

USINESS, CONSUMER SERVICES, AND HOUSING AGENCY – GOVERNOR Edmund G. Brown JR

BOARD OF BARBERING AND COSMETOLOGY

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CALIFORNIA STATE BOARD OF BARBERING AND COSMETOLOGY BOARD MEETING MINUTES OF JULY 23, 2018

Board of Barbering and Cosmetology Department of Consumer Affairs 1747 North Market Blvd. HQ2 Hearing Room 186, 1st Floor Sacramento, California

BOARD MEMBERS PRESENT

Dr. Kari Williams, President Lisa Thong, Vice President Jacquelyn Crabtree Andrew Drabkin Joseph Federico Coco LaChine Steve Weeks

STAFF MEMBERS PRESENT

Kristy Underwood, Executive Officer Michael Santiago, Board Legal Representative Tami Guess, Board Project Manager Marcene Melliza, Board Analyst

BOARD MEMBERS ABSENT

Bobbie Jean Anderson Polly Codorniz

1. Agenda Item #1, CALL TO ORDER/ ROLL CALL/ ESTABLISHMENT OF A QUORUM

Dr. Kari Williams, Board President, called the meeting to order at approximately 10:00 a.m. and confirmed the presence of a quorum.

2. Agenda Item #2, PUBLIC COMMENT ON ITEMS NOT ON THE AGENDA

No members of the public addressed the Board.

3. Agenda Item #3, DISCUSSION AND POSSIBLE ACTION RELATED TO THE SUNSET REVIEW

Kristy Underwood, Executive Officer, reviewed the recommended statutory changes proposed in the staff memo, which was included in the meeting packet.

Mr. LaChine asked how Section 7363 overlaps with the work of the California Bureau for Private Postsecondary Education (BPPE). Ms. Underwood stated it does overlap with the BPPE in the sense that the BPPE approves the educational program but the Board approves the curriculum. There is more that the Board can do during school investigations with the BPPE. This added section gives the Board more authority to ensure that the approved curriculum is being taught.

Ms. Thong referred to Section 7316(b)(8) and suggested adding language that it must be Food and Drug Administration (FDA) approved.

Mr. Federico stated his appreciation for the consistency that the recommended statutory and scope of practice amendments bring.

Mr. Drabkin asked if the additional license categories open up the possibility of more individuals practicing outside their new scope. Dr. Williams stated the idea is to reduce consumer harm and unlicensed activity by opening up more options and the possibility for dual-licensure.

Mr. Weeks suggested listing on the license what the license holder is licensed to do. This would help both consumers and inspectors.

Mr. LaChine agreed. He stated consumers may assume that a license holder is licensed to do everything.

Mr. Federico moved to approve the recommended statutory amendments as presented. Ms. Crabtree seconded.

Ms. Underwood suggested amending the motion to strike Section 7363(b) in its entirety. Mr. Federico and Ms. Crabtree agreed.

Public Comment

Fred Jones, Legal Counsel, Professional Beauty Federation of California (PBFC), publicly acknowledged and thanked the Board for working to ensure schools are not defrauding students and undermining the integrity of licenses and for working with the BPPE to shut down three schools that were selling hours.

Mr. Jones stated his concern about the term "compliance levels" at the end of Section 7363(b) and also stated the sentence is superfluous because Section 7363(c) reiterates the authority to inspect. He suggested striking 7363(b) in its entirety.

Jaime Schrabeck, Precision Nails, suggested including the word "advertising" in Section 7320 because licensees can relate to it.

Ms. Underwood stated staff will continue to work on the advertising aspect of Section 7320 and will work with the Medical Board on the clarity of the language.

Ms. Schrabeck suggested including language under Section 7362(c)(1)(D) that there is proof of the selling of hours as it is happening, not at the end of the course.

Ms. Underwood stated current findings are addressed under the Access to Inspections section. Section 7362(c)(1)(D) clarifies the authority of the Board to move forward with formal disciplinary action.

Wendy Cochran, Founder, California Aesthetic Alliance (CAA), stated her appreciation to the Board for including estheticians as colleagues, equal to the other licensed disciplines in the industry. She suggested changing the proposed language in Section 7342 to "licensed establishment in good standing."

Ms. Underwood stated Ms. Cochran's comment may be better addressed in the next agenda item.

MOTION: Mr. Federico moved to approve the recommended statutory amendments as amended. Ms. Crabtree seconded. Motion carried 7 yes, 0 no, and 0 abstain, per roll call vote as follows:

The following Board Members voted "Yes": Crabtree, Drabkin, Federico, LaChine, Thong, Weeks, and Williams.

Mr. Federico moved to approve the recommended scope of practice amendments as presented. Ms. Crabtree seconded.

Public Comment

Mr. Jones stated creating new license categories creates new complications. He spoke in support of a new hairstyling license to answer the concern about barriers to entry into this industry, questioned the new hair removal (waxing) license, and spoke in opposition to the new make-up license. He stated the hair removal licensee could arguably make a living providing waxing services, but he questioned that the make-up licensee could make a living outside of Hollywood. He stated his concern that new license categories may create a system where the license can provide protection at an inspection moment, but when inspectors are not present, individuals will work beyond their scope of practice in order to earn a living.

Mr. Jones spoke in support of externships. He suggested helping students work in salons once they have received enough health and safety and theoretical content to be safe. This will address barriers to making a living in the industry. He suggested that salons pay the students as long as they are enrollees working toward a license.

Mr. Jones spoke in support of reinstating aggregate scoring of the licensing exam. This will remove one of the talking points about barriers to entry.

Mr. Jones stated these suggestions would make a powerful argument during next year's sunset review because they address the barriers to entry issue.

David Wolfe, Legislative Advisor, R Street Institute, stated individuals can make an honorable living doing only hairstyling but the required 1,300 hours is excessive.

Ms. Schrabeck stated the nail care scope of practice contains the shortest description of all license categories and yet is the license category that generates the most complaints. She stated there is nothing in the description about extensions, acrylics, or gels. She stated the parentheticals "from the elbow to the fingertips" and "from the knee to the toes" should come directly after the term "massaging" because those are the areas being massaged.

Ms. Schrabeck stated students learn about health and safety. Once that information is learned, it is practiced every time a service is performed. It does not take 200 hours to teach students what to do. It is about getting students into the practice of doing it. Licensees are judged on the quality of work they do. It is

assumed that they are safe because they have gone to school, are licensed, and practice it every day in the salon.

Ms. Cochran stated estheticians can make a fine living doing \$65 eyebrows, waxing only, or being a lash artist. She stated the proposed language uses the terms "live tissue" and "non-living uppermost layers." She stated it is all live tissue until it leaves the body. She stated Section 7316(b)(4) refers to the epidermis but some skin care preparations and processes also involve the dermis. She suggested using the terms "live tissue," "non-living tissue," "stratum corneum," "epidermis," and "dermis" where appropriate.

Ms. Cochran stated her concern about the equipment used in the scope of practice. The proposed language does not use the term microdermabrasion as an approved machine but it is currently included in regulation. She suggested including the terms microdermabrasion, microcurrent, and ultrasonic in the list of esthetic devices and striking the phrase "but are not limited to."

Richard Hedges, former Board member, spoke in support of a waxing license; it could possibly improve the quality of life for individuals in the nail industry. He stated establishments under inspection often tell inspectors that they have a person on-call to perform waxing services while inspectors find hot wax pots on the premises. It is difficult for inspectors to validate establishments' claims. He asked if the Board can control something so narrow as the selling of hours. He asked if the Board could find schools willing to carve out the small niches of hours required to give remedial education to individuals who have been cited.

Mr. Hedges agreed with Mr. Jones on the make-up license. Individuals who do make-up in department stores earn a good living from the promotional money received from cosmetics companies, not from doing applications of make-up. Unless that comes down to the salon level, make-up licensees will not earn a living outside of public assistance.

Mr. Federico stated schools will take it up if the niche is provided for smaller programs. The smaller programs would not meet the minimum number of hours to be eligible for financial aid. As a solution, many schools teach programs without the assistance of federal financial aid as a cash course. Title IV schools sometimes use the smaller cash-based programs to help offset against their 90-10 and still provide a viable means for that kind of education.

Laura Embleton, Associated Skin Care Professionals and Associated Hair Professionals, asked if cosmetology licensees could still shape individuals' beards or if it is now limited to the barbering scope of practice.

Ms. Embleton suggested adding dermaplaning as an option (D) under Section 7316(d)(2) on page 7, for skin care licensees.

Ms. Embleton referred to Section 7316(d)(3) and stated many schools teach extraction with lancets. It is part of the core curriculum and is allowed in most states. She suggested changing the language to "extraction with an extraction tool, including but not limited to non-needle extraction tools and disposable lancets."

Maile Pacheco, founder, beGlammed, stated she sits as an advisor for several make-up schools in the state of California. She stated she spends a lot of time with pre- and post-graduates and pre- and post-state-board licensed cosmetologists and often hears that they are disappointed. They are under the impression that they go to cosmetology school to learn how to do make-up but the curriculum is not built out as thoroughly as they would like to see, the technology and products used are severely outdated, and the education behind lashes and false lashes is lacking.

MOTION: Mr. Federico moved to approve the recommended scope of practice amendments as presented. Ms. Crabtree seconded. Motion carried 7 yes, 0 no, and 0 abstain, per roll call vote as follows:

The following Board Members voted "Yes": Crabtree, Drabkin, Federico, LaChine, Thong, Weeks, and Williams.

4. Agenda Item #4, DISCUSSION AND POSSIBLE ACTION REGARDING PROPOSED REGULATORY LANGUAGE TO IMPLEMENT BPC SECTION 7402.5, PERSONAL SERVICE PERMIT

Ms. Underwood reviewed the proposed regulations built from prior industry meetings, Board meetings, and Licensing Committee meetings for the Personal Service Permit (PSP), which were included in the meeting packet. Hard copies of recommendations received by staff were presented at the meeting. Examples of recommendations received were to remove the PSP from being tied to a brick-and-mortar salon and alternative background check information language.

Ms. Crabtree stated she understands individuals and legislators not wanting the PSP to be tied to a brick-and-mortar salon, but stated her concern about creating more underground income, more attrition in the industry, more default on student loans, and the new ABC law about independent contractors not being allowed to work in the industry. Tying the PSP to a brick-and-mortar salon allows the Board some amount of control for consumer protection.

Mr. Federico referred to Section 965.2(b)(1) and stated the need for individuals to provide proof of at least the minimum amount of liability insurance when applying for a PSP. He asked how that will work in the process and if the Board can be notified when PSP holders lose their insurance. He stated the Board will never be able to enforce regulations out in the field but can log consumer contact information as a way to protect consumers. He asked how the Board can ensure that every consumer receives the information needed to file complaints. He asked about the inspector and enforcement processes for PSP holders.

Ms. Thong stated the difficulty that the Board must solve is to protect consumers while allowing licensees free market to pursue whatever they choose. Consumers do not know how to protect themselves. She stated she also wondered how the Board will ensure that every consumer receives the necessary information to file complaints. She suggested including language that PSP holders must present the message to every client. She asked about staff workload and collecting client information for follow-up

evaluation. She asked how to ensure that consumers are not susceptible to harm in their own homes if the PSP is not tied to an establishment.

Mr. Weeks spoke in support of the staff draft of the PSP. He stated the primary problems that he has struggled with about the PSP are the health and safety issues. The Board currently sends inspectors out to salons that know they will be inspected and have been supplied with a cheat sheet on how to pass an inspection but 80 to 90 percent of salons are cited for health and safety violations. He asked, if that is the case for salons, how the Board can authorize sending PSP holders out who are completely out of Board control. He stated it is more agreeable when the PSP is tied to an establishment so there will be a level of control to determine if a PSP holder is ready to go out, is properly equipped, and understands the laws. Safety of the public is statutorily mandated. There is so much at risk on the public safety side that the PSP has to be locked into the establishment license. The establishment needs to be the eyes and ears in the inspection process to provide a chance at having some control and preventing safety problems.

Dr. Williams stated it will be difficult to enforce and implement the PSP when tied to an establishment because a number of licensees are not in establishments.

Ms. Underwood agreed that some type of handout should be required for consumers with a consumer message about the complaint process and that PSP consumer contact information should be required.

Mr. LaChine agreed that a handout should be required to prove the consumer was informed. He stated, although he liked the idea of connecting the PSP to an establishment, it is unrealistic. He has heard that individuals like the idea of a PSP but would never want to be attached to an establishment.

Mr. Drabkin suggested that individuals be required to hold their licenses for two years in good standing prior to applying for a PSP, and individuals who are licensed in another state would be eligible to apply for a PSP.

Dr. Williams agreed that gaining experience is important prior to applying for a PSP.

Ms. Thong stated the majority of PSP holders will be working on their own, not for an app like Glamsquad. She suggested creating a best-practices guide for PSP holders based on what the Board would like to see them do. She suggested working with the app world and making clear to them what the Board is looking for to implement best practices on their end. This could be an opportunity to increase consumer awareness.

Mr. Federico suggested giving a survey to consumers who have received services from a PSP as a way to retroactively evaluate the PSP holder.

Ms. Underwood stated her concern about privacy issues. She suggested that the Board be careful in how they directly reach out to consumers and what it does with consumer information. She suggested that the holder of the PSP maintain records of their clients and the services they performed to be provided to the Board, upon request.

Mr. LaChine stated consumers who file complaints will name the PCP holder who provided services.

Mr. Drabkin stated the Board is being asked to create two levels of licensee classification - those that will be inspected and those that will not. The Board will deal with complaints from PSP services but any kind of inspection or oversight will not apply to PSP holders because there is no way to inspect them.

Ms. Thong stated establishment owners take on the liability of consumers who enter into their space but consumers who choose to invite someone into their home for services take on that liability.

Public Comment

Ms. Pacheco stated beGlammed has been in contact with the Board since prior to its launching over four years ago. She stated she verified through conversations with CEOs of other companies and apps that there are thorough vetting processes for how they hire freelance professionals. Most of them do not hire recent graduates but require a certain number of years' experience. She agreed with the Board's decision to require a minimum of two years' experience prior to applying for a PSP.

Ms. Pacheco referred to the fact that 90 percent of salons regulated by the Board are a five-person team or smaller and that the Board is concerned about protecting them. She stated it is important to protect all cosmetologist licensees. She asked about the rest of the population of licensed cosmetologists who cannot find work at a salon because salons are currently suffering. She stated she heard that most complaints come from home-based salons that are unregulated or from salons but rarely are there complaints about in-home or ondemand services. She stated part of that is that the issues are not that of a service provider, it is an issue of the establishment owner and not regulating their providers in their space and upholding the sanitation practices that the Board puts into place.

Ms. Pacheco stated the app can work together with the Board to enforce PSPs. She suggested that the app world be held accountable for ensuring that licenses are valid and active. She stated she uses an online CRM program, which sends her a notification when licenses expire. She reaches out to licensees 7 to 10 days prior to the expiration date and their profile is suspended until the renewed license is received. This is a way that the app world can help enforce PSPs. She stated she does thorough background checks and requires that her service providers are insured.

Ms. Pacheco stated the handout is a great idea. She stated her beGlammed professionals leave a card with clients when services are done, thanking them for their booking, that includes a code to make it easier for customers to use their services again. She stated beGlammed would be willing to work with the Board on including another handout or adding information on the card about the PSP language and about consumer protection.

Mr. LaChine asked if the beGlammed app allows consumers to rate their experience.

Ms. Pacheco stated it does. She stated the app takes on any complaints and evaluates their service providers. She stated to date there has not been a health-

related or theft complaint. Most complaints are that the service provider was late or that they were unhappy with the style they received.

Mr. Federico asked about the app's cut.

Ms. Pacheco stated her service providers get a 60 percent commission on services they provide plus a 15 percent gratuity. She stated beGlammed gets a 40 percent cut for marketing and facilitating the transactions.

Mr. Weeks asked if Ms. Pacheco has looked at becoming an establishment or partnering with establishments.

Ms. Pacheco stated she discussed tying beGlammed to a brick-and-mortar establishment with staff prior to its launch four years ago. Staff determined that beGlammed is not the service provider but is more of a platform that connects professionals with clients and cannot technically be licensed.

Ms. Crabtree asked if beGlammed provides supplies for their providers.

Ms. Pacheco stated beGlammed does not provide supplies or training for their providers.

Mr. Hedges stated he agreed that the PSP should be tied to an establishment but understands that the Board is creature of the Legislature. He suggested treading cautiously. He stated Ms. Pacheco brought up a point he had not thought about - creating beGlammed as a licensed establishment. He suggested making apps responsible to work with licensed individuals.

Mr. Hedges spoke in support of requiring licensees to hold their licenses for two years in good standing prior to applying for a PSP.

Mr. Hedges cautioned that apps may be used as a way to access homes to be used for nefarious purposes, too.

Tanique Jonesbell (phonetic), cosmetologist, spoke in support of the revised draft for the PSP. She stated she is both a consumer of freelancers and is a freelancer herself. She stated she has to hire freelancers to do her mother's hair because her mother cannot go to licensed establishments due to physical and mental illness issues. She stated she trusts the service providers because she knows that hired professionals have gone to school and have learned about health and safety. She stated the PSP will allow her to have the schedule she requires to take care of her mother.

Ms. Jonesbell stated she has applied for apps. She stated apps do require licensing and most of them require applicants to be licensed for at least two years. She stated they do kit checks and watch applicants perform services to ensure proper sanitation. She stated apps ensure their providers are doing everything required by regulations.

Delaney Hunter, Managing Partner, California Advisors, LLC, on behalf of Glamsquad, spoke in support of the revised draft for the PSP. She stated Glamsquad's mission is to help licensed beauty professionals connect with clients in a flexible and empowering way and to help consumers find services

that meet their needs. She stated Glamsquad is happy to work with the Board on an ongoing basis around notice and best practices. She stated Glamsquad wants to think about what the requirement would be relative to licensing. It requires that licensees have two years' experience. The question is whether that is comparable across the industry. She stated students can graduate, get a license, and get a job in an establishment the next day. She asked if it would create a false gap between what can happen in an establishment versus an app or freelance space. She stated Glamsquad requires two years' experience because their clientele demand it.

Ms. Hunter stated Glamsquad will continue to be available and will continue to participate in these hearings to ensure that the consumer protection that the Board requires happens and that the clientele continues to get the flexibility they need.

Laura Bennett, Executive Director, TechNet, California, spoke in support of the revised draft for the PSP. She stated Glamsquad is a member of TechNet. She suggested providing information on the user interface to the consumers in a thoughtful manner that can also be complied with by individuals who are not part of an app but choose to have a PSP on their own so that they, too, can comply with a disclosure notice.

Ms. Bennett also suggested that restrictions being placed on the PSP and getting the application parallel the restrictions when opening a salon. She stated TechNet would be happy to help work on the language the Board is considering putting forth specifically as it relates to apps.

Mr. Wolfe stated the two-year-experience requirement prior to applying for a PSP seems arbitrary. He provided the examples of UBER and LYFT and stated individuals are not required to have an automobile license for two years prior to signing up. He stated licensees are not inexperienced when they become licensed - they have 1,600 hours of education and training.

Mr. Santiago stated UBER requires a minimum of one year of licensed driving experience in the United States - three years, if under the age of 23.

Mr. Drabkin asked Mr. Wolfe if he felt 1,600 hours is okay for a licensee.

Mr. Wolfe stated the R Street Institute introduced Senate Bill (SB) 999, which removed licensure requirements for shampooing and other hairstyling applications. 1,600 hours is excessive. He stated R Street Institute is willing to continue the discussion with the Board about appropriate licensure requirements. He stated he liked seeing the new hair styling license category but thought that 1,300 hours is too many. He stated the Board is moving in the right direction.

Ms. Crabtree stated she is in the hair industry and cares about it. She stated experience is important.

Mr. Jones suggested that out-of-state licensees be required to have a minimum of three years' experience prior to applying for the PSP.

Mr. Jones stated the PSP could be altered by policymakers next year. He suggested taking Mr. Weeks's approach: be strong in the Board's mandate to protect consumers. He encouraged the Board not to compromise its mission of protecting consumers and to consider the unintended consequences of not connecting the PSP to an employer/employee-based establishment. He stated the Supreme Court determined that all apps will be illegal as soon as the IR promulgates regulations and catches up. He stated, if an individual holds themselves out as a business that does beauty or barbering services, by the ABC's number two test, B, they have to be an employer. He stated, if the Board does not require PSP holders to be employees, it is ignoring the current law as laid out by the highest court. Attaching PSPs to an establishment is the only and best way to assure proper protocols and inspection of their kits.

Mr. Jones cautioned the Board not to base its decisions on the brighter angels of human nature and the great business models, but to consider the darker side of human nature and where people will end up going and using what the Board passed as justification to go there. That is part of the unintended consequences.

Mr. Jones suggested combining the final sections (g) and (h) on the revised draft of the PSP. He cautioned that, when referencing a specific code section, it is not implied that all other Health and Safety Code sections not referenced can be ignored. He agreed with referencing Section 979 but suggested adding "and all Health and Safety Code Regulations."

Ms. Guess stated Section B of the Supreme Court decision deals with work being performed that is the same. The app-based businesses are basically the real estate holders - they set up the administrative work and appointments. They are doing something different than the independent contractors they hire.

Mr. Jones stated the Supreme Court examples showed it does not matter who has the real estate or where the work is being done. If individuals do something for the hiring entity and they are holding themselves as experts in that, they are by definition employees.

Ms. Embleton stated the PSP seems to be what, in the massage world, is the massage establishment license. It seems that the intent of this is to keep track of people. If this is optional, people will go underground. Requiring it enables oversight. They are all licensed individuals and can be disciplined because of that license. Getting a PSP is a way of keeping track of everyone out there practicing independently. If the intent is to keep track of licensees, it should be available for people who are practicing independently and not necessarily employees.

Ms. Embleton stated there should not be a requirement to be a practitioner for two years prior to applying for the PSP because it will only drive people underground. They will practice anyway if they can get away with it and then pop up in two years to apply for the PSP. It will not stop licensees from being independent contractors and going into people's homes. If that is made a requirement, they will not report it but it will still happen.

Ms. Embleton stated states often require massage therapists to keep non-HIPAA-related information for two to three years and, if the Board needs to access it, they can request the records. It is not up to the Board to maintain that information. She suggested requiring all licensed PSP holders to keep records for a number of years.

Ms. Embleton referred to Section (e) on the back side of the page and stated most of the time estheticians will not do basic facials. They will mostly do waxing and lashes in the home. She suggested adding waxing and lash extensions to that and requiring the education to perform waxing services.

Ms. Embleton suggested making it a big overarching thing that is not tied to an establishment because, if the PSP is tied to an establishment and being an employee of an establishment, all the independent contractors will be lost.

Ms. Embleton stated her organization offers liability insurance. She suggested a minimum of \$2 million per occurrence and \$6 million per member per year.

Ms. Cochran stated the way this is being presented, until the DIR steps up to say they must be employees, it kicks out the entire esthetics license category - 83,000 licensees. She stated estheticians typically do not bring their whole kit into someone's home but are more likely to do any sort of waxing, hair removal, sugaring, and lashing, which are not included on the list in the revised draft of the PSP. She highlighted her earlier request to include that PSP holders' licenses need to be "in good standing" and meet higher standards to be a better service provider representing the industry.

Gary Federico, Federico Beauty Institute, stated he took on the mantra years ago from another school owner friend who always stated students come first. The Board's mantra is consumer protection comes first. There are good and bad points with the PSP. The Board needs to figure out where to stand and how to fight it. He stated the industry is always being chased and historically this Board has seldom been proactive. He suggested that the Board ask for more funding to protect consumers and try to control it by bringing in more inspectors to stay on top of the industry. He suggested an annual renewal of the PSP and tying it to insurance.

Al Enos, citizen of California, stated, although SB 999 is currently not active, it will return. This bill would remove the shampooing, coloring, waving, cleansing, and beautifying of individuals from the practice of barbering and cosmetology. To do nothing at this time is to declare there is no reason to take action or do anything. Doing nothing is a losing argument. An action-oriented response mitigating future legislative action could be a winning argument. He asked if SB 999 would have been drafted if the PSP was an acceptable legislative document.

Mr. Enos stated there is more than one alternative to being proactive. The Board tends to defend its current course of governing by looking at the safety side of the issue. He suggested an approach that balances safety with service for the citizens of California. The medical profession has arrived at this balance of safety

and service. He gave examples of licensed, independent medical personnel who are not under the control of a medical facility who come to his home to take care of his wife. This type of proactive approach could get the positive attention of the Legislature.

Gina Frisby, Office of Assembly Member Evan Low, thanked the Board on behalf of Assembly Member Low for considering the PSP and for all the hard work put into the effort in adopting a PSP that does not tie the applicant to a licensed establishment or within a certain radius. As Chair of the Business and Professions Committee, Assembly Member Low has paid close attention to and thought deeply on these issues. The PSP will allow licensed professionals to bring services to clients and allow businesses to innovate. The Board's proposed PSP is positive in many respects. It protects consumers by limiting the scope of services, requiring background checks, mandating insurance, and ensuring proper recordkeeping by the applicants, which currently is not happening. She stated Assembly Member Low looks forward to working with the Board on the outstanding items discussed today and on the sunset review next year.

MOTION: Dr. Williams moved to adopt the revised draft of the proposed regulatory language to implement BPC Section 7402.5, Personal Service Permit, to direct staff to implement the changes that the Board discussed today, and to bring back a revised version at the next Board meeting. Mr. Drabkin seconded. Motion carried 4 yes, 3 no, and 0 abstain, per roll call vote as follows:

The following Board Members voted "Yes": Drabkin, LaChine, Thong, and Williams.

The following Board Members voted "No": Crabtree, Federico, and Weeks.

5. Agenda Item #5, PROGRESS REPORT REGARDING INSPECTOR SALARIES, CLASSIFICATIONS, AND VACANCIES

Ms. Underwood stated staff continues to work with the Department of Consumer Affairs. The inspectors' bargaining classification will be up for bargaining in 2019. She stated the hope that the unions will submit suggestions for increased pay that all the Boards can support and work with.

6. Agenda Item #6, LEGISLATIVE UPDATE

Discussion and Possible Action on Proposed Bills:

Ms. Underwood presented her report.

a. AB 2138 (Chiu and Low) Denial of Application, Revocation, or Suspension of License: Criminal Conviction

This bill has been amended and has improved. The largest issue with the bill is the required fingerprinting of the 500,000 existing licensees. After what has been experienced with schools, fingerprinting new applicants could be a benefit to the Board. The Board submitted an oppose position to the committees that have heard this bill.

b. SB 999 (Morrell) Cosmetology and Barbering Scope of Practice Revisions

This bill did not move out of the committee.

7. Agenda Item #7, PROPOSED REGULATIONS

Discussion and Possible Action of Proposed Changes:

- a. Title 16, CCR Section 974 (Administrative Fine Schedule and Citation of Establishments, Individuals for Same Violation)
- b. Title 16, CCR Section 974.3 (Installment Payment Plan for Fines)

Ms. Underwood asked the Board to approve updated language that addresses errors found during review, such as amending the fine for Sections 989, 993, and 994 to reflect that per the regulations those fines would only apply to the establishment license holder and now the individual.

Dr. Drabkin asked if a PSP holder cannot be fined for using a hazardous substance per Section 989. Ms. Underwood stated staff will review the regulations offline.

MOTION: Dr. Williams moved to adopt the updated language for the administrative fine schedule. Ms. Thong seconded. Motion carried 7 yes, 0 no, and 0 abstain, per roll call vote as follows:

The following Board Members voted "Yes": Crabtree, Drabkin, Federico, LaChine, Thong, Weeks, and Williams.

8. Agenda Item #8, AGENDA ITEMS FOR THE NEXT MEETING

Mr. Drabkin asked for information on the number of students who graduated from the schools recently shut down and took the exam. He asked for the pass/fail rates and how many of those were broken down by language. Ms. Underwood stated staff has not processed applications for those schools in one and a half to two years. She stated an update will be provided at the next meeting on the school situation.

9. Agenda Item #9, CLOSED SESSION

The Board entered closed session.

OPEN SESSION

The Board resumed its proceedings in open session. No action was announced as having been taken.

10. Agenda Item #10, ADJOURNMENT

With no further business, the meeting was adjourned.