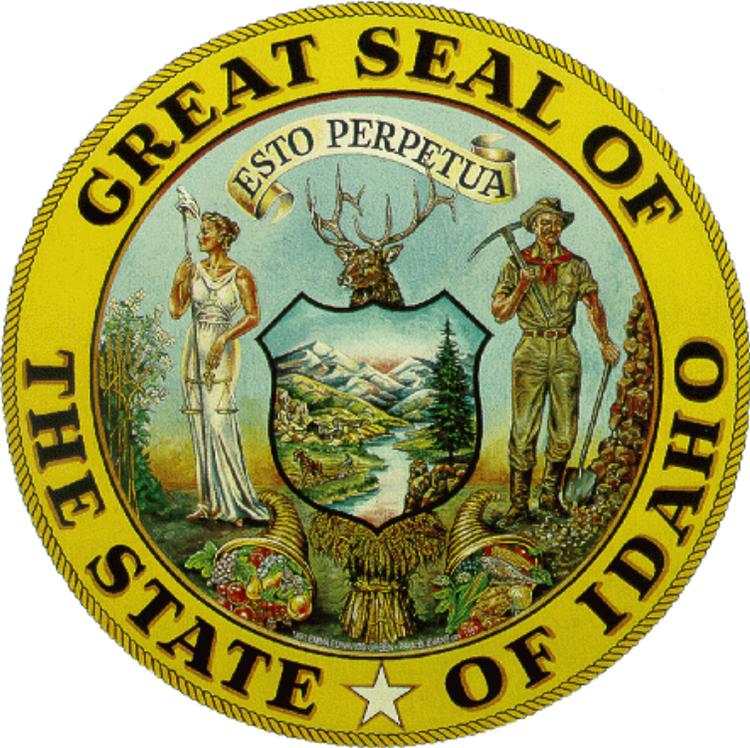


DIVISION OF BUILDING SAFETY

PUBLIC WORKS CONTRACTORS
LICENSE (PWCL) BOARD
VIDEOCONFERENCE MEETING

APRIL 15, 2019



PUBLIC WORKS CONTRACTORS LICENSE BOARD

Agenda Item No. 01

Agenda and Minutes

PRESENTER: Jim Roletto, Chairman

OBJECTIVE: Approve the PWCL Board's April 15, 2019 Agenda and January 14, 2019 Draft Minutes.

ACTION: Consent

BACKGROUND:

**PROCEDURAL
HISTORY:**

ATTACHMENTS: Tentative Agenda and Draft Minutes



TENTATIVE AGENDA

NOTICE OF PUBLIC MEETING

PUBLIC WORKS CONTRACTORS LICENSE BOARD VIDEOCONFERENCE MEETING

**Division of Building Safety
1090 East Watertower Street, Suite 150, Meridian
1250 Ironwood Drive, Suite 220, Coeur d'Alene
2055 Garrett Way, Building 1, Suite 4, Pocatello**

**Teleconference – (877) 820-7831--529619
dbs.idaho.gov – (208) 332-7137**

Monday, April 15, 2019

9:30 a.m. – 11:30 a.m. (MDT)

8:30 a.m. – 10:30 a.m. (PDT)

-
- 9:30 a.m. CALL TO ORDER** – Jim Roletto, Chairman
- Roll Call & Introductions
 - Open Forum

CONSENT AGENDA

1. Approval of the April 15, 2019 Agenda and January 14, 2019 Board Meeting Minutes – Jim Roletto

ACTION AGENDA

2. Reduction of Fees on a Temporary Basis – Ron Whitney, Deputy Administrator
3. Election of Officers – Jim Roletto

INFORMATIONAL AGENDA

4. Governor's Executive Orders – Patrick J. Grace, Regional Manager
5. Compliance Report – Amy Kohler, Compliance Program Specialist
6. Administrator Report – Chris L. Jensen, Administrator
 - a. Financial Report

11:30 a.m. ADJOURN

For additional agenda information, refer to the packet, available one week prior to this meeting, at the DBS's central and regional offices and <https://dbs.idaho.gov/boards/pwboard/pwmeetings.html>. All times, other than beginning, are approximate and scheduled according to Mountain Daylight Time (MDT), unless otherwise noted. Agenda items may shift depending on the PWCL Board's preference. 03/20/2019rb

**PUBLIC WORKS CONTRACTORS LICENSE BOARD
VIDEOCONFERENCE MEETING**

Monday – January 14, 2019 – 9:30 a.m. (MST)

**Division of Building Safety
1090 East Watertower Street, Suite 150, Meridian
1250 Ironwood Drive, Suite 220, Coeur d'Alene
2055 Garrett Way, Building 1, Suite 4, Pocatello**

***DRAFT MINUTES OF THE JANUARY 14, 2019 MEETING**

NOTE: The following report is not intended to be a verbatim transcript of the discussions at the meeting, but to record the significant features of those discussions.

Acting Chairman Joe Jackson called the meeting to order at 9:30 a.m. (MST)

Board Members Present:

Joe Jackson, Vice-Chairman
Chuck Graves
Garry Tolley
Brian Bailey
Robbie Austin
Evan Goodwin

DBS Staff Present:

Chris L. Jensen, Administrator
Ron Whitney, Deputy Administrator
Spencer Holm, Deputy Attorney General
Patrick J. Grace, Regional Manager, Region 2
Amy Kohler, Compliance Program Specialist
Renee Bryant, Administrative Assistant 2

In the absence of Chairman Jim Roletto, Vice-Chairman Joe Jackson served as acting chairman at this meeting.

◆ **Open Forum**

There were no new issues to discuss under open forum.

◆ **Approval of January 14, 2019 Agenda and October 9, 2018 Board Meeting Minutes**

MOTION: Chuck Graves made a motion to approve the agenda and minutes as presented. Garry Tolley seconded. All in favor, motion carried.

◆ **Reduction of Fees on a Temporary Basis**

From September 2015 through June 2016, the Board had a temporary rule; saving PWCL licensees approximately \$100,000 by reducing license renewal fees by 20 percent.

Currently, the Board has close to \$3,000,000 in reserve or approximately five to six years of operating costs. Should the PWCL account continue to grow, it will be more challenging to defend it at the legislature.

Two handouts were provided, a draft rule of the 20% reduction of license renewal fees, and revenue cost comparison of standard versus reduced fees. The Division suggested both a temporary and proposed rule; however, recommended waiting until the end of the 2019 legislative session to run the temporary rule so it does not get compounded with the current legislature, new governor, etc. Before the next legislative session, the Board will need to decide if it wants a longer sunset clause or let the temporary rule expire on its own accord.

MOTION: Chuck Graves made a motion for a temporary reduction of fees with the possibility of exploring the issue mid-year on whether to make the rule permanent. Garry Tolley seconded. All in favor, motion carried.

◆ **Compliance Report**

There were no new issues to discuss under compliance report.

◆ **Administrator Report**

Financial Report – The Board’s finances are very healthy and will continue to be even with the reduction of fees.

2019 Legislative Session – The Administrator will appear before the Joint Finance-Appropriations Committee on January 18, 2019, to address the Division’s proposed budget.

In Governor Little’s budget proposal, he wants to consolidate the IT services in the state; specifically, IT employees within several agencies to work under the Department of Administration. Of the 48 individuals affected by this merge, only 36 will be rehired.

Construction – Briefly addressed were several large million/billion-dollar jobs that will be or are being built in the state of Idaho.

Licensing – Regional Manager Patrick Grace stated based on the Licensing Freedom Act, a subcommittee may ask about multiple year licenses, as well as if there is a need for the 125 specialty categories within the PWCL licensing structure. Board Member Chuck Grave quantified the specialty categories relate to the Construction Specifications Institute’s format, not code.

Resignation – Board Member Garry Tolley informed the Board he will not renew his license when it expires in March 2019 and will resign from the Board at that time as well.

◆ **Adjournment**

MOTION: Chuck Graves made a motion to adjourn the meeting. Garry Tolley seconded. All in favor, motion carried.

The meeting adjourned at 9:57 a.m. (MST).

JOE JACKSON, VICE-CHAIRMAN
PUBLIC WORKS CONTRACTORS
LICENSE BOARD

CHRIS L. JENSEN, ADMINISTRATOR
DIVISION OF BUILDING SAFETY

DATE

DATE

*These DRAFT minutes are subject to possible corrections and final approve by the Public Works Contractors License Board.
01/22/2019rb

PUBLIC WORKS CONTRACTORS LICENSE BOARD

Agenda Item No. 02 Reduction of Fees on a Temporary Basis

PRESENTER: Ron Whitney, Deputy Administrator

OBJECTIVE: Temporarily reduce license fees.

ACTION: Approve to publish the temporary rule change in the Administrative May Bulletin.

BACKGROUND: January 2019 – The Board approved the temporary reduction of fees with the possibility of exploring the issue mid-year on whether to make it permanent. DBS recommended waiting until the end of the 2019 legislative session to run the temporary rule.

PROCEDURAL HISTORY:

ATTACHMENTS: Proposed Temporary Rule



201. FEES.

01. Public Works Contractor Licensing Fees. Initial licensing ~~and renewal fees~~ for each class of public works contractor license shall be, in accordance with Section 54-1904, Idaho Code, as follows:

- a. The fee for a Class Unlimited license shall be five hundred fifty dollars (\$550).
- b. The fee for a Class A license shall be two hundred dollars (\$200).
- c. The fee for a Class AA license shall be three hundred fifty dollars (\$350).
- d. The fee for a Class AAA license shall be four hundred fifty dollars (\$450).
- e. The fee for a Class B license shall be one hundred fifty dollars (\$150).
- f. The fee for a Class CC license shall be one hundred twenty five dollars (\$125).
- g. The fee for a Class C license shall be one hundred dollars (\$100).
- h. The fee for a Class D license shall be fifty dollars (\$50).

Renewal license fees for each class of public works contractor license shall be, in accordance with Section 54-1904, Idaho Code as follows:

- a. The fee for a Class Unlimited license shall be four hundred forty dollars (\$440).*
- b. The fee for a Class A license shall be one hundred sixty dollars (\$160).*
- c. The fee for a Class AA license shall be two hundred eighty dollars (\$280).*
- d. The fee for a Class AAA license shall be three hundred sixty dollars (\$360).*
- e. The fee for a Class B license shall be one hundred twenty dollars (\$120).*
- f. The fee for a Class CC license shall be one hundred dollars (\$100).*
- g. The fee for a Class C license shall be eighty dollars (\$80).*
- h. The fee for a Class D license shall be forty dollars (\$40).*

PUBLIC WORKS CONTRACTORS LICENSE BOARD

Agenda Item No. 03

Election of Officers

PRESENTER: Jim Roletto, Chairman

OBJECTIVE: Appoint active board members to the positions of chairman and vice-chairman.

ACTION: Vote for a chairman and vice-chairman to oversee the Board.

BACKGROUND:

PROCEDURAL HISTORY: In accordance to Idaho Code § 54-1908, the Board shall elect officers at the April meeting of each year.

ATTACHMENTS: No Documentation



PUBLIC WORKS CONTRACTORS LICENSE BOARD

Agenda Item No. 04

Governor's Executive Orders

PRESENTER: Patrick J. Grace, Regional Manager

OBJECTIVE: To make the Board aware of Executive Orders 2019-01 and 2019-02 related to professional licensing and excessive regulation. Discuss with the Board how to fulfill our agency responsibilities under these executive orders.

ACTION: Informational

BACKGROUND: Following the Licensing Freedom executive order of 2017 (EO 2017-06), and the reports DBS/Board and other agencies prepared in response to that executive order, Governor Little has issued two new executive orders in 2019 intended to implement the intent of the EO 2017-06, as well as implement recommendations from the report that was published in October of 2018 by the Governor's Office summarizing its findings from agency responses it received from EO 2017-06. These two new executive orders require DBS and the Board to review its licensing requirements and any of its regulation, and impacts on businesses, as well as consider certain factors when proposing any new regulation on an occupation it governs. Additionally, the Governor's Office will be reviewing all licensing programs across the State to determine whether to continue or "sunset" them in the best interest of the public.

PROCEDURAL HISTORY:

ATTACHMENTS: Executive Orders 2019-01 and 2019-02





*Executive Department
State of Idaho*

*State Capitol
Boise*

**EXECUTIVE DEPARTMENT
STATE OF IDAHO
BOISE**

EXECUTIVE ORDER NO. 2019-01

LICENSING FREEDOM ACT OF 2019

WHEREAS, then acting Governor Brad Little issued Executive Order No. 2017-06, the Licensing Freedom Act, on May 19, 2017 (“Licensing Freedom Act of 2017”); and

WHEREAS, the Licensing Freedom Act of 2017 initiated an unprecedented effort by executive branch agencies to systematically review applicable professional and occupational licensing laws and solicit feedback from the public. The Licensing Freedom Act was the first comprehensive review of occupational licensure in the state in more than 40 years; and

WHEREAS, under the Licensing Freedom Act of 2017, each executive department of the state of Idaho as set forth in section 67-2402, Idaho Code, including each division, bureau or self-governing agency with statutory or regulatory authority to issue a license to an individual, authorizing such person to engage in a profession, vocation or occupation, was required to submit certain information to then Lieutenant Governor Little, no later than July 1, 2018, which included the following information: The timeframe in which a license is either granted or denied; Prerequisites for a license; Renewal requirements; Requirements for accepting or denying an application and license renewal; Qualifications for suspension, revocation, or other disciplinary action; The cost to apply for an application or renewal of a license; The cost for administering the licensing and renewal process; and

WHEREAS, then Lt. Governor Brad Little issued a report compiling the reports from each executive department of the state of Idaho as set forth in section 67-2402, Idaho Code, including each division, bureau or self-governing agency with statutory or regulatory authority to issue a license to an individual, authorizing such person to engage in a profession, vocation or occupation, summarizing the findings, and providing a comprehensive snapshot of the scope of occupational licensure in Idaho; and

WHEREAS, the Licensing Freedom Act of 2017 report found at least 442 different occupational license types, with at least 204,000 licensees in Idaho, administered by 13 executive branch agencies and 47 boards and commissions; and

WHEREAS, in reporting back to the Lt. Governor Little, agencies made 241 total recommendations for improvement, modification, or elimination of licensing requirements or other regulatory burdens; and

WHEREAS, the Licensing Freedom Act of 2017 report identified 20 universal recommendations, aimed at identifying recommendations for improvement, modification, and/or elimination of licensing requirements or other regulatory burdens, while still ensuring public protection; and

WHEREAS, the top two recommendations from the Licensing Freedom Act Report concerned establishing a sunrise review process for new proposed licenses and a sunset review process for existing licenses.

NOW, THEREFORE, I, Brad Little, Governor of the State of Idaho, by virtue of the authority vested in me by the Constitution and laws of this state, do hereby order that:

- 1. Sunset of professional regulations. Each year, no later than March 31, the Administrator of the Division of Financial Management shall recommend to the Governor the review of no fewer than five (5) professions, vocations or occupations that are licensed by any executive department of the state of Idaho as set forth in section 67-2402, Idaho Code, including any division, bureau or self-governing agency, for the purpose of determining whether the continuation of those regulatory programs is in the public interest. Upon approval by the Governor of the requested reviews, the Division of Financial Management shall conduct such reviews as are determined by the Administrator to be appropriate. The Administrator shall report the findings of the Division of Financial Management's review to the Governor on or before September 30 of each year. This process shall result in the review of the licensure of each profession, occupation, or vocation at least once every four (4) years.*
- 2. Sunrise restrictions on professional regulations. In evaluating proposals to regulate a business, profession or occupation, or to modify the regulation of a business, profession or occupation, the Governor and each executive department of the state of Idaho as set forth in section 67-2402, Idaho Code, including each division, bureau or self-governing agency, shall work with the Legislature to consider the following factors:*
 - a. Whether the unregulated business or practice of the profession or occupation will substantially harm or endanger the public health, safety or welfare and whether the potential for harm is recognizable, quantifiable and not remote; and*

- b. *Whether the practice of the profession or occupation requires specialized skill or training and whether that skill or training is readily available and measurable or quantifiable so that examination or training requirements would reasonably assure initial and continuing professional or occupational ability; and*
- c. *Whether the regulation will have an unreasonable effect on job creation or job retention in the state or will place unreasonable restrictions on the ability of individuals who seek to practice or who are practicing a given profession or occupation to continue to practice or to find employment; and*
- d. *Whether the public is or can be effectively protected by other less restrictive means; and*
- e. *Whether and how the occupation or profession is licensed in other states and the compatibility of the proposed regulation in Idaho with the reciprocity rules of other states; and*
- f. *Whether the proposed regulation considers and addresses the unique needs of military personnel, spouses, and veterans who are members of the occupation or profession addressed; and*
- g. *Whether the overall cost-effectiveness and economic impact of the proposed regulation, including the direct and indirect costs to consumers, will be outweighed by the benefits of regulation; and*
- h. *Whether the proposed regulation is the least restrictive effective regulatory framework capable of adequately protecting the public.*



IN WITNESS WHEREOF, I have hereunto set my hand and caused to be affixed the Great Seal of the State of Idaho at the Capitol in Boise on this 31st day of January, in the year of our Lord two thousand and nineteen.

BRAD LITTLE
GOVERNOR

LAWRENCE DENNEY
SECRETARY OF STATE



*Executive Department
State of Idaho*

*State Capitol
Boise*

**EXECUTIVE DEPARTMENT
STATE OF IDAHO
BOISE**

EXECUTIVE ORDER NO. 2019-02

RED TAPE REDUCTION ACT

WHEREAS, Idaho's strong economic growth is vital to ensuring our citizens and our children are able to find great jobs and raise their families in Idaho; and

WHEREAS, excessive regulation at all levels of government can impose high costs on businesses, inhibit job growth, and impede private sector investment; and

WHEREAS, burdensome regulations continue to be a hardship for many small business owners; and

WHEREAS, Idaho's Administrative Code has grown to 736 chapters, totaling more than 8,200 pages, and containing more than 72,000 restrictions.

NOW, THEREFORE, I, Brad Little, Governor of the State of Idaho, by virtue of the authority vested in me by the Constitution and laws of this state, do hereby order that:

- 1. Each executive department of the state of Idaho as set forth in section 67-2402, Idaho Code, including each division, bureau or self-governing agency that has the authority to issue administrative rules shall designate an existing employee of the agency as its Rules Review Officer (RRO) to undertake a critical and comprehensive review of the agency's administrative rules to identify costly, ineffective, or outdated regulations.
 - a. Agencies must submit the name and contact information of the RRO to the Division of Financial Management no later than March 1, 2019.**
- 2. Through the end of fiscal year 2021, prior to proposing a new rule for publication in the Idaho Administrative Bulletin, each executive department of the state of Idaho as set forth in section 67-2402, Idaho Code, including each division, bureau or self-governing agency, shall submit to the Division of Financial Management:
 - a. A business/competitiveness impact statement that identifies the impact the proposed rule will have on individuals and small businesses; and**

- b. *At least two existing rules to be repealed or significantly simplified, or a statement clearly and thoroughly stating why existing rules cannot be simplified or eliminated.*
3. *The Division of Financial Management shall produce an annual report to the Governor's office outlining the progress made in eliminating burdensome regulations and streamlining state government.*



IN WITNESS WHEREOF, I have hereunto set my hand and caused to be affixed the Great Seal of the State of Idaho at the Capitol in Boise on this 21st day of January, in the year of our Lord two thousand and nineteen.

BRAD LITTLE
GOVERNOR

LAWRENCE DENNEY
SECRETARY OF STATE

PUBLIC WORKS CONTRACTORS LICENSE BOARD

Agenda Item No. 05

Compliance Report

PRESENTER: Amy Kohler, Compliance Program Specialist

OBJECTIVE: Provide an overview of the Division's Compliance Program.

ACTION: Informational

BACKGROUND: This topic is addressed at all regularly scheduled PWCL Board meetings.

**PROCEDURAL
HISTORY:**

ATTACHMENTS: Quarterly PWCL Board Report



Quarterly PWCL Board Report

Licenses Processed for January 2019

License Class	Originals	Renewals	Upgrades	Downgrades
Unlimited	4	16	1	0
AAA	1	4	1	0
AA	0	12	1	0
A	1	11	1	0
B	1	12	6	0
CC	0	2	0	0
C	8	63	1	3
D	14	51	0	1
Totals	29	171	11	4
2018 Totals	17	170	7	5
Construction Managers	3	6		

Licenses Processed for February 2019

License Class	Originals	Renewals	Upgrades	Downgrades
Unlimited	2	11	2	0
AAA	0	6	1	0
AA	2	15	1	0
A	1	9	2	0
B	2	29	7	1
CC	2	8	2	2
C	7	76	5	4
D	10	49		0
Totals	26	203	20	7
2018 Totals	32	203	19	5
Construction Managers	1	6		

Licenses Processed for March 2019

License Class	Originals	Renewals	Upgrades	Downgrades
Unlimited	3	29	0	0
AAA	0	19	3	1
AA	0	14	1	0
A	1	27	3	0
B	2	33	4	1
CC	1	9	1	0
C	8	66	2	0
D	7	51	0	0
Totals	22	248	14	2
2018 Totals	34	259	17	7
Construction Managers	0	4		

	Originals	Renewals	Upgrades	Downgrades
Calendar Yr 2018	279	2923	180	79
Calendar Yr 2017	153	1263	83	36
Calendar Yr 2016	263	2863	154	80
Calendar Yr 2015	256	2905	175	101
Calendar Yr 2014	263	2805	167	99
Calendar Yr 2013	297	2743	139	116
Calendar Yr 2012	258	2695	147	153
Calendar Yr 2011	337	2748	144	165
Calendar Yr 2010	385	2575	119	138

The program currently shows **3197** active public works contractors and **91** active construction managers as of March 31, 2019.

PWCL Assessments

This fiscal year, as of December 31, 2018 PWCL collected \$0.00 in assessments.

PWCL collected \$0.00 in assessments for 2018.

PUBLIC WORKS CONTRACTORS LICENSE BOARD

Agenda Item No. 06

Administrator Report

PRESENTER: Chris L. Jensen, Administrator

OBJECTIVE: Provide an overview of the Division's current activities.

ACTION: Informational

BACKGROUND: This topic is addressed at all regularly scheduled PWCL Board meetings.

**PROCEDURAL
HISTORY:**

ATTACHMENTS: No Documentation



PUBLIC WORKS CONTRACTORS LICENSE BOARD

Agenda Item No. 06a

Financial Report

PRESENTER: Chris L. Jensen, Administrator

OBJECTIVE: Review the PWCL Financial Report.

ACTION: Informational

BACKGROUND: This topic is addressed at all regularly scheduled PWCL Board meetings.

**PROCEDURAL
HISTORY:**

ATTACHMENTS: Financial Report





Division of Building Safety
PUBLIC WORKS CONTRACTORS LICENSING FUND 0229-07
 Fiscal Year 2019 Financial Statements
 As of 02/28/2019

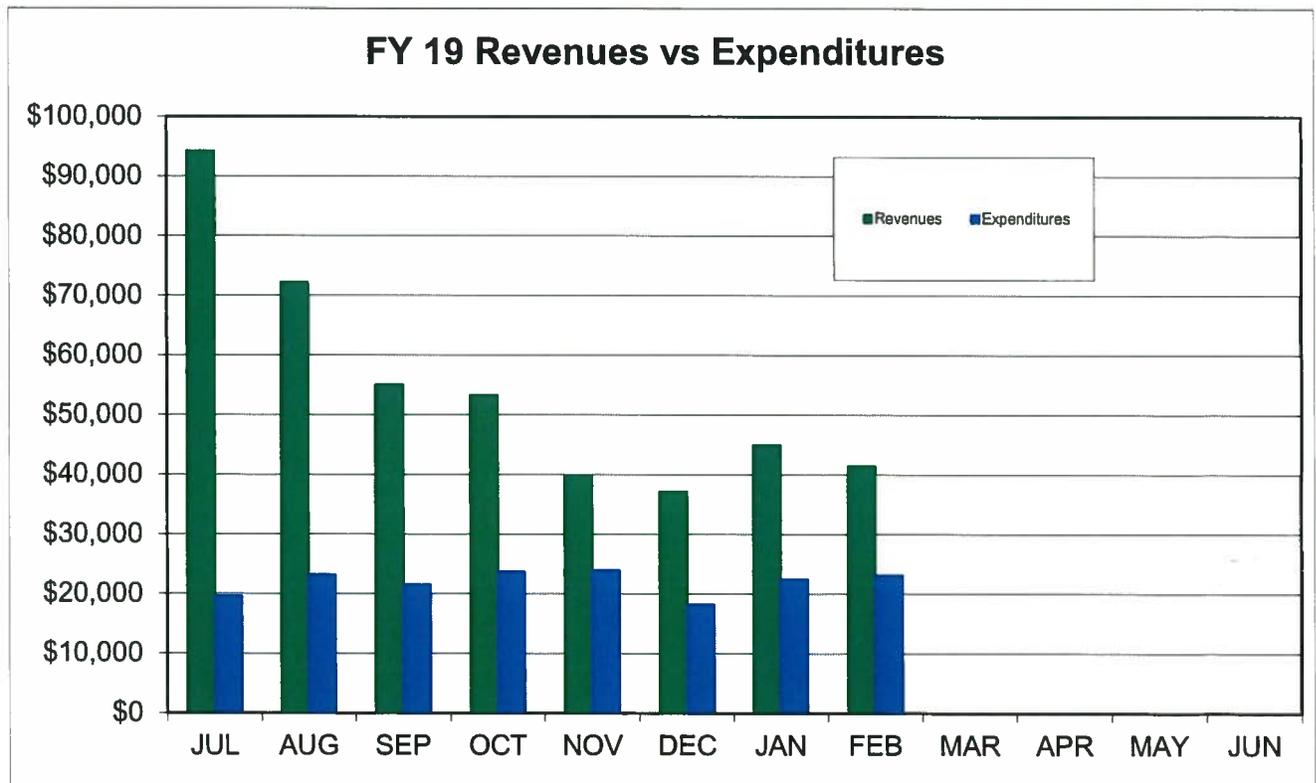
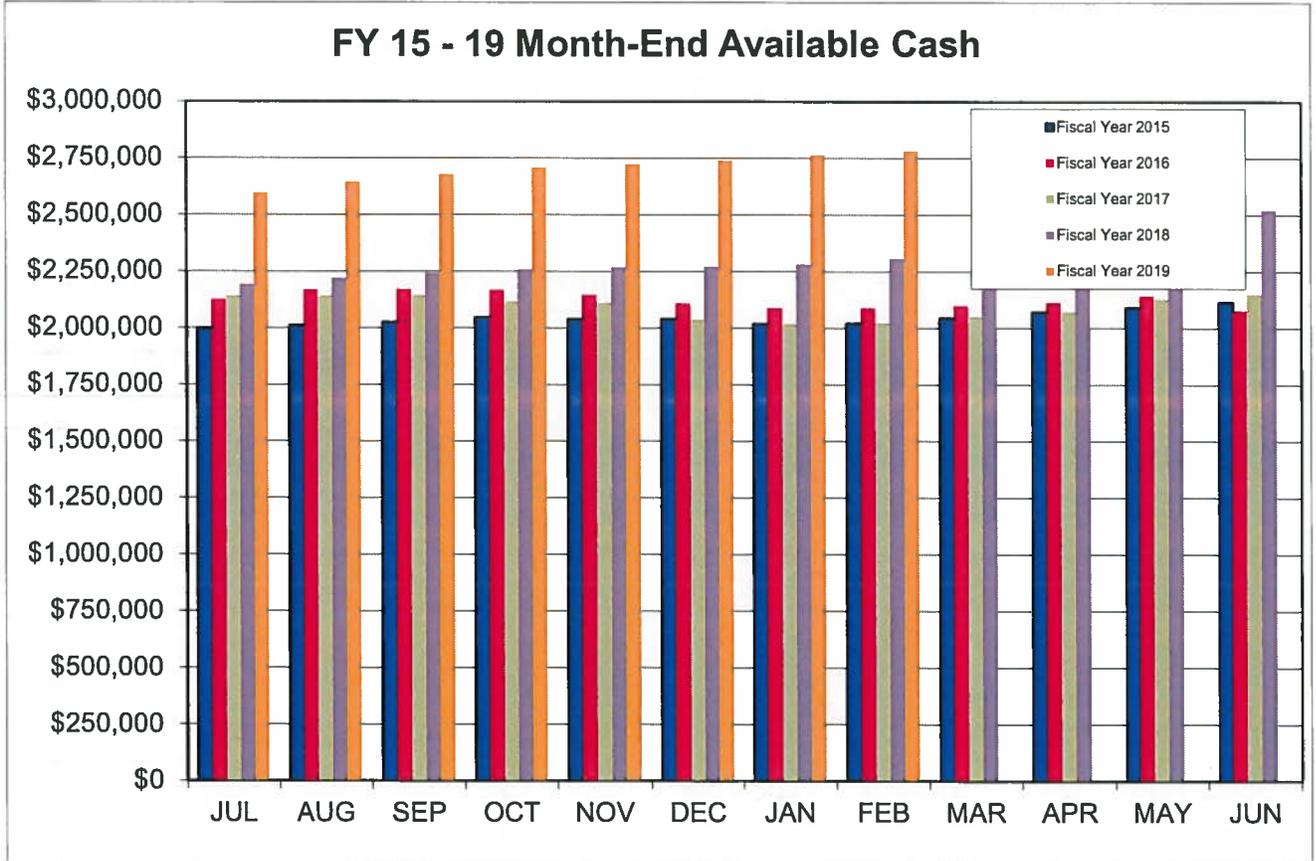
Statement of Revenues and Expenditures

Class	Budget	Fiscal Year To Date	YTD as a % of Budget	Remaining Budget	Projected for Remainder of Year	Projected Year End Totals	Projected Total as a % of Budget
Revenues:	429,189	437,523	101.9%	(8,334)	315,792	753,315	175.5%
Expenditures							
Personnel:	336,000	152,766	45.5%	183,234	80,876	233,642	69.5%
Operating:	57,500	20,088	34.9%	37,412	8,754	28,843	50.2%
Capital:	35,689	2,451	6.9%	33,239	33,239	35,689	100.0%
Total Expenditures	429,189	175,305	40.8%	253,884	122,869	298,174	69.5%
Net for FY 2019	-	262,218			192,922	455,140	

Statement of Cash Balance

	Fiscal Year to Date Revenues	Fiscal Year to Date Expenditures and Encumbrances	Other Changes in Cash	Available Cash as of February 28, 2019	Projected Change in Cash for Remainder of Year	Projected Year End Available Cash
July 1, 2018 Beginning Cash Available	437,523	(175,305)	39	2,781,807	192,922	2,974,729

PUBLIC WORKS CONTRACTORS LICENSING FUND 0229-07



PUBLIC WORKS CONTRACTORS LICENSING FUND 0229-07

