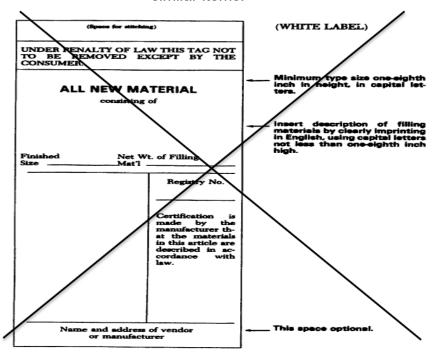
Type No. 6

For articles of bedding, such as bed pillows, comforters, mattress pads and similar items.



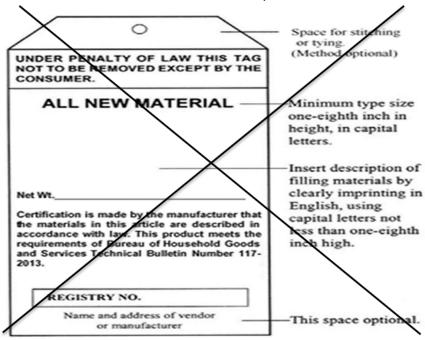
# Type No. 7

For sleeping bags, pads, mattresses, including a hybrid flotation sleep system containing a quilted fabric cover over a traditional water filled bladder, box springs and similar items.

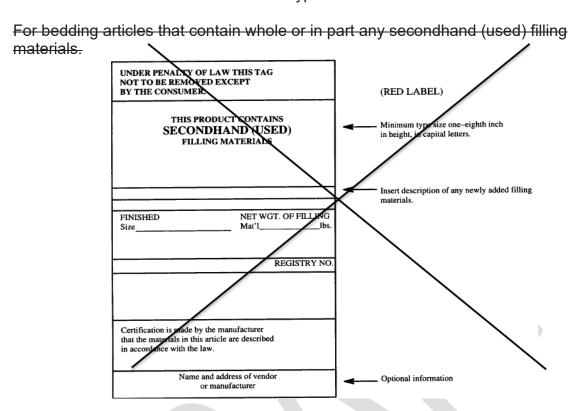


Type No. 8

For bulk material such as batting and any filling material in loose or pre-fabricated form used or which can be used in articles of upholstered furniture.



Type No. 9



Note: Authority cited: Sections 19034 and 19081, Business and Professions Code. Reference: Sections 19030, 19080, 19081, 19086, 19087, 19088, 19089.3, 19089.5, 19092 and 19093, Business and Professions Code.

## 1125. General Law Label Requirements.

- (a) A law label shall be attached to upholstered furniture, an article of upholstered furniture, bedding, an article of bedding, loose filling material, or filling material in batting, pads, or any other prefabricated form. All law labels described in this Article shall comply with the requirements provided in this section.
- (b) Attachment of Law Labels. Each label shall be securely attached, including by stitching, stapling, or using adhesive, in an area that allows the label to be easily viewed. The label shall not be concealed or obstructed. A label for loose filling material or filling material in batting, pads, or any other prefabricated form may be stamped or printed on the packaging, or tied as a hangtag, in an area that allows the label to be easily viewed.
- (c) <u>Law Label Material</u>. <u>Each label shall be constructed of Tyvek, Valeron, vellum cloth or a material of comparable quality that shall be resistant to tearing, defacing, or fading when abraded.</u>
- (d) <u>Size of Law Labels and Type of Printing. Each label shall be at least 2 x 3 inches and may be larger when the type size and the information required on the label make it necessary. The type size for all information required on the label shall be of equal size and at least 1/8<sup>th</sup> inch in height unless otherwise specified.</u>
- (e) Required Language. All information shall be in English. If the information appears in a language other than English, the statements shall also appear in English.
- (f) Required Information. Each law label shall include the following information:
  - (1) Heading. The statement, "UNDER PENALTY OF LAW THIS TAG NOT TO BE REMOVED EXCEPT BY THE CONSUMER," shall appear as a heading at the top of each law label.
  - (2) Description of Filling Materials. The kind of filling material shall be stated on the label by its generic name as provided in the most recent version of the Bureau's publication, "Glossary of Filling Materials." Where more than one kind of filling material is used, each filling material shall be listed on the label in order of predominance by weight.
    - (a) Where the upholstered furniture, article of upholstered furniture, bedding, article of bedding, loose filling material, and filling material in batting, pads, or any other prefabricated form is comprised wholly of one kind of filling material, the word, "All," or the term, "100%," may be used on the label.
    - (b) <u>Down and Feather. Law labels for upholstered furniture, an article of upholstered furniture, bedding, an article of bedding, loose filling material, and filling material in batting, pads, or any other prefabricated form which contain down or feather must also follow the requirements provided in Article 5 of these regulations.</u>
  - (3) Registry Number. The registry number issued or recognized by the Bureau shall be stated on the label.
  - (4) Other Information Section. Information necessary to satisfy other state or federal agency requirements may be added to an "Other Information" section on the label, including country of origin and date of delivery. No type size is required for information in the "Other Information" section, except for country of origin and date of delivery, which must be 1/8<sup>th</sup> inch in height.
- (g) Form of Label. Except for the digital law label described in Section 1129, each law

label shall conform to the applicable template described in this Article and provided in Appendix A of these regulations.

# 1126. "All New Material" Law Labels.

- (a) An "All New Material" law label shall be used for upholstered furniture, an article of upholstered furniture, bedding, an article of bedding, loose filling material, or filling material in batting, pads, or any other prefabricated form that is wholly comprised of new filling material. In addition to the requirements provided in Section 1125, each "All New Material" law label for shall comply with the following:
  - (1) Required Statements. Each label shall contain the following statements:
    - (a) "ALL NEW MATERIAL Consisting of"
    - (b) "Certification is made by the manufacturer that the materials in this article are described in accordance with law."
  - (2) Color of Label. The label shall be white and printed in black ink.
- (b) Types of Labels.
  - (1) Type No. 1 "All New Material" Law Label. This label shall be used for bedding furniture, upholstered furniture which is made or sold without loose cushions or pillows, and articles of upholstered furniture which are sold or offered for sale separately, including chair cushions, decorator pillows, hassocks, and similar items. The label shall conform to the template Type No. 1 label provided in Appendix A of these regulations.
  - (2) Type No. 2 "All New Material" Law Label. This label shall be used for upholstered furniture which is made or sold with loose cushions or pillows. The label shall conform to the template Type No. 2 label provided in Appendix A of these regulations.
  - (3) Type No. 3 "All New Material" Law Label. This label shall be used for bedding pillows, comforters, mattress pads, and other similar articles of bedding. The label shall state the finished size of the article in inches. The label shall conform to the template Type No. 3 label provided in Appendix A of these regulations.
  - (4) Type No. 4 "All New Material" Law Label. This label shall be used for bedding foundation, box springs, mattresses, sleeping bags, waterbeds, and other similar articles of bedding. The label shall state the finished size of the article in inches and the net weight of the filling materials in pounds and ounces. The label shall conform to the template Type No. 4 label provided in Appendix A of these regulations.
  - (5) Type No. 5 "All New Material" Law Label. This label shall be used for filling material in batting, pad, or any other prefabricated form and for loose filling material packaged for ready use by a consumer. The label shall state the net weight of the filling materials in pounds and ounces. The label shall conform to the template Type No. 5 label provided in Appendix A of these regulations.

### 1127. "Secondhand" Law Labels.

(a) A "Secondhand" law label shall be used for upholstered furniture, an article of upholstered furniture, bedding, an article of bedding, loose filling material, or filling material in batting, pads, or any other prefabricated form that is wholly or partially comprised of secondhand filling material. In addition to the requirements provided in

- Section 1125, each "Secondhand" law label shall comply with the following:
  - (1) Required Statements. Each label shall contain the following statements:
    - (a) "THIS PRODUCT CONTAINS SECONDHAND MATERIALS"
    - (b) "Certification is made by the manufacturer that the materials in this article are described in accordance with law."
  - (2) Color of Label. The label shall be red and printed in black ink.

## (b) Types of Labels.

- (1) Type No. 6 "Secondhand" Law Label. This label shall be used for bedding furniture, upholstered furniture, and articles of upholstered furniture, including chair cushions, decorator pillows, hassocks, and similar items. In accordance with Section 19092 of the Act, this label shall also be attached by a repairer or renovator to any secondhand upholstered furniture or bedding furniture which is subsequently sold. The label shall include the statement, "NEW MATERIALS CONSISTING OF." The label shall state the net weight of the new filling materials in pounds and ounces. The label shall conform to the template Type No. 6 label provided in Appendix A of these regulations.
- (2) Type No. 7 "Secondhand" Law Label. This label shall be used for all articles of bedding, including bedding foundation, bedding pillows, box springs, comforters, mattresses, mattress pads, quilted bedspreads, sleeping bags, waterbeds, and similar items. The label shall include the statement, "NEW MATERIALS CONSISTING OF." The label shall state the finished size of the article in inches and the net weight of the new filling materials in pounds and ounces. The label shall conform to the template Type No. 7 label provided in Appendix A of these regulations.
- (3) Type No. 8 "Secondhand" Law Label. This label shall be used for filling material in batting, pad, or any other prefabricated form and for loose filling material packaged for ready use by a consumer. The label shall state the net weight of the filling materials in pounds and ounces. The label shall conform to the template Type No. 8 label provided in Appendix A of these regulations.

## 1128. "Owner's Material" Law Labels.

- (a) An "Owner's Material" law label shall be used for upholstered furniture, an article of upholstered furniture, bedding, or an article of bedding that is sent by the owner to any manufacturer, bedding renovator, or custom upholsterer to be repaired or renovated, or to be used in repairing or renovating. In addition to the requirements provided in Section 1125, each "Owner's Material" law label comply with the following:
  - (1) The manufacturer, bedding renovator, or custom upholsterer who conducts the repair or renovation must attach the label to the upholstered furniture, article of upholstered furniture, bedding, or article of bedding before delivery to the owner.
  - (2) Required Statements. Each label shall contain the following statements:
    - (a) "This Article Not For Sale"
    - (b) "OWNER'S MATERIAL"
    - (c) "Certification is made that this article contains the same material it did when received from the owner and that added materials are described in

## accordance with law."

- (d) "ADDED FILLING MATERIALS CONSISTING OF"
- <u>(e)</u> <u>"New"</u>
- (f) "Secondhand"
- (3) Color of Label. The label shall be green and printed in black ink.
- (b) Type of Label.
  - (1)Type No. 9 "Owner's Material" Law Label. This label shall be used for each upholstered furniture, article of upholstered furniture, bedding, or article of bedding that is sent by the owner to any manufacturer to be repaired or renovated, or to be used in repairing or renovating. The label shall state the net weight of the added filling materials in pounds and ounces. The label shall conform to the template Type No. 9 label provided in Appendix A of these regulations.

### 1129. Digital Law Label

- (a) Each upholstered furniture, article of upholstered furniture, bedding, article of bedding, loose filling material, or filling material in batting, pads, or any other prefabricated form that is offered or exposed for sale or intended to be sold or disposed of in any commercial manner on the internet must display a digital law label.
- (b) No form is required for the digital law label except that it shall be displayed in the product details, the product description, the product specifications, or an equivalent location.
- (c) The digital law label shall include the following information:
  - (1) The statement, "Certification is made by the manufacturer that the materials in this article are described in accordance with law."
  - (2) If the product is wholly comprised of new filling material, the statement, "Contains ALL NEW materials."
  - (3) If the product is wholly or partially comprised of secondhand filling material, the statement, "Contains SECONDHAND materials."
  - (4) If the product has been previously owned or used by another individual, the statement, "This product is USED."
  - (5) A description of the filling materials in accordance with Subdivision (f)(2) of Section 1125 of these regulations.
  - (6) If the product has undergone an approved method of sanitization, the statements and information provided in Subdivisions (f)(2), (f)(4), (f)(5), and (f)(6) of Section 1256 of these regulations.

### 1129.1 Care Instructions Law Label. (Operative on October 1, 1977)

"Care Instructions," which shall state instructions for laundering and cleaning, shall be provided for all sleeping bags, mattress pads, comforters, bedspreads, coverlets, quilts, and similar articles. The "Care Instructions" may be included on the law label, in the "Other Information" section, described in this Article of these regulations, or may be provided on a separate label.

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

# 3. Repeal Article 3 of Division 3 of Title 4 of the California Code of Regulations:

# Article 3 Universal Definitions and Labeling

### 1135. Terms of Definitions and Label Requirements.

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

- (a) "Batting" shall mean fibers which have been carded or garnetted into layer form.
- (b) "Bleached" shall mean any product whose intrinsic color had been removed and whiteness improved by treating with a chemical compound.
- (c) "Colored" or "Dyed" shall mean any filling material which has been treated and impregnated with coloring material.
- (d) "Damaged" shall mean any filling material or article, which has been adversely affected by machine processing or by exposure to fire, water or other elements or source.
- (e) "Fibers of Unknown Kind" shall mean miscellaneous new textile materials of unknown origin, and for practical purposes, unknown fiber content.
- (f) "Gel" is any filing material of a semi-solid form, typically encased in a leak proof fabric cover and consisting of a mixture of water or other liquid base, dissolved chemicals and/or a suspension of other chemicals, which provides special ergonomic and resiliency properties.
- (g) "Pad" shall mean any filling material which is interwoven, punched, pressed, shaped, or otherwise fabricated into pad form.
- (h) "Resinated" or "Resin Treated" shall mean any filling material treated with a combination of synthetic resin or a combination of synthetic resin and latex.
- (i) "Rubberized" shall mean any filling material which had been treated with a latex compound.
- (j) "Shredded" shall mean any filling material which has been cut or torn into pieces.
- (k) "Trash" shall mean shell, shale, stick, stem, leaf, boll, seed and foreign matter.
- (I) "Waste" shall mean filling material with any of the following characteristics.
  - (1) Trash content in excess of 7.0%.
  - (2) Grease and oil content in excess of 2.0%.
  - (3) Bits or scraps of cellulose wadding, paper, or other foreign matter.
  - (4) Variable diameter fiber.
  - (5) Pulp and undecorticated fiber in excess of 10.0%.
  - (6) Bits or scraps of fabric.
- (m)"Recycled Fibers" shall mean new fibers which are the by-product resulting from a textile processing method. Such recycled fibers shall not have a thread content in excess of 5.0%.

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

Code.

## 1136. Definitions of Types of Bedding.

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

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

#### 1137. Care Instructions.

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

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

# 4. Repeal Article 4 of Division 3 of Title 4 of the California Code of Regulations:

# Article 4 Cotton Regulations

### 1181. Optional Labeling.

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

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

## 1182. Definitions of Types of Cotton.

- (a) "Cotton" shall mean a vegetable seed fiber consisting of unicellular hairs attached to the seed of several species of the genus Gossypium of the family Malvaceae.
- (b) "Staple" shall mean the staple fibrous growth as removed from cottonseed in the usual process of ginning (first cut from seed).
- (c) "Comber" shall mean the cotton waste resulting from running card sliver through a combing machine.
- (d) "Fly" shall mean the cotton waste resulting when cotton is introduced to the carding machine.

- (e) "Gin Flues" shall mean the cotton waste resulting from staple cotton in the ginning mill.
- (f) "Picker" shall mean the cotton waste remaining after cotton has been run through the picker in the cotton mill.
- (g) "Strips" shall mean the cotton waste produced by or removed from the carding cloth following the carding process.
- (h) "Linters" shall mean the fibrous growth resulting from the first cut of the cottonseed (subsequent to the usual first process of ginning) in the cotton oil mill.
- (i) "Second Cut Linters" shall mean the fibrous growth resulting from the second cut of cottonseed in the cotton oil mill.

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

# 5. Amend Article 5 of Division 3 of Title 4 of the California Code of Regulations to read as follows:

#### Article 5

# Plumage Regulations Additional Requirements for Down and Feather Industry Products

# 1192. Definitions of Types and Kinds of Plumage.

For purposes of this Article, the following definitions apply:

- (a) "Crushed Feathers" shall means feathers which have been crushed or chopped processed by a curling, crushing or chopping machine and includes the fiber resulting from such processing and which has changed the original form of the feather without removing the guill.
- (b) "Damaged Feathers" shall means feathers, other than crushed, chopped or stripped, which have been materially broken, injured damaged by insects or depreciated from the original value in any manner.
- (c) "Down" shall means the undercoating of waterfowl, consisting of the light fluffy filaments "barb" growing from one quill point but without any quill shaft.
- (d) "Down Fiber" shall means the detached barbs from down and plumules and detached barbs from the basal end of the waterfowl quill shaft which are indistinguishable from the barbs of down.
- (e) "Feathers" shall means distinctive light, horny epidermal outgrowths which form the external covering or plumage of birds the plumage or out-growth forming the contour and external covering of fowl which are whole in structure and which have not been processed in any manner other than dusting and washing.
- (f) "Feather Fibers" shall means the detached barbs of feathers stripped from quills and separated into individual or disconnected barbs which are not joined or attached to each other.
- (g) "Landfowl <u>feathers</u>" shall mean<u>s feathers from</u> plumage derived from chickens and turkeys.
- (h) "Plumage" shall means the outer covering of fowl.

- (i) "Plumules" shall means waterfowl plumage with underdeveloped soft and flaccid quills with barbs indistinguishable from those of down.
- (j) "Quill Feathers" shall means barbs of feathers stripped from quills and separated into individual or disconnected barbs exceeding four inches in length or having a quill point exceeding 6/16ths of an inch in length.
- (k) "Residue" shall means quill pith, quill fragments, trash or foreign matter in feather and down filling materials in excess of allowable limits.
- (I) "Waterfowl <u>feathers</u>" shall means goose or duck feathers or any mixture thereof, which are whole in physical structure with the natural form and curvature of feathers plumage derived from ducks or geese.
- (m)"Duck <u>feathers</u>" <u>shall</u> mean<u>s feathers of any kind of duck which are whole in physical structure with natural form and curvature of the feather plumage derived from ducks.</u>
- (n) "Goose <u>feathers</u>" <u>shall</u> mean<u>s feathers of any kind of goose which are whole in physical structure with natural form and curvature of the feather plumage derived from geese.</u>
- (o) "Turkey <u>feathers</u>" <u>shall</u> mean<u>s feathers of any kind of turkey which are whole in physical structure with natural form of the feather plumage derived from turkeys.</u>
- (p) "Chicken <u>feathers</u>" shall mean<u>s feathers in any kind of chicken which are whole in physical structure with natural form of the feather plumage derived from chickens.</u>
- (q) "Industry Product" means upholstered furniture, an article of upholstered furniture, bedding, an article of bedding, loose filling material, and filling material in batting, pads, or any other prefabricated form.

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

# 1193. Compositional and Additional Labeling Requirements.

- (a) Down Industry Products. The "DOWN" label is a qualified general label. Any industry product labeled as "down," "duck down," or "goose down" mustshall contain a minimum of 75% down and plumules. The "DOWN" label is a qualified general label and shall include in parentheses the minimum percentage of down in the product. The minimum percentage stated on the label must be at least 75%. The remainder normally consists of waterfowl feathers and small amounts of other filling material components. If these other components exceed the following maximums, the percentage of such components must be labeled.
  - (1) <u>Description of Filling Material. In addition to the requirements provided in Subdivision (f) of Section 1125 of Article 2 of these regulations, each law label for a Down Industry Product must state in parentheses the minimum percentage of down present in the product. The minimum percentage stated on the label must be at least 75%.</u>
    - (A) If any of following filling materials is present in the product, the label must list the filling material if its presence exceeds the maximum percentage provided below. The filling material shall be listed on the label by percentage by weight, in order of predominance by weight.

Down Fiber Feather Fiber

maximum 10% maximum 10%

Chopped, Damaged & Crushed

Feathers maximum 2%
Landfowl Feathers maximum 2%
Residue maximum 2%
Quill Feathers are not permitted. Not Permitted

- (b) Down and Feather Blended Industry Products. The "DOWN AND FEATHERS" label and the "FEATHERS AND DOWN" label are qualified general labels. Any industry product labeled as "DOWN AND FEATHERS" must contain between 50% and 74% down and plumules. Any industry product labeled as "FEATHERS AND DOWN" must contain between 5% and 49% down and plumules. The remainder normally consists of waterfowl feathers or down and small amounts of other filling materials. These products require qualified general labels that shall include in parentheses the actual percentage of components.
  - (1) The term "DOWN AND FEATHERS" may be used to designate any plumage product containing between 50% and 74% down and plumules. The actual percentages must be stated on the label.
  - (2) The term "FEATHERS AND DOWN" may be used to designate any plumage product containing between 5% and 49% down and plumules. The actual percentages must be stated on the label.
  - (3) The remainder of components in down and feather blended products normally consists of waterfowl feathers or down and small amounts of other components. If these other components exceed the following maximums, the percentage of such components must be labeled.
  - (1) <u>Description of Filling Material</u>. In addition to the requirements provided in <u>Subdivision (f) of Section 1125 of Article 2 of these regulations, each law label</u> for a <u>Down and Feather Blended Industry Product must state in parentheses</u> the percentages of down and plumules present in the product.
    - (A) If any of following filling materials is present in the product, the label must list the filling material if its presence exceeds the maximum percentage provided below. The filling material shall be listed on the label by percentage by weight, in order of predominance by weight.

Down Fiber maximum 10% Feather Fiber maximum 10%

Chopped, Damaged & Crushed

Feathers maximum 2% Landfowl Feathers maximum 2% Residue maximum 2% Quill Feathers are not permitted. Not Permitted

- (c) Waterfowl Feather Industry Products. Any industry product labeled as "waterfowl feathers", "duck feathers", or "goose feathers" mustshall contain a minimum of 80% waterfowl feathers. The remainder normally consists of waterfowl feathers and small amounts of other filling material components. If these other components exceed the following maximums, the percentage of such components must be labeled.
  - (1) Description of Filling Material. If any of following filling materials is present in the product, in addition to the requirements provided in Subdivision (f) of Section 1125 of Article 2 of these regulations, each law label for a Waterfowl

Feather Industry Product must list the filling material if its presence exceeds the maximum percentage provided below. The filling material shall be listed on the label by percentage by weight, in order of predominance by weight.

Down Fiber maximum 20%
Chopped, Damaged & Crushed Feathers maximum 7%
Feather Fiber maximum 5%
Landfowl Feathers maximum 5%
Residue maximum 2%
Quill Feathers are not permitted Not Permitted

- (d) Other Plumage <u>Industry</u> Products. Plumage <u>Industry Products</u> which do not meet requirements for any of the above categories must be labeled <del>accurately with each component listed separately</del> <u>in accordance with Article 2 of these regulations</u>.
- (e) Percentage Claims. No Industry Product shall be labeled A plumage product should not designated as "100% Down," "All Down," "Pure Down" or by any other similar terms unless the product is wholly comprised of down, it in fact, contains 100% down.
- (f) Tolerances. No tolerance is allowed for the minimum percentage of down as stated in the above listed categories.
- (g) Species. The species of waterfowl plumage shall not be stated on the label unless the Industry Product contains at least 90% of the species of waterfowl plumage. The specie of waterfowl plumage need not be designated, but when designated, the product shall contain a minimum of 90% of such plumage.
- (h) Cleanliness. All plumage products must have an oxygen number not exceeding 20 grams of oxygen per 100,000 grams of sample.
- (i) Adulteration. The maximum content for certain <u>filling materials</u>components listed above are not to be construed to permit intentional adulteration of <u>any Industry Product described in this section.plumage products.</u>
- (j) Labels. Each Industry Product described in this section must be labeled<del>contain a law label</del> in accordance with Article 2 of these regulations., Section 1125 & 1126 of the California Code of Regulations.

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

# 6. Repeal Article 6 of Division 3 of Title 4 of the California Code of Regulations:

# Article 6 Wool and Hair Regulations

### 1209. "Wool."

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

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

### 1210. "Hair."

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

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

### 1211. Classification of Hair.

Hair shall be classified and labeled as follows:

- "Horse Tail Hair"
- "Horse Mane Hair"
- "Hog Hair"
- "Cattle Tail Hair"
- "Cattle Hide Hair"
- "Goat Hair"

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

# 7. Repeal Article 7 of Division 3 of Title 4 of the California Code of Regulations:

# Article 7 Man-Made Fiber Regulations

### 1238. Kinds of Man-Made Fibers.

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

- (a) "Acetate": a manufactured fiber in which the fiber-forming substance is cellulose acetate. Where not less than 92% of the hydroxyl groups are acetylated, the term triacetate may be used as a generic description of the fiber.
- (b) "Acrylic": a manufactured fiber in which the fiber-forming substance is any long chain synthetic polymer composed of at least 85% by weight of acrylonitrile units (-CH<sub>2</sub>-CH-).



- (c) "Azlon": a manufactured fiber in which the fiber-forming substance is composed of any regenerated naturally occurring proteins.
- (d) "Glass": a manufactured fiber in which the fiber-forming substance is glass.

- (e) "Metallic": a manufactured fiber composed of metal, plastic-coated metal, metal coated plastic or a core completely covered by metal.
- (f) "Modacrylic": a manufactured fiber in which the fiber-forming substance is any long chain synthetic polymer composed of less than 85% but at least 35% by weight of acrylonitrile units (-CH<sub>2</sub>-CH-).

+ C N

(g) "Nylon": a manufactured fiber in which the fiber-forming substance is any long chain synthetic polyamide having recurring amide groups (-C-NH-) as any integral part of the polymer chain.



- (h) "Nitrile": a manufactured fiber containing at least 85% of a long chain polymer of vinylidene dinitrile (CH<sub>2</sub>- C(CN)<sub>2</sub>-) where the vinylidene dinitrile content is no less than every other unit in the polymer chain.
- (i) "Olefin": a manufactured fiber in which the fiber-forming substance in any long chain synthetic polymer composed of at least 85% by weight of ethylene, propylene or other olefin units.
- (j) "Polyester": a manufactured fiber in which the fiber-forming substance is any long chain synthetic polymer composed of at least 85% by weight of any ester of a dihydric alcohol and terephathalic acid (p-HOOC-C<sub>6</sub> H<sub>4</sub>-COOH-).
- (k) "Rayon": a manufactured fiber composed of regenerated cellulose, as well as manufactured fibers composed of regenerated cellulose in which substituents have replaced not more than 15% of the hydrogen of the hydroxyl groups.
- (I) "Saran": a manufactured fiber in which the fiber-forming substance is any long chain synthetic polymer comprised of at least 80% by weight of vinylidene chloride units (-CH<sub>2</sub>CCL<sub>2</sub>-).
- (m) "Spandex": a manufactured fiber in which the fiber-forming substance is a long chain synthetic polymer composed of at least 85% of segmented polyurethane.
- (n) "Vinyl": a manufactured finer in which the fiber-forming substance is any long chain synthetic polymer-composed of at least 50% by weight of vinyl alcohol units (-CH<sub>2</sub>-CHOH-), and in which the total of the vinyl alcohol units and any one or more of the various acetal units is at least 85% by weight of the fiber.
- (o) "Vinyon": a manufactured fiber in which the fiber-forming substance is any long chain synthetic polymer composed of at least 85% by weight of vinyl chloride units (-CH<sub>2</sub>-CHCL-).
- (p) "Rubber": a manufactured fiber in which the fiber-forming substance is comprised of natural or synthetic rubber, including the following categories:
  - (1) A manufactured fiber in which the fiber-forming substance is a hydrocarbon such as natural rubber, polyisoprene, polybutadiene, copolymers of dienes and hydrocarbons, or amorphous (non-crystalline) polyolefins.
  - (2) A manufactured fiber in which the fiber-forming substance is a copolymer of acrylonitrile and diene (such as butadiene) composed of not more than 50% but

at least 10% by weight of acrylonitrile units (-CH<sub>2</sub>-CH-). + CN

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

(3) A manufactured fiber in which the fiber-forming substance is a polychloroprene or a copolymer of chloroprene in which at least 35% by weight of the fiber-forming substance in composed of chloroprene units (-CH<sub>2</sub>-C-CH-CH<sub>2</sub>-)

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

# 8. Repeal Article 8 of Division 3 of Title 4 of the California Code of Regulations:

# Article 8 Miscellaneous Vegetable Fiber Regulations

### 1247. Terms and Definitions.

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

- (a) "Buckwheat hulls" shall mean the outer shell covering of the buckwheat seed (fagopyrum).
- (b) "Cellulose Fiber" shall mean wood or other vegetable growth reduced to a fibrous state.
- (c) "Coco Fiber or Coir Fiber" shall mean the stiff elastic fiber obtained from the outer husk of the coconut.
- (d) "Corrugated Fiber Board" shall mean the thick coarse paper, corrugated to give it elasticity.
- (e) "Excelsior" shall mean shredded threadlike wood fibers, but shall not include waste products such as shavings, sawdust, or similar waste.
- (f) "Flax Fiber" shall mean the fiber derived from the plant of the genus Lignum Usitatissimum raised primarily for fiber.
- (g) "Jute Fiber" shall mean the fiber derived from several species of the Corchorus plant.
- (h) "Kapok" shall mean the mass of fibers investing the seed of the kapok tree (Ceiba Pentandra).
- (i) "Milkweed Fiber" shall mean the surface fiber from the inside of the seed pods of milkweed plants (Asclepias).
- (j) "Moss" shall mean the processed fibers of epephytic plants forming pendant tufts from trees.
- (k) "Palm Fiber" shall mean the fibrous material obtained from the leaf of a palm,

- palmetto, or palmyra tree.
- (I) "Sisal Fiber" shall mean the leaf fiber derived from the Agave Sisalana and similar species of Agaves.
- (m) "Tula Fiber" shall mean the fiber derived from the Tula Istle and similar species of Agaves.

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

# 9. Amend Section 1256 of Article 9 of Division 3 of Title 4 of the California Code of Regulations as follows:

## 1256. Official Sanitization Label Requirements.

- (a) All articles of bedding or bulk filling materials which have undergone an approved method of sanitization shall have a sanitization label firmly attached to the item in such an area so as to be easily and readily discernable. Sanitization labels shall be affixed to the item sanitized with silicate of soda or any type of adhesive approved by the Bureau.
- (b) Sanitization labels shall be constructed of erasure-proof paper and shall be of a grade that will not change color on application of adhesive.
- (c) Color of label shall be yellow and the printing shall be in black ink.
- (d) Statements and headings on a sanitization label shall be as follows:
  - (1) "Under penalty of law this tag shall not be removed except by the consumer."
  - (2) "Certification is made that this secondhand article has been sanitized by a process approved pursuant to Division 8, Chapter 3, Article 6, of the Business and Professions Code" (The Home Furnishings and Thermal Insulation Act).
  - (3) Lot number in which the article was sanitized.
  - (4) Sanitization label number. (Every label shall be numbered, the numbers shall run consecutively, and no duplicate numbers shall be used).
  - (5) Name of the article or filling material sanitized.
  - (6) Method must be printed or stamped: dry heat or chemical disinfectant.
  - (7) Date sanitized.
  - (8) Name and address of sanitizing plant.
  - (9) Registry number assigned to the sanitizing plant by the Bureau.
- (e) Size of sanitization label and type of printing.
  - (1) The minimum size of labels shall be 3 x 3 inches. 1256.
  - (2) The words "Secondhand Article" and "Sanitized" shall be a minimum of 3/8" in height in capital letters.
  - (3) All printing shall be in English.
- (f) Form of Label.

### UNDER PENALTY OF LAW THIS TAG NOT TO BE REMOVED EXCEPT BY THE CONSUMER

#### Certification is made that this SECONDHAND (USED) ARTICLE HAS BEEN SANITIZED

By a process approved pursuant to Division 8, Chapter3, Article 6 of the Business and Professions Code, (The Home Furnishings and Thermal Insulation Act)

Lot No Label No
Article:
Method:
Date:
Registry No
Sanitizing Plant:

## (Yellow Label)

The words
"SECONDHAND (USED)
ARTICLE" and
"SANITIZED" shall be a
minimum of 3/8" in height
in capital letters

Sanitization labels shall be affixed to the article sanitized with silicate of soda or any type of approved adhesives.

# 1256. Official Sanitization Label Requirements.

- (a) A "Sanitization Label" shall be attached to bedding, articles of bedding, loose filling material, and filling material in batting, pads, or any other prefabricated form that have undergone an approved method of sanitization.
- (b) General Requirements. Each label shall comply with the requirements provided in Subdivisions (b), (c), and (e) of Section 1125 of Article 2 of these regulations.
- (c) <u>Size of Law Label and Type of Printing.</u> The label shall be at least 3 x 3 inches and may be larger when the type size and the information required on the label make it necessary. The type size for all information required on the label shall be of equal size and at least 1/8<sup>th</sup> inch in height unless otherwise specified.
- (d) Color of Label. The label shall be yellow and printed in black ink.
- (e) <u>Sanitization Label Number. Each label shall be assigned and contain a sanitization label number. Sanitization label numbers shall run consecutively and shall not be duplicated.</u>
- (f) Required Information. Each label shall include the following information:
  - (1) <u>Heading. The statement, "Under penalty of law this tag shall not be removed except by the consumer," shall appear as a heading of at the top of each label.</u>
  - (2) Statements. Each label shall contain the statement, "Certification is made that this SECONDHAND OR USED ARTICLE HAS BEEN SANITIZED by a process approved pursuant to Division 8, Chapter 3, Article 6, of the Business and Professions Code (The Home Furnishings and Thermal Insulation Act)."

    The portion, "SECONDHAND OR USED ARTICLE HAS BEEN SANITIZED," shall be at least 3/8th inch in height and capitalized.
  - (3)Lot number in which the article was sanitized.
  - (4) The name of the article or filling material that was sanitized.
  - (5) The method used to sanitize the article or filling material.
  - (6) The date of sanitization.
  - (7) The Registry Number assigned by the Bureau to the sanitization plant.
  - (8) The name and address of the sanitization plant.
- (g) Form of Label. The label shall conform to the template Sanitization Label provided in Appendix B of these regulations.

Note: Authority cited: Sections 19034 and 19127, Business and Professions Code. Reference: Sections 19124.5 and 19127, Business and Professions Code.

# 10. Amend Article 10 of Division 3 of Title 4 of the California Code of Regulations to read as follows:

# Article 10 False or Misleading Advertising

# 1300. Application of Article.

For the purposes of Sections 19150 and 19210 of the <u>Actact</u>, false or misleading advertising includes but is not limited to advertising, within the meaning of Section

17500 et seq. of the Business and Professions Code, which violates any provision of this <u>Article article</u>. <u>This Article shall apply to any merchandise, article, material, or product coming under the provisions of the Act.</u>

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

### 1300.1. Misleading, Defined.

In determining whether advertising is false or misleading it shall be considered in its entirety and as it would be read by the persons to whom it is designed to appeal. It shall be considered to be misleading if it tends to deceive the public or impose upon credulous or ignorant persons.

Note: Authority cited: Section 19034, Business and Professions Code. Reference: Sections 19150 and 19210, Business and Professions Code.

### 1301. Former Price, Defined.

The term "former price" as used in Section 17501 of the Business and Professions Code and in this article includes but is not limited to the following words and phrases when used in connection with advertised prices; "formerly-," "regularly-," "usually-," "originally-," "reduced from\_\_\_\_\_," "was\_\_\_\_\_now\_\_," "\_\_\_% off."

Note: Authority cited: Sections 19034 and 19088, Business and Professions Code. Reference: Sections 17500, 17501, 19150 and 19210, Business and Professions Code.

### 1302. Former Price of Same Article.

- (a) No price, whether expressed in words, phrases, price figures, symbols, fractions, percentages, or otherwise, shall be advertised as the former price of an article unless such advertised former price applies to the article advertised.
- (b) Except as provided in subdivision (c) of this section, the advertised former price must be the prevailing market price of the article in the locality wherein the advertisement is published, within three months immediately preceding the publication of the advertisement.
- (c) If the advertised former price exceeds the three months' period as set forth in subdivision (b) above, the date when such former price did prevail must be clearly, exactly and conspicuously stated in the advertisement.

Note: Authority cited: Sections 19034 and 19088, Business and Professions Code. Reference: Sections 17500, 17501, 19150 and 19210, Business and Professions Code.

### 1304.1. Bait and Switch Advertising.

The term "Bait and Switch Advertising" means an alluring but insincere offer to sell a product or service which the advertiser in truth does not intend or want to sell. The purpose thereof is to switch consumers from buying the advertised merchandise, in order to sell something else, usually at a higher price or on a basis more advantageous to the advertiser. Bait and switch advertising of any article subject to the provisions of

the Home Furnishings Act shall be deemed to be false and misleading. Practices which shall be considered as evidence of unlawful bait and switch advertising include but are not limited to the following:

- (a) Refusal to show the product advertised;
- (b) Disparagement in any respect of the advertised product or the terms of sale;
- (c) Failure to have available at all outlets listed in the advertisement sufficient quantities of the product to meet reasonable anticipated demands;
- (d) Refusal to take orders for the advertised merchandise for delivery within a reasonable period;
- (e) Showing or demonstrating a defective product unusable or impractical for the purposes implied in the advertisement;
- (f) Accepting a deposit for the product and then switching the purchaser to a higher priced item;
- (g) Failure to make deliveries within a reasonable time or to make a refund.

Note: Authority cited: Section 19034, Business and Professions Code. Reference: Sections 17500, 19088, 19150 and 19210, Business and Professions Code.

### 1305. Special Sale.

No advertisement shall represent that because of an unusual business event in the course of business or unusual manner of doing business or for any other reason an article is offered for sale at a savings in price unless such advertisement is in all respects true and not misleading. If an advertisement represents that the sale is being held for reasons relating to transactions which have already occurred or orders which have already been placed, the articles offered at sale prices are restricted to those articles on the premises, in the warehouse or in process from previous orders the date the sale is announced. Sales of this type include, but are not limited to, liquidation sales, inventory sales and overstock sales.

Note: Authority cited: Section 19034, Business and Professions Code. Reference: Sections 17500, 17501, 19088, 19150 and 19210, Business and Professions Code.

#### 1306. Purchase of Additional Merchandise.

No advertisement shall represent that an article is offered for sale at a saving when the offer is conditioned upon the purchase of additional merchandise unless: (1) the terms and conditions imposed are clearly and correctly disclosed in immediate conjunction with the offer, and (2) the price charged for the additional merchandise required to be purchased is not more than the prevailing market price for the merchandise.

Note: Authority cited: Section 19034, Business and Professions Code. Reference: Sections 17500, 17501, 19088, 19150 and 19210, Business and Professions Code.

### 1307. Pre-Ticketing.

No article shall be advertised by means of a "pre-ticketed" price, whether such price is used alone or in conjunction with descriptive terminology and whether such price appears on tags or labels affixed to the article, or in material such as display cards

which are used with the article at the point of sale, or otherwise. A "pre-ticketed price," as used in this section, is a price which is in excess of the prevailing market price of the article to which it refers.

Note: Authority cited: Section 19034, Business and Professions Code. Reference: Sections 17500, 17501, 19088, 19150 and 19210, Business and Professions Code.

## 1308. Imperfects, Irregulars, Seconds or Damaged.

No article which is imperfect, irregular, a second or damaged shall be advertised in any manner which represents, or implies that the article is free from defects or is of the same grade or quality of the article as usually and customarily offered for sale in the regular course of business.

Note: Authority cited: Sections 19034 and 19088, Business and Professions Code. Reference: Sections 17500, 17531, 19150 and 19210, Business and Professions Code.

### 1309. Factory Outlet.

"Factory Outlet," "Factory Store," "Factory Showroom," or terms of similar import mean an establishment other than the factory where articles manufactured by the factory are sold; such terms shall not be used in any advertisement, sign, or by any other device or printed material unless the establishment is owned in its entirety by the factory and the factory is responsible for its operation, function, and pay of the employees and unless a minimum of 51 percent in dollar volume of the articles of furniture and bedding sold or offered for sale are manufactured by the factory.

Note: Authority cited: Section 19034, Business and Professions Code. Reference: Sections 17500, 17501, 17505, 19088, 19150 and 19210, Business and Professions Code.

### 1309.1. Factory Sales.

The term "Factory Sale" or terms of similar import shall not be used in any advertisement unless such advertisement is in connection with a sale of articles held in an establishment appropriated to the manufacture of those articles, or in connection with a sale conducted by an establishment as defined in Section 1309 of these regulations.

Note: Authority cited: Sections 19034 and 19088, Business and Professions Code. Reference: Sections 17500, 17501, 17505, 19150 and 19210, Business and Professions Code.

### 1309.2. Factory Direct.

"Factory Direct," "Factory to You," "Manufacturer to You," "Direct to You" and terms of similar import mean the sale of articles direct from the factory to the consumer; such terms shall not be used in any advertisement unless the transaction is between the two parties, billing of the articles is made by the factory direct to the consumer, and payment is made by the consumer direct to the factory.

Note: Authority cited: Sections 19034 and 19088, Business and Professions Code. Reference: Sections 17500, 17505, 19150 and 19210, Business and Professions Code.

### 1310. Custom Made.

No article shall be advertised by means of the terms "custom made," "custom-built," "custom-grade," "made-to-order," or any term of similar import, unless the article has been or will be made to the order and specifications of a particular ultimate user. An article does not meet the requirements of this section merely because the customer has a choice of coverings.

Note: Authority cited: Sections 19034 and 19088, Business and Professions Code. Reference: Sections 17500, 19010.1, 19150 and 19210, Business and Professions Code.

### 1311. Labor Free.

No advertisement shall represent or imply by means of the term "Labor Free" or any term of similar import that services with respect to an article will be performed without charge when a charge is made for such services in any manner whatever, including but not limited to an increase in the usual charge for the article or any of the material used.

Note: Authority cited: Sections 19034 and 19088, Business and Professions Code. Reference: Sections 17500, 19150 and 19210, Business and Professions Code.

### 1312. Liquidation.

No advertisement shall represent or imply, by means of the term "Going Out of Business," "Selling Out," "Closing Out," "Liquidating," or any term of similar import, that the advertiser is going out of business, or is disposing of all or a portion of a stock of merchandise, unless such representation is true and is not in any respect misleading as to the advertiser's discontinuing business or as to the types and quantity of merchandise intended to be included, and unless the articles offered for sale, and to be sold, during the sale are restricted to those articles on the premises or in transit from previous orders the date the sale is announced. A mere change of business location, business name or type of business entity does not constitute going out of business within the meaning of this section.

Note: Authority cited: Sections 19034 and 19088, Business and Professions Code. Reference: Sections 17500, 19150 and 19210, Business and Professions Code.

### 1313. Guarantees and Warranties.

For the purposes of the Home Furnishings Act and of these regulations, the terms "guarantee" and "warranty" have like meanings. No advertisement shall contain any false or misleading representation concerning the nature, extent, duration, terms or cost of a guarantee of an article subject to the provisions of the Home Furnishings Act.

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

Sections 17500, 19088, 19150, 19152 and 19210, Business and Professions Code.

### 1314. Disclosure of Guarantee.

All guarantees shall be in writing and shall be displayed or a copy thereof delivered to the customer prior to the sale of any article of furniture or bedding represented to be covered by a guarantee. A guarantee shall be deemed false and misleading unless it conspicuously and clearly discloses in writing the following:

- (a) The nature and extent of the guarantee including a description of all parts, characteristics or properties covered by or excluded from the guarantee, the duration of the guarantee, and what must be done by a claimant before the guarantor will fulfill his obligation (such as returning the product and paying service or labor charges).
- (b) The manner in which the guarantor will perform. The guarantee shall state all conditions and limitations, and exactly what the guarantor will do under the guarantee, such as repair, replacement or refund. If the guarantor or recipient of the guarantee has an option as to what may satisfy the guarantee, this must be clearly stated.
- (c) The guarantor's identity and address shall be clearly revealed in any documents evidencing the guarantee.

Note: Authority cited: Section 19034, Business and Professions Code. Reference: Sections 17500, 19150, 19152 and 19210, Business and Professions Code.

### 1315. Pro-Rata Guarantee.

Any guarantee or any advertisement of a guarantee which provides for adjustment on a pro-rata basis shall be deemed false and misleading unless the guarantee and/or the advertisement conspicuously and clearly discloses this fact and the basis on which the guarantee will be prorated, e.g., the time the product has been used and in what manner the guarantor will perform. If adjustments are based on a price other than that paid by the purchaser, clear disclosure must be made of the amount.

Note: Authority cited: Section 19034, Business and Professions Code. Reference: Sections 17500, 19150, 19152 and 19210, Business and Professions Code.

#### 1316. Secondhand Merchandise.

No article which is secondhand, as defined in the act, shall be advertised in any manner which represents or implies that the article is new.

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

# 1317. Use of the term "All" or "100%".

No advertisement or label shall contain the terms "All" or "100%" unless the article is comprised wholly of one filling material. No deviation, variation, or tolerance is permitted when using these terms.

### 1317. Additional Prohibited Terms.

No advertisement or label shall contain any of the following terms unless the term conforms to the following:

- (a) Water Repellant, Water Resistant. Articles labeled as "water repellent," "water resistant," and words of similar import shall conform to a minimum rating of 90 when tested in accordance with the American Association of Textile Chemists and Colorists' Designation 22-1980 "Water Repellence: Spray Test.
- (b) Mildew Proof, Mildew Resistant. Articles labeled as "mildew proof," "mildew resistant," and words of similar import shall show no visual growth when examined by the unaided eye when tested by the American Association of Textile Chemists and Colorists' Designation 30-1979, Section 9, Aspergillus Niger-glucose Mineral Salts Agar Test.
- (c) Moth Proof, Moth Resistant. Articles labeled as "moth proof," "moth resistant," and words of similar import shall show no damage when tested in accordance with the American Association of Textile Chemists and Colorists' Designation 24-1980 "Resistance of Textiles to Insects," using the fabric weight loss method.
- (d) <u>Bacteria Resistant</u>, <u>Odor Resistant</u>. <u>Articles labeled as "bacteria resistant</u>," "odor resistant," or words of similar import shall demonstrate clear areas of no growth adjacent to the fabric when tested in accordance with the American Association of Textile Chemists and Colorists' <u>Designation 147-1977</u> "<u>Detection of Antibacterial Activity of Fabrics</u>: <u>Parallel Streak Method</u>.
- (e) Stain Resistant, Stain Repellent. Articles labeled as "stain resistant," "stain repellent," and words of similar import shall not allow an oil or water based staining material to penetrate or wick into the textile product when tested in accordance with Bureau of Home Furnishings Technical Bulletin No. 107 dated July, 1973.
- (f) Soil Resistant, Soil Repellent. Articles labeled as "soil resistant," "soil repellent," and words of similar import shall permit the textile product to release household type dirt or dry soil when tested in accordance with Bureau of Home Furnishings Technical Bulletin No. 108 dated July, 1973.

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

# 11. Repeal Article 11 of Division 3 of Title 4 of the California Code of Regulations:

# Article 11 Latex Foam Rubber and Filling Regulations

#### 1329. Definitions and Grades of Latex Foam.

(a) Latex foam is used as a filling material in various bedding products including mattresses, futons, and bed pillows. The term "Latex Foam" or "Latex Foam Rubber" may be used interchangeably and shall mean filling material made from synthetic latex foam (polychloroprene), natural latex foam, reclaimed rubber or

- rubber-like materials or a mixture of the above. The cured foam shall consist of a network of open or inter-connecting cells uniform in size and character. Latex foam may be used as a molded fill containing an outer skin or as slab stock fill (sheets, strips or other specific shapes) cut to specific sizes and containing no skin. Latex foam rubbers may be either cored or solid.
- (b) The term "first quality" may be used in conjunction with the terms latex foam or latex foam rubber provided the foam does not exceed a minor level of physical defects such as a surface or internal voids of up to one inch,loose skin up to 16 square inches, foreign materials up to 1/8 inch in diameter, shrinkage marks up to 1/8 inch in depth, pock marks or pour patterns up to 1/8 inch in depth.
- (c) Irregular Latex Foam or Irregular Latex Foam Rubber shall mean any foam which has a moderate level of physical defects, such as surface or internal voids 1 to 3 inches deep, 16 to 32 square inches of loose skin, foreign materials 1/8 to 1/4 inch in diameter, shrinkage marks between 1/8 and 1/4 inch in depth, pock marks or pour patterns 1/8 to 1/4 inch in depth.

Labeling example: Irregular Latex Foam Rubber

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

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

#### 1329. Definitions and Grades of Latex Foam.

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

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

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

# 12. Amend Section 1374.3 of Article 13 of Division 3 of Title 4 of the California Code of Regulations to read as follows:

## 1374.3. Labeling.

(a) Upholstered furniture <u>and articles of upholstered furniture</u> conforming to the requirements of Section 1374(a) and 1374(b) of these regulations shall have a label permanently attached to the article, in plain view, stating the following:

#### NOTICE

THIS ARTICLE MEETS ALL FLAMMABILITY REQUIREMENTS OF CALIFORNIA BUREAU OF HOUSEHOLD GOODS AND SERVICES TECHNICAL BULLETINS 116 AND 117-2013. CARE SHOULD BE EXERCISED NEAR OPEN FLAME OR WITH BURNING CIGARETTES.

(b) Upholstered <u>furniture</u> <u>articles</u> <u>and articles of upholstered furniture</u> conforming to Section 1374(a) but which may not conform to Section 1374(b) shall have a label permanently attached to the article, in plain view, stating the following:

#### NOTICE

THIS ARTICLE MEETS THE FLAMMABILITY REQUIREMENTS OF CALIFORNIA BUREAU OF HOUSEHOLD GOODS AND SERVICES TECHNICAL BULLETIN 117-2013. CARE SHOULD BEEXERCISED NEAR OPEN FLAME OR WITH BURNING CIGARETTES.

- (c) General Requirements. Each label shall comply with the requirements provided in Subdivisions (b), (c), (d) and (e) of Section 1125 of Article 2 of these regulations. Minimum size of the label for subsections (a) and (b) shall be 2 x 3 inches and the minimum size of the type shall be one-eighth inch in height. All type shall be in capital letters.
- (d) Form of Label. The label shall conform to the applicable template Flammability Label provided in Appendix C of these regulations. All flammability labels described in section 1374.3 shall also comply with the labeling requirements of sections 1126(a) and (b).
  - (1) Rule 1374.3(a) Flammability Label. In accordance with Subdivision (a), this label shall be used for upholstered furniture and articles of upholstered furniture conforming to the requirements of Section 1374(a) and 1374(b) of this Article.
  - (2) Rule 1374.3(b) Flammability. In accordance with Subdivision (b), this label shall be used for upholstered furniture and articles of upholstered furniture conforming to Section 1374(a) but which may not conform to Section 1374(b) of this Article.

Note: Authority cited: Sections 19034 and 19161, Business and Professions Code. Reference: Sections 19030, 19080, 19081 and 19161, Business and Professions Code.

### **APPENDIX A**

### **General Instructions:**

- 1) All information shown on the template label, including headings and statements, shall not be altered or reworded.
- 2) Information must be formatted (e.g., capitalized, bolded, italicized) as shown on the template label.
- 3) Information shall be organized and sequenced as shown on the template label.
- 4) The template label is not shown to scale. When used, the actual, physical label must follow the sizing requirement and all other requirements provided in these regulations.



**Type No. 1 "All New Material" Law Label** for bedding furniture, upholstered furniture which is made or sold without loose cushions or pillows, and articles of upholstered furniture which are sold or offered for sale separately, including chair cushions, decorator pillows, hassocks, and similar items.

UNDER PENALTY OF LAW THIS TAG NOT TO BE REMOVED EXCEPT BY THE CONSUMER

ALL NEW MATERIAL CONSISTING OF

Registry No.

Certification is made by the manufacturer that the materials in this article are described in accordance with law.

[Other information section]

**Type No. 2 "All New Material" Law Label** for upholstered furniture which is made or sold with loose cushions or pillows.

UNDER PENALTY OF LAW THIS TAG NOT TO BE REMOVED EXCEPT BY THE CONSUMER

# ALL NEW MATERIAL CONSISTING OF

Body (X):

Back Cushions (X):

Seat Cushions (X):

Bolsters (X):

# Registry No.

Certification is made by the manufacturer that the materials in this article are described in accordance with law.

[Other information section]

**Type No. 3 "All New Material" Law Label** for bedding pillows, comforters, mattress pads, and other similar articles of bedding.

UNDER PENALTY OF LAW THIS TAG NOT TO BE REMOVED EXCEPT BY THE CONSUMER

ALL NEW MATERIAL CONSISTING OF

#### Registry No.

Certification is made by the manufacturer that the materials in this article are described in accordance with law.

[Other information section]

Finished Size: \_\_ in x \_\_ in

**Type No. 4 "All New Material" Law Label** for bedding foundation, box springs, mattresses, sleeping bags, waterbeds, and other similar articles of bedding.

UNDER PENALTY OF LAW THIS
TAG NOT TO BE REMOVED
EXCEPT BY THE CONSUMER
ALL NEW MATERIAL
CONSISTING OF
Registry No.
Registry No.  Certification is made by the
Certification is made by the
Certification is made by the manufacturer that the materials in
Certification is made by the manufacturer that the materials in this article are described in
Certification is made by the manufacturer that the materials in this article are described in accordance with law.  [Other information section]
Certification is made by the manufacturer that the materials in this article are described in accordance with law.

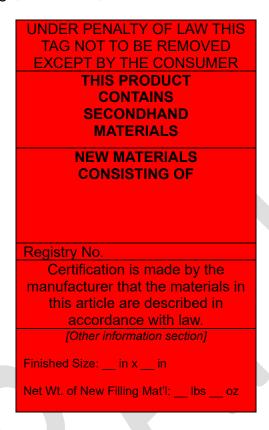
**Type No. 5 "All New Material" Law Label** for filling material in batting, pad, or any other prefabricated form and for loose filling material packaged for ready use by a consumer. In accordance with subdivision (b) of Section 1125 of these regulations, this label may be securely attached, stamped or printed on the packaging, or tied as a hangtag in an area that allows the label to be easily viewed.

UNDER PENALTY OF LAW THIS TAG NOT TO BE REMOVED EXCEPT BY THE CONSUMER
ALL NEW MATERIAL
CONSISTING OF
Registry No
Registry No.  Certification is made by the
Certification is made by the
Certification is made by the manufacturer that the materials in
Certification is made by the manufacturer that the materials in this article are described in
Certification is made by the manufacturer that the materials in this article are described in accordance with law.
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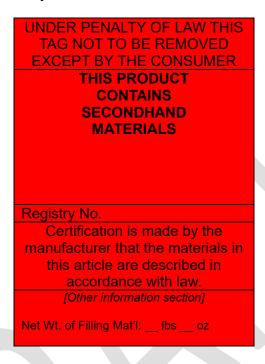
**Type No. 6 "Secondhand" Law Label** for bedding furniture, upholstered furniture, and articles of upholstered furniture, including chair cushions, decorator pillows, hassocks, and similar items. In accordance with Section 19092 of the Act, this label shall also be attached by a repairer or renovator to any secondhand upholstered furniture or bedding furniture which is subsequently sold.



**Type No. 7 "Secondhand" Law Label** for all articles of bedding, including bedding foundation, bedding pillows, box springs, comforters, mattresses, mattress pads, quilted bedspreads, sleeping bags, waterbeds, and similar items.



**Type No. 8 "Secondhand" Law Label** for filling material in batting, pad, or any other prefabricated form and loose filling material packaged for ready use by a consumer. In accordance with subdivision (b) of Section 1125 of these regulations, this label may be securely attached, stamped or printed on the packaging, or tied as a hangtag in an area that allows the label to be easily viewed.



**Type No. 9 "Owner's Material" Law Label** for each upholstered furniture, article of upholstered furniture, bedding, or article of bedding that is sent by the owner to any manufacturer to be repaired or renovated, or to be used in repairing or renovating.

UNDER PENALTY OF LAW THIS TAG NOT TO BE REMOVED EXCEPT BY
THE CONSUMER
This Article Not for Sale
OWNER'S MATERIAL
Certification is made that this article
contains the same material it did
when received from the owner and
that added materials are described
in accordance with law.
ADDED
FILLING MATERIALS
CONSISTING OF
New:
Secondhand:
Registry No.
[Other information section]
Net Wt. of Added Filling Mat'l: lbs oz

#### **APPENDIX B**

#### **General Instructions:**

- 1) All information shown on the template label, including headings and statements, shall not be altered or reworded.
- 2) Information must be formatted (e.g., capitalized, bolded, italicized) as shown on the template label.
- 3) Information shall be organized and sequenced as shown on the template label.
- 4) The template label is not shown to scale. When used, the actual, physical label must follow the sizing requirement and all other requirements provided in these regulations.



**Sanitization Label** for bedding, articles of bedding, loose filling material, and filling material in batting, pads, or any other prefabricated form that have undergone an approved method of sanitization.

UNDER PENALTY OF LAW THIS TAG NOT TO BE REMOVED EXCEPT BY THE CONSUMER	
Certification is made that this SECONDHAND OR USED ARTICLE HAS BEEN SANITIZED	
By a process approved pursuant to Division 8 Chapter 3, Article 6, of the Business and Professions Code (The Home Furnishings and Thermal Insulation Act).	
Lot No Label No	
Article:	
Method:	
Date:	
Registry No.:	
Sanitizing Plant:	

#### **APPENDIX C**

#### **General Instructions:**

- 1) All information shown on the template label, including headings and statements, shall not be altered or reworded.
- 2) Information must be formatted (e.g., capitalized, bolded, italicized) as shown on the template label.
- 3) Information shall be organized and sequenced as shown on the template label.
- 4) The template label is not shown to scale. When used, the actual, physical label must follow the sizing requirement and all other requirements provided in these regulations.



**Rule 1374.3(a) Flammability Label No. 1** for upholstered furniture and articles of upholstered furniture conforming to the requirements of Section 1374(a) and 1374(b) of this Article. Use one of the following:

#### NOTICE

THIS ARTICLE MEETS ALL FLAMMABILITY
REQUIREMENTS OF CALIFORNIA BUREAU OF
HOUSEHOLD GOODS AND SERVICES
TECHNICAL BULLETINS 116 AND 117-2013.
CARE SHOULD BE EXERCISED NEAR OPEN
FLAME OR WITH BURNING CIGARETTES

CARE SHOULD BE EXERCISED NEAR OPEN FLAME OR WITH BURNING CIGARETTES.

The upholstery materials in this product:

\_\_\_\_\_ contain added flame retardant chemicals

\_\_\_\_ contain NO added flame retardant chemicals

The State of California has updated the flammability standard and determined that the fire safety requirements for this product can be met without adding flame retardant chemicals. The state has identified many flame retardant chemicals as being known to, or strongly suspected of, adversely impacting human health or development.

#### OR

#### NOTICE

THIS ARTICLE MEETS ALL FLAMMABILITY REQUIREMENTS OF CALIFORNIA BUREAU OF HOUSEHOLD GOODS AND SERVICES TECHNICAL BULLETINS 116 AND 117-2013. CARE SHOULD BE EXERCISED NEAR OPEN FLAME OR WITH BURNING CIGARETTES.

The upholstery materials in this product:

contain added flame retardant chemicals

contain NO added flame retardant chemicals

The State of California has updated the flammability standard and determined that the fire safety requirements for this product can be met without adding flame retardant chemicals. The state has identified many flame retardant chemicals as being known to, or strongly suspected of, adversely impacting human health or development.

**Rule 1374.3(b) Flammability Label No. 2** for upholstered furniture and articles of upholstered furniture conforming to Section 1374(a) but which may not conform to Section 1374(b) of this Article. Use one of the following:

# NOTICE THIS ARTICLE MEETS THE FLAMMABILITY REQUIREMENTS OF CALIFORNIA BUREAU OF HOUSEHOLD GOODS AND SERVICES TECHNICAL BULLETIN 117-2013. CARE SHOULD BEEXERCISED NEAR OPEN FLAME OR WITH BURNING CIGARETTES. The upholstery materials in this product:

\_\_\_\_ contain added flame retardant chemicals

\_\_\_\_ contain NO added flame retardant chemicals

The State of California has updated the flammability standard and determined that the fire safety requirements for this product can be met without adding flame retardant chemicals. The state has identified many flame retardant chemicals as being known to, or strongly suspected of, adversely impacting human health or development.

#### OR

#### NOTICE

THIS ARTICLE MEETS THE FLAMMABILITY REQUIREMENTS OF CALIFORNIA BUREAU OF HOUSEHOLD GOODS AND SERVICES TECHNICAL BULLETIN 117-2013. CARE SHOULD BE EXERCISED NEAR OPEN FLAME OR WITH BURNING CIGARETTES.

The upholstery materials in this product:

contain added flame retardant chemicals

contain NO added flame retardant chemicals

The State of California has updated the flammability standard and determined that the fire safety requirements for this product can be met without adding flame retardant chemicals. The state has identified many flame retardant chemicals as being known to, or strongly suspected of, adversely impacting human health or development.

#### **Glossary of Filling Materials**

The Bureau of Household Goods and Services (Bureau) has prepared this glossary to be used in accordance with Title 4, Division 3, Article 2 of the California Code of Regulations, Section 1125(f)(2). When providing the Description of Filling Materials on a Law Label, the term(s) used in that description shall have the meaning(s) provided in this glossary.

If a term is not included in this glossary, that term must first be reviewed and approved by the Bureau before it can be used on a Law Label. Contact the Bureau at [XXX] to request approval for a term.



## General Terms (for use with terms provided in the following pages when applicable)

**Bleached:** Any product whose intrinsic color had been removed and whiteness improved by treating with a chemical compound.

**Colored or Dyed:** Any filling material which has been treated and impregnated with coloring material.

**Damaged:** Filling material which in whole or in part has deteriorated through excessive exposure to the elements, faulty storage, fire, water or otherwise, or which has a disagreeable odor or has begun to disintegrate.

**Resilient:** The ability to bounce or spring back into shape or position after being stretched, bent or compressed.

**Resinated or Resin Treated:** Any filling material treated with a combination of synthetic resin or a combination of synthetic resin and latex.

Rubberized: Any filling material which had been treated with a latex compound.

**Shredded:** Any filling material which has been cut, shaved, ground, or torn into pieces.

**Viscoelastic:** The property of the material that exhibits both viscous and elastic characteristics.

#### Cotton

**Blended Cotton:** Filling material consisting of greater than 95% by weight cotton fibers and less than 7% cotton waste.

**Comber:** The cotton waste resulting from running card sliver through a combing machine.

**Cotton:** A vegetable seed fiber consisting of unicellular hairs attached to the seed of several species of the genus Gossypium of the family Malvaceae.

**Cotton Waste:** Any cotton material containing more than 7% of trash, hull, leaf, stem, pulp, including cotton motes and cotton byproducts. Cotton byproducts include fly, gin flues, picker, and strips.

Fly: The cotton waste resulting when cotton is introduced to the carding machine.

**Gin Flues:** The cotton waste resulting from staple cotton in the ginning mill.

**Linters:** The fibrous growth resulting from the first cut of the cottonseed (subsequent to the usual first process of ginning) in the cotton oil mill.

**Picker:** The cotton waste remaining after cotton has been run through the picker in the cotton mill.

**Second Cut Linters:** The fibrous growth resulting from the second cut of cottonseed in the cotton oil mill.

**Staple:** The staple fibrous growth as removed from cottonseed in the usual process of ginning (first cut from seed).

**Strips:** The cotton waste produced by or removed from the carding cloth following the carding process.

#### Foam

**Foam:** Any polymer material of filling which is produced from raw chemicals using blowing agents to impart a cellular foam (open or closed-cell) structure.

**Molded Foam:** A cellular foam product having the shape of the mold cavity in which it was produced.

**Polyurethane Foam or Urethane Foam:** A foam made from polymerized reaction product whose basic ingredient is a diisocyanate, and whose molecular structure contains, as a predominating structural unit, the urethane linkage. It shall include both polyether and polyester type foams.

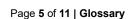
**Rebonded Polyurethane Foam:** A foam formed by gluing irregularly sized scraps of shredded foam into solid mass, drying and cutting to specific sizes.

#### Hair

**Hair:** The coarse filamentous epidermal outgrowth of such mammals as horses, cattle, hogs and goats.

Hair Classifications: Hair shall be classified and labeled as follows:

- "Cattle Hide Hair"
- "Cattle Tail Hair"
- "Goat Hair"
- "Hog Hair"
- "Horse Mane Hair"
- "Horse Tail Hair"



#### **Latex Foam Rubber**

Latex Foam or Latex Foam Rubber: Filling material made from synthetic latex foam (polychloroprene), natural latex foam, reclaimed rubber or rubber-like materials or a mixture of the above. The cured foam shall consist of a network of open or interconnecting cells uniform in size and character. Latex foam may be used as a molded fill containing an outer skin or as slab stock fill (sheets, strips or other specific shapes) cut to specific sizes and containing no skin. Latex foam rubbers may be either cored or solid.

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

Latex Foam or Latex Foam Rubber – First Quality: The term "first quality" may be used in conjunction with the terms latex foam or latex foam rubber provided the foam does not exceed a minor level of physical defects such as a surface or internal voids of up to one inch, loose skin up to 16 square inches, foreign materials up to 1/8 inch in diameter, shrinkage marks up to 1/8 inch in depth, pock marks or pour patterns up to 1/8 inch in depth.

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

Labeling example: Irregular Latex Foam Rubber

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

Any latex foam or latex foam rubber which does not meet the Adhesive Bond or Construction requirements provided for "Latex Foam" or "Latex Foam Rubber" shall be designated on the law label as "Scarp Latex Foam" or "Scrap Latex Foam Rubber."

#### Man-Made Fiber

**Acetate:** A manufactured fiber in which the fiber-forming substance is cellulose acetate. Where not less than 92% of the hydroxyl groups are acetylated, the term triacetate may be used as a generic description of the fiber.

**Acrylic:** A manufactured fiber in which the fiber-forming substance is any long chain synthetic polymer composed of at least 85% by weight of acrylonitrile units (-CH2 -CH-).

**Azion:** A manufactured fiber in which the fiber-forming substance is composed of any regenerated naturally occurring proteins.

Glass: A manufactured fiber in which the fiber-forming substance is glass.

**Metallic:** A manufactured fiber composed of metal, plastic-coated metal, metal coated plastic or a core completely covered by metal.

**Modacrylic:** A manufactured fiber in which the fiber-forming substance is any long chain synthetic polymer composed of less than 85% but at least 35% by weight of acrylonitrile units (-CH2 -CH-).

CN

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

**Nylon:** A manufactured fiber in which the fiber-forming substance is any long chain synthetic polyamide having recurring amide groups (-C-NH-) as any integral part of the polymer chain.

**Olefin:** A manufactured fiber in which the fiber-forming substance in any long chain synthetic polymer composed of at least 85% by weight of ethylene, propylene or other olefin units.

**Polyester:** A manufactured fiber in which the fiber-forming substance is any long chain synthetic polymer composed of at least 85% by weight of any ester of a dihydric alcohol and terephathalic acid (pHOOC-C6 H4 -COOH-).

**Polystyrene:** A manufactured fiber formed from the polymerization product of styrene monomers.

**Rayon:** A manufactured fiber composed of regenerated cellulose, as well as manufactured fibers composed of regenerated cellulose in which substituents have replaced not more than 15% of the hydrogen of the hydroxyl groups.

**Rubber:** A manufactured fiber in which the fiber-forming substance is comprised of natural or synthetic rubber, including the following categories:

- (1) A manufactured fiber in which the fiber-forming substance is a hydrocarbon such as natural rubber, polyisoprene, polybutadiene, copolymers of dienes and hydrocarbons, or amorphous (noncrystalline) polyolefins.
- (2) A manufactured fiber in which the fiber-forming substance is a copolymer of acrylonitrile and diene (such as butadiene) composed of not more than 50% but at least 10% by weight of acrylonitrile units (-CH2 -CH-).

| CN

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

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

CI

**Saran:** A manufactured fiber in which the fiber-forming substance is any long chain synthetic polymer comprised of at least 80% by weight of vinylidene chloride units (-CH2CCL2 -)

**Spandex:** A manufactured fiber in which the fiber-forming substance is a long chain synthetic polymer composed of at least 85% of segmented polyurethane.

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

**Vinyon:** A manufactured fiber in which the fiber-forming substance is any long chain synthetic polymer composed of at least 85% by weight of vinyl chloride units (-CH2 - CHCL-).

#### **Miscellaneous Vegetable Fibers**

**Buckwheat Hulls:** The outer shell covering of the buckwheat seed (fagopyrum).

**Cellulose Fiber:** Wood or other vegetable growth reduced to a fibrous state.

**Coco Fiber or Coin Fiber:** The stiff elastic fiber obtained from the outer husk of the coconut.

Corrugated Fiber Board: The thick coarse paper, corrugated to give it elasticity.

**Excelsior:** Shredded threadlike wood fibers, but shall not include waste products such as shavings, sawdust, or similar waste.

**Flax Fiber:** The fiber derived from the plant of the genus Lignum Usitatissimum raised primarily for fiber.

**Jute Fiber:** The fiber derived from several species of the Corchorus plant.

**Kapok:** The mass of fibers investing the seed of the kapok tree (Ceiba Pentandra).

**Milkweed Fiber:** The surface fiber from the inside of the seed pods of milkweed plants (Asclepias).

**Moss:** The processed fibers of epephytic plants forming pendant tufts from trees.

**Palm Fiber:** The fibrous material obtained from the leaf of a palm, palmetto, or palmyra tree.

**Sisal Fiber:** The leaf fiber derived from the Agave Sisalana and similar species of Agaves.

Tula Fiber: The fiber derived from the Tula Istle and similar species of Agaves.

#### Wool

**Wool:** The fleece of sheep which has been scoured and carbonized. It shall be free of kemp and vegetable matter.



#### Other or Miscellaneous Terms

**Beads or Pellets:** Small, usually round material such as glass, polystyrene, wood, metal, or any other similar material.

**Cherry Pit:** A one seeded smooth stone of pulpy globular drupe or fleshy fruit.

**Gel:** Any filing material of a semi-solid form, typically encased in a leak proof fabric cover and consisting of a mixture of water or other liquid base, dissolved chemicals and/or a suspension of other chemicals, which provides special ergonomic and resiliency properties.

**Other Fiber:** Fiber consisting of less than 5 percent of the total filling material of the product. When more than one of such fibers are present in the product, they shall be designated as "other fibers." When used, the term "other fiber" or "other fibers" shall comply with Section 303.3 of Title 16, Chapter 1, Subchapter C of the Code of Federal Regulations.

## **AGENDA ITEM 12d**

AB 1985 (Patterson, 2024) - Home Solicitation Contracts



#### **Introduced by Assembly Member Joe Patterson**

January 30, 2024

An act to amend Section 1689.5 of the Civil Code, relating to contracts.

#### LEGISLATIVE COUNSEL'S DIGEST

AB 1985, as introduced, Joe Patterson. Home solicitation contracts. Existing law provides that a contract is extinguished by its rescission and sets forth methods for the rescission of a contract, including the rescission of a home solicitation contract. Existing law defines "home solicitation contract" for this purpose.

This bill would exclude from the definition of "home solicitation contract" any contract for services where the buyer is an existing customer of the seller and the contract allows the buyer to cancel at any time with a pro rata refund of any services paid for but not received.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

*The people of the State of California do enact as follows:* 

- SECTION 1. Section 1689.5 of the Civil Code is amended to read:
- 3 1689.5. As used in Sections 1689.6 to 1689.11, inclusive, and
- 4 in Section 1689.14, all of the following definitions apply:
- 5 (a) (1) "Home solicitation contract or offer" means any contract,
- 6 whether single or multiple, or any offer which is subject to
- 7 approval, for the sale, lease, or rental of goods or services or both,

99

AB 1985 -2-

made at other than appropriate trade premises in an amount of twenty-five dollars (\$25) or more, including any interest or service charges. "Home

- (2) "Home solicitation contract" does not include—any the following:
- (A) Any contract under which the buyer has the right to rescind pursuant to Title 1, Chapter 2, Section 125 of the Federal Consumer Credit Protection Act (P.L. 90-321) and the regulations promulgated pursuant thereto.
- (B) Any contract for services where the buyer has previously entered into a contract with the seller and the contract allows the buyer to cancel at any time prior to the provision of all services under the contract with a pro rata refund for services paid for but not received.
- (b) "Appropriate trade premises," means premises where either the owner or seller normally carries on a business, or where goods are normally offered or exposed for sale in the course of a business carried on at those premises.
- (c) "Goods" means tangible chattels bought for use primarily for personal, family, or household purposes, including certificates or coupons exchangeable for these goods, and including goods that, at the time of the sale or subsequently, are to be so affixed to real property as to become a part of the real property whether or not severable therefrom, but does not include any vehicle required to be registered under the Vehicle Code, nor any goods sold with this vehicle if sold under a contract governed by Section 2982, and does not include any mobilehome, as defined in Section 18008 of the Health and Safety Code, nor any goods sold with this mobilehome if either are sold under a contract subject to Section 18036.5 of the Health and Safety Code.
- (d) "Services" means work, labor and services, including, but not limited to, services furnished in connection with the repair, restoration, alteration, or improvement of residential premises, or services furnished in connection with the sale or repair of goods as defined in Section 1802.1, and courses of instruction, regardless of the purpose for which they are taken, but does not include the services of attorneys, real estate brokers and salesmen, securities dealers or investment counselors, physicians, optometrists, or dentists, nor financial services offered by banks, savings institutions, credit unions, industrial loan companies, personal

-3- AB 1985

property brokers, consumer finance lenders, or commercial finance 1 2 lenders, organized pursuant to state or federal law, that are not 3 connected with the sale of goods or services, as defined herein, 4 nor the sale of insurance that is not connected with the sale of 5 goods or services as defined herein, nor services in connection with the sale or installation of mobilehomes or of goods sold with 6 7 a mobilehome if either are sold or installed under a contract subject 8 to Section 18036.5 of the Health and Safety Code, nor services for which the tariffs, rates, charges, costs, or expenses, including in each instance the time sale price, is required by law to be filed 10 with and approved by the federal government or any official, 11 12 department, division, commission, or agency of the United States 13 or of the state.

- (e) "Business day" means any calendar day except Sunday, or the following business holidays: New Year's Day, Washington's Birthday, Memorial Day, Independence Day, Labor Day, Columbus Day, Veterans' Day, Thanksgiving Day, and Christmas Day.
- 18 (f) "Senior citizen" means an individual who is 65 years of age 19 or older.

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## **AGENDA ITEM 12e**

Implementation of SB 244 (Eggman) - Right to Repair Act







June1, 2024

#### **Industry Advisory**

# The Right to Repair Act Effective July 1, 2024

The Right to Repair Act (<u>SB 244, Eggman 2023</u>) requires that manufacturers of electronic and/or appliance products provide documentation, parts, and tools to owners, service and repair facilities, and service dealers so they can diagnose, maintain, or repair the products. The new law is intended to provide a fair marketplace for repairing electronic and appliance products and to prohibit manufacturers from making third-party repairs more difficult. It takes effect July 1, 2024.

#### **COVERED PRODUCTS**

#### What Is Covered

The Right to Repair Act covers an electronic or appliance product when it meets **all** of the following requirements:

- The product was manufactured on or after July 1, 2021; and
- The product was sold or used in California on or after July 1, 2021; and
- The wholesale cost of the product was \$50 or more; and
- The product is an "electronic set," "appliance," "antenna," or "rotator" as defined in <u>Business and Professions Code (BPC) section 9801</u>.

#### What is Not Covered:

- Agricultural, construction, utility, industrial, mining, outdoor power, forestry, and lawn and garden equipment as provided in Chapter 28, Division 28, of the BPC.
- Alarm system as defined in BPC section 7590.1(c).
- Fire protection system as defined in the CA Fire Code.
- Video game console: a computing device other than a general or all-purpose computer (e.g., desktop or laptop) primarily used by consumers for playing video games, such as a console machine, handheld console device, or another device or system.



#### **REQUIREMENTS OF MANUFACTURERS**

Manufacturers must make documentation, parts, and tools ("repair materials") available to owners, service and repair facilities, and service dealers so they can diagnose, maintain, or repair a product. Manufacturers must provide these materials **even if no warranty was made**.

The product's wholesale cost determines how long manufacturers must continue to provide the repair materials. If a warranty was made, manufacturers may have to continue to provide the repair materials even after the warranty expires.

- \$50 to \$99.99 For products that wholesale between \$50 and \$99.99, manufacturers must provide the materials for at least 3 years after the last manufacturing date of a product model or type, even if the 3-year period exceeds the warranty period.
- \$100 or more For products that wholesale for \$100 or more, manufacturers must provide the materials for at least 7 years after the last manufacturing date of a product or model type, even if the 7-year period exceeds the warranty period.

A manufacturer can charge to provide the repair materials, but the charge must meet "fair and reasonable terms."

"Fair and reasonable terms" means:

- At costs and terms equal to the most favorable costs and terms that the manufacturer offers to an authorized repair provider.
- Documentation must be made available for no charge. EXCEPT: If the
  documentation is requested in physical printed form, the manufacturer may
  charge for the reasonable, actual costs of preparing and sending the copy.
- Tools must be made available at no charge and the manufacturer cannot impose barriers to access or use the tools. EXCEPT: If a tool is requested in physical form, the manufacturer may charge for the reasonable, actual costs of preparing and sending the tool.
- If the manufacturer does not use an authorized repair provider, "fair and reasonable terms" means at a price that reflects the actual cost to the manufacturer to prepare and deliver the part, tool, or documentation (excludes research and development costs).

#### **LIMITATIONS**

Manufacturers **DO NOT** have to disclose trade secrets, or license any intellectual property, including copyrights or patents, or distribute a product's source code.



Manufacturers **DO NOT** have to make available special documentation, tools, and parts that would disable or override antitheft security measures set by the owner without the owner's authorization.

Manufacturers **DO NOT** have to sell service parts if they no longer provide the service parts or make them available to authorized repair providers.

Manufacturers **DO NOT** have to comply with SB 244 if they provide, at no charge to the consumer, a replacement product that is equivalent or better and is readily available.