

**Bureau of Household Goods and Services (Bureau or BHGS)  
Advisory Council Meeting Minutes**

WebEx

4244 South Market Court, Suite D

Sacramento, CA 95834

August 26, 2021

10:00 am -12:00 pm

**Attendees:**

Advisory Council Members: Pascal Benyamini, Industry  
James Garelli, Industry  
Burt Grimes, Industry  
Chris Higdon, Industry  
Donald Lucas, Public  
Dan Rhodes, Industry  
Heidi Sanborn, Public  
Toby Taylor, Industry  
Steve Weitekamp, Industry

Bureau Staff: Tonya Corcoran, Assistant Director/Deputy Bureau Chief  
Jacqueline Castro, Licensing Manager  
Diana Godines, Policy Manager  
Yeaphana La Marr, Policy Manager  
Rosemarie Pecota, Laboratory Manager  
Rick Villucci, Supervising Special Investigator II

Other Individuals Present: Karen Munoz, DCA Budget Manager  
Heather Robinson, DCA Budget Analyst

**1. Welcome, Introductions, and Roll Call**

Assistant Director/Deputy Bureau Chief Tonya Corcoran opened the meeting at 10:00 am with an introduction. Policy Manager Diana Godines conducted roll call of Advisory Council Members. All members were in attendance except for Stephen McDaniel.

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

The WebEx moderator opened the floor for public attendees to make comments or ask questions. There were no comments.

### **3. Review and Approval of March 25, 2021, Advisory Council Minutes**

Assistant Director/Deputy Bureau Chief Corcoran opened discussion to Advisory Council members regarding questions about or edits to the March 25, 2021, Advisory Council Meeting minutes. There were no comments from the Advisory Council. Ms. Corcoran opened to the public attendees for comment or to ask questions. There were no comments.

### **4. Administrative Update**

#### **a. Fiscal Update- DCA Budget Office**

Heather Robinson, DCA Budget Analyst, reviewed BHGS fund conditions. A fund condition is a document that provides an overview of the status of the Bureau's special fund, including revenue and expenditures on an annual basis. Ms. Robinson discussed the fund reserves – the Electronic and Appliance Repair (EAR) fund is currently at 11.3 months of reserve, the Home Furnishings and Thermal Insulation (HFTI) fund is currently at 9.9 months in reserve, and the Household Movers (HHM) fund is at 23.7 months in reserve. All three funds are healthy and there are currently no issues.

Advisory Council Member Don Lucas asked to discuss the testing of furniture and bedding. Mr. Lucas suggested there may be a better time to discuss this matter. Assistant Director/Deputy Bureau Chief Corcoran agreed that this topic would be discussed during the lab update.

Advisory Council Member Steve Weitekamp asked if the HHM fund condition takes into consideration the huge increase in business in the moving industry as a result of the pandemic. Mr. Weitekamp noted that the Bureau's fund balance is extremely high and he hopes it is put to good use. DCA Budget Manager Karen Munoz explained that the current year for Household Movers is close to being closed out and DCA has identified an increase in expenditures for the 2021-2022 year, which would reduce the reserves.

Ms. Corcoran opened the floor for public attendees to make comments or ask questions. There were no comments.

#### **b. Personnel Update**

Assistant Director/Deputy Bureau Chief Corcoran addressed the Bureau's high vacancy rate of 25% and advised that filling critical positions is prioritized.

Kelli Williams assumed the role of Administration Manager on a full-time basis, which will greatly help the Bureau with hiring needs. Mrs. Williams' former position as Compliance Manager will be backfilled in the coming months.

Licensing Manager Jacqueline Castro had taken on all administrative functions for the

last few months in addition to her position as Licensing Manager. Ms. Corcoran thanked Ms. Castro.

### **c. Information Technology**

Assistant Director/Deputy Bureau Chief Corcoran gave an update regarding the Bureau's Information Technology System upgrade, known as Business Modernization. BHGS is part of a cohort of other DCA Boards and Bureaus that will be transitioning to a product called InLumon IT Services. This new program is very adaptable, easy to use and a cost-effective IT solution. Staff are working to update and map all licensing, enforcement, and laboratory testing processes in order to identify the Bureau's specific functional requirements for the new IT system. March of 2022 is the projected timeframe to begin the project.

Ms. Corcoran advised the Advisory Council that transition to a new IT program will be staff resource intensive and starting at the beginning of 2022, this effort will require dedicated staff resources for approximately 18 months.

Mrs. Corcoran is the executive sponsor and BHGS Policy Manager Yeaphana La Marr has been designated the project owner. Ms. La Marr will be coordinating and making the decisions on behalf of the Bureau for the IT build over the next 18 months.

All three of the Bureau's programs – BEAR, HFTI, and HHM – will move to the new system all at the same time. However, Mrs. Corcoran stated that HHM will be priority as the Bureau needs to transition off the CPUC system.

Mrs. Corcoran addressed that the Bureau is continuing to follow departmental and state-wide mandated directives that relate to COVID-19. State-wide testing will be mandatory for all employees who do not provide proof of COVID vaccination. More information will be provided as it is received from the Department of Consumer Affairs (DCA).

### **d. Strategic Plan**

Assistant Director/Deputy Bureau Chief Corcoran discussed that DCA SOLID division staff will facilitate development of the Bureau's 2022-2025 strategic plan. Mrs. Corcoran and Policy Manager Yeaphana La Marr will be working with DCA on the preliminary aspects such as gathering information and developing the plan schedule. In the upcoming months, DCA will send a survey to identify the Bureau's strengths, weakness, opportunities and threats. The survey will be available to staff, Advisory Council members, industry members, interested parties and licensees. SOLID will compile the information and it will be presented at a later Advisory Council Meeting where the Bureau will collectively develop strategic objectives.

Advisory Council Member Weitekamp commented that he is looking forward to the new IT platform for Household Movers. He stated that the current platform is confusing for consumers. Mr. Weitekamp requested advanced notice be given when the IT platform is switched and where the licensing information will be located. Ms. Corcoran responded that the Bureau will have open communication when those changes occur.

Advisory Council Member James Garelli asked if the Advisory Council members will be involved in the Business Modernization. Ms. Corcoran responded that at the current time, the Bureau is focused on mapping out the current processes and focusing on the flow of work. Input from Advisory Council members concerning change of processes are welcomed. Mrs. Corcoran invited Council Member Garelli to meet with her and Ms. La Marr to discuss his ideas and he accepted the invitation. Advisory Council Member Dan Rhodes and Advisory Council Member Weitekamp requested to also attend the meeting.

Ms. Corcoran opened the floor for public attendees to make comments or ask questions. There were no comments.

## 5. Bureau Division Updates and Statistical Overview of Current Operations

- a. **Laboratory Testing** – Rosemarie Pecota, BHGS Laboratory Manager, presented Laboratory staff positions that have been filled and current openings. Mrs. Pecota explained that in August 2020, the laboratory furniture and bedding program successfully completed three days of assessment required for accreditation by A2LA. Due to a contract change, the lab successfully completed another three-day assessment for our new accrediting organization, International Accreditation Service, in March 2021.

Ms. Pecota discussed that laboratory staff have completed presentations with the intent to provide a better understanding of the Bureau's laboratory testing and current regulations. These presentations were made to the American Home Furnishings Alliance and the International Association of Bedding and Furniture Law Officials.

Mrs. Pecota presented statistical information included in the Advisory Council meeting materials.

Advisory Council Member Lucas commented that the mattress results seem higher than usual and asked Mrs. Pecota if she had a comment on those results. Mrs. Pecota did not have a comment as this time, citing that a review of historical data and insight from a Bureau engineer who performs these tests would be necessary to answer the Council Member's question.

Advisory Council Member Lucas voiced concern that confusion about TB 117-2013 label compliance will cause more failures and asked where the failures are coming from

(local to California, national or international). Ms. Pecota responded the requested information will be included at the next Advisory Council Meeting.

Advisory Council Member Pascal Benyamini stated he would like clarification on what constitutes a minor violation versus a moderate violation. Mr. Benyamini also inquired if the Bureau is considering sending examples of law labels to the industry. Ms. Pecota responded that the Bureau would take the Advisory Council Member's suggestion under advisement and discuss the options with the Bureau Policy Managers and the Bureau Chief. Ms. Corcoran suggested the Bureau could put out an industry bulletin regarding the law labeling requirements.

Advisory Council Member Burt Grimes asked if the Bureau could place better law label examples on the website with more specific details. Mr. Grimes inquired as to how the Bureau communicates with the licensees. Assistant Director/Deputy Bureau Chief Corcoran responded that the Bureau has a listserv for licensees and all interested parties who sign up to receive information. Ms. La Marr stated we are not authorized to require email addresses from our licensees, however, they can sign up to receive email updates. Mr. Grimes asked if the Bureau can provide a space on the applications for email addresses. Many people may not know to sign up on the website. Ms. La Marr responded that there is a field for email addresses on our applications, but it is not required to provide that information to get licensed.

Ms. Corcoran opened the floor for public attendees to make comments or ask questions. There were no comments.

- b. Licensing** – Licensing Manager Jacqueline Castro discussed that licensing has five vacancies that will be filled based on priority in the unit. Ms. Castro presented licensing statistics included in the Advisory Council meeting materials.

Advisory Council Member Weitekamp complimented the Licensing team on their efforts to process the new Home Movers that are attempting to get into the program.

Advisory Council Member Burt Grimes asked if Home Furnishing licenses are still renewed every two years. Ms. Castro responded that was correct. Mr. Grimes had a follow up question regarding the renewal cycle for EAR licenses. Ms. Castro responded that EAR licenses are renewed every year. Mr. Grimes inquired whether HFTI could be converted into a yearly cycle. Assistant Director/Deputy Bureau Chief Corcoran commented that it could be considered when make a future fee change.

Ms. Corcoran opened the floor for public attendees to make comments or ask questions. There were no comments.

- c. Consumer Complaints** – Supervising Special Investigator II Rick Villucci discussed staff vacancies in the Compliance Unit and Field Investigators.



Mr. Villucci presented the compliance statistics included in the Advisory Council meeting materials.

Mr. Villucci shared that complaints with minor violations will be handled within the Compliance Unit to allow field staff time to be proactive in enforcement operations.

- d. Enforcement and Investigations** – Supervising Special Investigator II Rick Villucci presented enforcement statistics included in the Advisory Council meeting materials.

Mr. Villucci noted that citations for EAR and HFTI are proactively issued via visits to unlicensed businesses. With this proactive citation work, the Bureau is expected to see a flow of more applications. Enforcement staff has completed training in order to issue notices to appear for HHM violations and had classroom and mock training of sting operations to familiarize staff with equipment and safety guidelines.

Advisory Council Member Weitekamp complimented Mr. Villucci and enforcement staff on their sting operations and hostage work. Mr. Weitekamp asked how many household movers cited are permitted versus unpermitted. Mr. Villucci responded that he did not currently have that information, but he will be in communication with Mr. Weitekamp.

Assistant Director/Deputy Bureau Chief Corcoran opened the floor for public attendees to make comments or ask questions. There were no comments.

## **6. 2022 Bureau's Sunset Review Process and Overview**

Policy Manager Yeaphana La Marr presented information regarding the Sunset Review Process and Overview included in the Advisory Council meeting materials. Ms. La Marr stated that the Bureau would like input from the Advisory Council Members to identify any potential issues to include in the report.

Advisory Council Member Burt Grimes commented that the Bureau needs to improve the consumer outreach program and is hoping that can be included in the Sunset Review. Ms. La Marr responded that increasing consumer outreach is something that the Bureau is currently striving for and agreed that the Bureau could improve its outreach efforts.

Advisory Council Member Burt Grimes asked to include the percentage issues on law labels. Ms. La Marr stated that the Bureau can consider this issue for inclusion.

Advisory Council Member Weitekamp asked if there will be open hearings regarding Sunset Review. Ms. La Marr responded that there will be an open hearing that will allow public comment and question.

Advisory Council Member Benyamini reiterated Council Member Grimes' suggestion for the percentage issues on law labels to be included in the sunset review.

Ms. Yeaphana La Marr opened the floor for public attendees to make comments or ask questions. There were no comments.

## 7. Legislative Update

Yeaphana La Marr, Policy Manager, presented updates on pending legislation. The bill language for each bill is in the Advisory Council meeting materials.

### a. **AB 224 (Daly)** – Department of Consumer Affairs: Bureau of Household Goods and Services: household movers

Ms. La Marr explained this bill would grant an exemption from Bureau permit requirements under the authority of the Household Movers Act for storage container delivery companies when the storage container is packed by a person other than an employee or agent of the storage delivery company.

In addition, the permit exemption would result in an exemption from complying with the Maximum Rates and Rules for the Transportation of Used Property, which limits rates that can be charged by household movers and establishes contracting, consumer notification, and claims process requirements, among many other consumer protection provisions.

This bill is currently on the Senate Committee on Appropriations suspense file, which would be disposed the same day as the Advisory Council meeting.

### b. **AB 652 (Friedman)** – Product Safety: juvenile products: chemicals: perfluoroalkyl and polyfluoroalkyl substances

Ms. La Marr explained this bill would prohibit the sale and distribution of new juvenile products and sleeping products that contain perfluoroalkyl and polyfluoroalkyl substances (“PFAS Chemicals”) at a levels above a yet to be determined rate.

Although these requirements would not be enforced by the Bureau, this bill would impact many of the same juvenile products subject to AB 2998 (Bloom, Chapter 924, Statutes of 2018), which prohibits the sale and distribution of juvenile products containing flame retardant chemicals at rates over 1,000 parts per million. Therefore, the Bureau is presenting this bill is for the benefit of industry so they are aware of new potential requirements.

Since the last Advisory Council meeting, this bill has been amended to:

- Apply the prohibition to products containing “intentionally added” PFAS.
- Define “intentionally added”.
- Redefine PFAS.
- Add products to the list of juvenile products beyond those subject to AB 2998.

Council Member Lucas wanted to clarify that the Bureau would not be involved with any enforcement or compliance testing if this bill passed. Ms. La Marr responded that this bill does not impose any responsibility or authority on the Bureau.

This bill is on second reading on the Senate Floor.

**c. AB 646 (Low)** – Department of Consumer Affairs: boards: expunged convictions

Ms. La Marr explained that this bill would have required programs within DCA that post to their websites that a license was revoked because the person was convicted of a crime to also post notification of expungement on its website (if the person is still licensed) or remove the revocation posting if the person is no longer licensed.

This bill would have only impacted household movers because they are the only program that fingerprints and for which we receive subsequent arrest records.

This bill was held on suspense in the Assembly Committee on Appropriations.

**d. AB 885 (Quirk)** – Bagley-Keene Open Meeting Act: teleconferencing

Ms. La Marr explained this bill would have required any public meeting to be both audibly and visually observable. This would have required Advisory Council members who are not able to attend meetings in person to be observable. Calling in would no longer be sufficient.

This bill is no longer moving.

**e. AB 1026 (Smith)** – Business licenses: veterans

Ms. La Marr stated this bill would have required DCA programs to reduce initial licensing fees by 50 percent to an applicant who can show evidence honorable discharge from the United States Armed Forces or the California National Guard.

This bill was held on suspense in the Assembly Committee on Appropriations.

**f. AB 1221 (Flora)** – Consumer warranties: service contracts: cancellation: disclosures

Ms. La Marr explained that this bill would allow service contractors registered with the Bureau to offer month-to-month contracts (or other periodic basis) so long as the continuous nature of the contract is disclosed in a clear and conspicuous manner. This bill would also define “clear and conspicuous” for the purposes of the disclosure and require affirmative consent from the consumer to enter into a “continuous until canceled” service contract.



Since the last Advisory Council meeting, this bill was amended to:

- Require service contractors who offer contracts that continue until canceled to disclose to the consumer whether there is an alternative, such as a fixed term contract.
- Provide consumers with a website to cancel a continuous service contract when one exists.
- Specify that a service contract bought online can also be canceled online.
- Require a refund, cancellation, and administrative fees to be calculated based on the period for which payment was made.
- Set terms that must be met for a service contractor to cancel a month-to-month contract.
- Define “affiliate” and “affirmative consent”.

This bill is currently on the Senate Committee on Appropriations suspense file, which would be disposed the same day as the Advisory Council meeting.

**g. AB 1386 (Cunningham) – License fees: military partners and spouses**

Ms. La Marr explained this bill would have prohibited any program within DCA from charging an initial license fee or application fee to an applicant who provides evidence of being married to, or in a domestic partnership with, an active duty member of the United States Armed Forces who is stationed in California and holds a current license in another state. This bill would have prohibited charging an initial examination fee if the examination is administered by the program.

This bill was held on suspense in the Assembly Committee on Appropriations.

**h. SB 586 (Bradford) – Criminal fees**

Ms. La Marr explained this bill would have allowed an individual who is ordered to have an Ignition Interlock Device installed to seek civil damages from an ignition interlock device installer who fails to comply with the income-based pricing as prescribed by Vehicle Code § 23575.3(k). This bill would have also entitled a prevailing plaintiff to recover attorney’s fees and costs.

In addition to the Bureau-specific amendments, this bill would also make many other amendments pertaining to IIDs. Among those, IID installers who are licensed by the Bureau of Automotive Repair would have been required to annually report to BAR the provider’s fee schedule, total number of people where verification was conducted, number of people who had a reduction of installation charges was made, total dollar amount of reductions based on income, total dollar amount collected for charges related to the charges of installed devices, and total dollar amount of unpaid charges.

This bill was gutted and amended to address a topic unrelated to the Bureau’s scope.

**i. SB 772 (Ochoa Bogh) – Professions and vocations: citations: minor violations**

Ms. La Marr explained this bill would have prohibited an administrative fine to be issued to licensees for minor violations of a licensing act under any program within the DCA. This bill would have defined “minor” violations as those: 1) that do not pose a serious health or safety threat, 2) are not “willful”, 3) are not committed by a licensee on probationary status, 4) are committed by a licensee who has a history of committing the violation, *and* 5) the licensee becomes compliant within 30 days.

This bill was held in the Senate Committee on Business, Professions and Economic Development.

**j. SB 826 (Committee on Business, Professions and Economic Development) – Business and Professions**

Ms. La Marr explained the technical and clarifying amendments of this omnibus bill as it relates to the Bureau.

This bill is set to for a vote on the floor of the Assembly.

Ms. La Marr opened the floor for public attendees to make comments or ask questions about any of the bills presented. There were no comments.

**8. Technical Bulletin 117-2013 and H.R. 133 Covid-19 Regulatory Relief and Work From Home Safety Act – Combined Label Requirements**

Policy Manager Diana Godines presented information regarding TB 117-2013 and H.R. 133 Covid-19 Regulatory Relief and Work from Home Safety Act included in the Advisory Council meeting materials.

At a previous Advisory Council meeting, it was mentioned that the Bureau will accept the placement of the federal statement beneath the Bureau’s flammability label, however, it had not yet confirmed whether the Consumer Product Safety Commission (CPSC) would accept this as well or whether a standalone label will be required.

The CPSC provided an example of a standalone format, as well as a combined format on their website, which was included in the Advisory Council meeting materials. Per CPSC, the label may be a separate label, or it can be added to the bottom of the label required by SB 1019. The webpage where this information can be found is cited at the bottom of page 163. The CPSC also mentions that the label requirement has a delayed implementation date of June 25, 2022.

Ms. Godines noted that all formatting specifications for the Bureau’s flammability label are still required to be met as specified in CCR section 1374.3 – the two inch by three inch (2” x

3”) size requirement for the Bureau’s label does not include the federal statement.

Advisory Council Member Grimes requested that the Bureau post this information to the website and state that this information is in addition to the California law label. Assistant Director/Deputy Bureau Chief Corcoran responded that the Bureau could address this on the website.

Advisory Council Member Lucas asked if California is going to have to enforce the Federal requirements for the label. Would a Federal label be violation fail California labeling requirements? Ms. Godines responded that the Bureau does not have authority over the Federal label and cannot enforce it.

Advisory Council Member Benyamini asked if the combined label font and type size will be required to match the Bureau’s standards. Ms. Godines referred Mr. Benyamini to the sample provided from the CPSC.

Ms. Corcoran opened the floor for public attendees to make comments or ask questions.

Brenda Spear with Ikea commented that the CPSC has formatting differences from the samples on the Bureau’s website. Ms. Spears asked would the CPSC formatting be accepted? Ms. Godines responded that the formatting would not be violation.

Andrew Lock, CPSC representative, clarified that they are not enforcing the California label, but they are enforcing of the new standard federal label.

That concluded public comment.

## **9. Review, Discuss, and Set Future Meeting Dates**

The Advisory Council agreed to tentatively schedule the next meeting for January 20, 2022.

## **10. Adjournment**