



**Bureau of Electronic and Appliance Repair,
Home Furnishings and Thermal Insulation**
4244 South Market Court, Suite D, Sacramento, CA 95834-1243
P (916) 999-2041 F (916) 921-7279 www.bearhfti.ca.gov

**Bureau of Electronic and Appliance Repair,
Home Furnishings and Thermal Insulation
February 23, 2017 – Advisory Council Meeting Minutes**

Attendees:

Council Members: Burt Grimes, Industry
Judy Levin, Public
Donald Lucas, Public
Joanne Mikami, Public
Leonard Price, Public
David Spears, Industry

Public Attendees: Austin Cooper
Robert Hupe, Virco Manufacturing Corporation
Dave Panning, BIFMA International
Bo Sephear

Govt. Personnel: Jonathan Burke, DCA Executive Office
Carrie Cathalifaud, Bureau Laboratory Supervisor
Dale Chasse, Acting Bureau Chief
Richard DiGirolamo, Bureau Investigations Manager
Nicole Dragoo, Bureau Enforcement Analyst
Diana Godines, Bureau Policy Analyst
Yeaphana La Marr, DCA Legislative & Review Division
Michelle Linton-Shedd, Bureau Lead Licensing Analyst
Margie McGavin, Bureau Lead Enforcement Analyst
Rosemarie Pecota, Bureau Laboratory Chemist
Rajinder Sandhu, Bureau Laboratory Chemist
Karen Skelton, Bureau Licensing & Policy Manager
Avra Wallace-Schoell, Bureau Licensing Technician

Teleconference: Several stakeholders intermittently listening in by phone.

Agenda Item #1 – Welcome and Introductions

Meeting commenced shortly after 9:00 AM.

Acting Bureau Chief Chasse opened the meeting and thanked everyone for their attendance. All members at the Sacramento, CA and Riverside, CA teleconference locations introduced themselves.

Agenda Item #2 – Review/Confirm Meeting Dates for 2017

Mr. Chasse confirmed the following dates for the remaining 2017 Advisory Council meetings:

- July 20, 2017 in Bay Area, CA.
- November 9, 2017 in Sacramento, CA.

Mr. Chasse stated he looks forward to coordinating with Len Price to possibly hold the July 20, 2017 meeting at a Community College.

Agenda Item #3 – Licensing and Enforcement Update

3a. Please reference pages 4-6 of the Materials Packet

Licensing and Policy Manager Skelton opened the topic by discussing licensing statistics. She referenced the table on page 4 of the materials packet and stated that the Electronic and Appliance Repair (EAR) and Home Furnishings and Thermal Insulation (HFTI) statistics have remained stable. She noted that Combination licenses have declined due to the closure of Rent-A-Center stores. Ms. Skelton added that the EAR license fees increased for the first time in 17 years on February 1, 2017. After this date, new applicants are subject to license fee increase, and license renewals with an expiration date on or after February 28, 2017 are subject to the fee increase. She stated there was an error in the Combination license fee, which has since been corrected. Mr. Chasse added that a refund check from the State Controller's Office will be issued to any Combination licensee who overpaid due to the error. Ms. Skelton stated that fee increase information has been corrected on the Bureau website and all other forms of Bureau communication.

3b. Please reference Page 8 of the Materials Packet

Enforcement Analyst McGavin stated the number of EAR citations and investigations issued are low due to two Field Representative vacancies. She said the Bureau is continuing with enforcement actions but has experienced difficulty obtaining documentation from overseas upholstered furniture and bedding manufacturers. She added it is difficult to take enforcement action if the Bureau has not received proof of overseas businesses receiving documents. She said the Bureau has been working on educating businesses on Shared Responsibility (Business and Professions Code Section 19072), and involving retailers as well as manufacturers.

Agenda Item #4- Legislative and Regulatory Update

Legislative and Policy Analyst La Marr opened the topic by apologizing for not including bill language in the Meeting Materials packet. She stated the bill introduction deadline was Friday, February 17, which was less than the 10 day required lead time to include them as part of the Meeting Materials. She stated there are currently two bills which may impact the Bureau. Department of Consumer Affairs (DCA)-wide bill AB 1190 (Obernolte, 2017) would require DCA to submit a report to legislature by July 1, 2018 and annually thereafter regarding BreEZe

timeline, costs, and anticipated efficacy for Release 3 programs. She added if there are any concerns regarding this bill, please contact her.

In addition, SB 661 (Hill, 2017) would expand upon amendments of the Ignition Interlock Device (IID) bill SB 1046 (Hill, Chapter 783, Statutes of 2016) to make changes to the state's IID program. SB 661 does not currently impact the Bureau, but DCA will watch the bill for amendments that do. Ms. La Marr stated she will provide an update at the July Advisory Council Meeting. There were no questions.

Ms. Skelton stated the Bureau would like to wrap regulatory changes into a package so the Bureau does not have to submit minor changes each time there is an update. She added the Bureau is currently revising advertising regulations by conducting retailer surveys, and thermal regulations are being discussed by stakeholders, the Department, and the Energy Commission. Ms. Skelton apologized for not including a matrix in the Materials Packet, but she will send it to Council Members.

A teleconference participant asked Ms. Skelton to describe the regulatory package. Ms. Skelton stated there are several minor changes regarding military and family support. She stated every change the Bureau makes must go through the regulatory process and the goal is to have all the required information an applicant must provide outlined, so the specific form does not have to be identified and informational changes to the application do not require subsequent regulation packages.

Agenda Item #5 – Operations Update

5a. Please reference Page 10-11 of the Materials Packet.

Policy Analyst Godines stated the Bureau reserves are steady. The Bureau reserves are anticipated to increase as an effect of the recent fee increases. She stated Bureau expenditures are expected to stay steady, does not expect a deficit in upcoming years. Ms. Skelton stated because the EAR fee increase was implemented in February 2017, it will not have much of an effect on Fiscal Year 16-17. Mr. Chasse added the Bureau currently has a six month reserve, and is attempting to work toward a nine month reserve.

Burt Grimes inquired about the Field Inspector vacancies. Mr. Chasse stated that filling Field positions require a background check and is a more timely process. He added that there were not very many applicants, and the Bureau is in the process of interviews and hopes to fill the vacancies by the end of the year.

5b. Supervising Chemist Cathalifaud stated the Consumer Satisfaction Survey will be posted on the Bureau website. Field Representatives will be supplied with postcards to distribute to consumers and licensees which will link to the survey website. Ms. Cathalifaud added the Bureau is currently developing questions, and plan for SOLID and DCA Publications to help the Bureau design postcards. Mr. Grimes inquired about the context of the survey, and Ms. Cathalifaud clarified that the questions will be general and in regards to Bureau customer service amongst all units.

5c. Investigations Manager DiGirolamo discussed the Bureau's Strategic Plan. He stated the Bureau is tackling four main goals within the following year:

1. Licensing
 - Improve licensing checks (i.e. implement background checks, partnering with other state agencies to build alliances to help monitor service contract providers).
2. Enforcement
 - Develop outreach programs (Goal: 3-4 outreach events per quarter).
 - Develop new processes to collect unpaid citations (i.e. Franchise Tax Board (FTB) Interagency Intercept).
 - Research and train Field Representatives on evolving HFTI labeling requirements.
 - Refine disciplinary guidelines and process improvement.
3. Outreach
 - Make alliances with vocational schools to recruit field representatives and share expertise regarding identification of unlicensed activity.
 - Senior Centers.
4. Legislative Updates
 - Potential revision to Service Contract applications.
 - Revision of advertising regulations (market practices and how they affect consumers).
 - Current language for laboratory terminology.
 - Probationary revisions which are already established in current language.

Mr. Chasse elaborated by saying Mr. DiGirolamo coordinated several outreach events in 2016. He added that as a result of these events, the Bureau has built bonds with other state agencies which have assisted in enforcement efforts. He said the Bureau's Complaint Resolution Unit (CRU) has also been involved with outreach efforts to address consumer and business concerns.

Ms. La Marr mentioned that each legislative proposal must be submitted through the Department to be approved through the Division of Legislative and Regulatory Review (LRR), Agency, and the Governor's Office. She said LRR asks for all proposals by September of each year. She said LRR is available to write justification, draft language, and provide technical assistance.

5d. Ms. Godines opened the topic by stating the Bureau's last Sunset was held in 2013, and the Bureau was found to be in good standing. She mentioned the Sunset committee requested further review related to fiscal, testing protocol, licensing, and outreach. She stated the Bureau has improved fiscal outlook by increasing licensing/regulatory fees, and has decreased pro rata by housing the CRU starting July of 2016. Outreach efforts have improved by the Bureau adding a Facebook page, revamping its website, production of education materials, and hosting community events. She said the next Sunset date is January 2019, and the following items will be addressed: shifting HFTI licensees to an annual renewal, changing advertising regulations to include registration numbers, and include findings of the Service Contract working group. Ms. Godines added if there are any other ideas to please send her or Mr. Chasse an e-mail.

5e. Mr. Chasse stated the Advisory Council membership expiration is approaching. He said he will have membership applications available by the July meeting, and they will also be posted on the Bureau website. He encouraged existing members to continue, and anyone interested to apply.

Agenda Item #6 – Public Comment on Items not on General Business Agenda

There was no public comment.

Agenda Item #7 – Enforcement Sweeps Scheduled in 2017

Mr. DiGirolamo opened the topic by stating that due to the absence of two Field Representatives in Northern and Central California, several enforcement sweeps will take place in 2017. The tentative schedule is as follows:

- March – Sacramento and surrounding areas.
- May – Los Angeles and San Diego.
- July – San Francisco, Oakland, and East Bay area.
- Fall – San Jose Valley.

Agenda Item #8 – Ignition Interlock Devices (IIDs)/Inspections

Ms. Skelton introduced the topic by stating that SB 1046 (Hill, 2016) expanded the four county pilot program to a statewide IID program for drunk driving convictions. All IID installations must be performed by service dealers registered with either Bureau of Automotive Repair (BAR) or BEARHFTI. Ms. Skelton stated that the Bureau has been working with BAR and the Department of Motor Vehicles (DMV) to coordinate the enforcement of the new law. She added the installation, calibration, and repair of IID must take place in secure areas concealed from the public. In addition, the service dealers must have appropriate tools, test equipment, and manuals on-site.

Ms. Skelton stated the DMV currently ensures all service dealers have a valid license and/or registration with either BAR or BEARHFTI prior to an IID installation. The Bureau has identified approximately 140 BEAR registrants who perform IID services, and the population is expected to increase. She added the Bureau will start conducting inspections, and participate in joint inspections with BAR and possibly DMV. Mr. Chasse added that the Bureau is taking careful steps to integrate the IID program into Bureau responsibility.

Agenda Item #9 – Recent Service Contract Trends

Ms. Linton-Shedd stated the Bureau has recently received service contract applications that provide coverage for spa equipment, garage equipment and lifts, drones, golf carts, hearing devices, and leather portfolios. She said all of the above items are non-jurisdictional.

Agenda Item #10 – Public Comment on Items not on EAR Agenda

David Spears suggested the Bureau provide educational information to consumers to inform them to be aware of the URL they are visiting on both their smart phone devices and computers to ensure they are inputting the correct business. He stated that within the past month, his business has lost two customers due to the incorrect web-site look-up. Mr. Spears asked what entity governs URLs, and Ms. Skelton and Mr. Chasse stated they believe the Federal Trade Commission (FTC) does. Mr. Spears added that he believes the companies who are mistakenly contacted are not truthful to the consumer, and asked if the Bureau will follow-up on any leads he may provide. Mr. Chasse stated the Bureau will investigate potential advertising fraud. Ms. Skelton added that Bureau applications were recently updated to include a space for the business's URL. She said the URL can be added to the Bureau records so consumers and/or licensees can call and verify the correct URL. Mr. Chasse and Ms. Skelton agreed that website awareness tips can be added to Bureau Outreach events.

Agenda Item # 11 – Bureau Lab Accreditation

Ms. Cathalifaud opened the topic by announcing that as of November 21, 2016 the Bureau laboratory is officially accredited and approved by the American Association for Laboratory Accreditation (A2LA). She stated that laboratory staff is working on final reports and implementing quality checks in current processes. She added that being accredited means there is documented training, which is an ongoing process. Ms. Cathalifaud said an assessor will visit the Bureau between May and August of 2017 to review document control. She added that the laboratory is also accredited by the National Voluntary Laboratory Accreditation Program (NVLAP) for the testing of thermal insulation. She said in the future, the Bureau may combine programs and be accredited by one entity.

Joanne Mikami asked how long the A2LA accreditation is valid. Ms. Cathalifaud stated that the contract is over several years, but an application must be resubmitted on a yearly basis. Ms. Mikami asked if an assessor would be visiting the Bureau on a yearly basis, and if this would be an expense for the Bureau. Ms. Cathalifaud responded that the assessor will visit once every other year and both the application and assessments do cost money.

Agenda Item # 12 – Law Label Update

Laboratory Chemist Pecota opened the topic by stating the Bureau held a Law Label Regulation Workshop on February 15, 2017. The workshop served as a forum for discussion regarding concerns in several areas of the Bureau's intent to update the existing law label regulations. Ms. Pecota stated that law label examples shown in current Bureau regulations illustrate an antiquated style of law label examples with a revenue stamp section, also known as a block section. This section will still be allowed once regulations are updated if a manufacturer requests it, but the Bureau intends to update its regulations with examples that are more consistent with law and flammability labels that are currently displayed on the Bureau website.

The Bureau intends to review and/or incorporate the following changes to law and flammability regulations and labels:

- Extension of black line at the bottom of the law label extending the width of law label to allow for other information required by industry.
- Identify and correct inconsistencies between verbiage of printed regulations and law label examples.
- Update and/or remove obsolete verbiage.
- In CCR Section 1383.2 (Fines), Article 12, remove Liquid Filled Bedding regulations. Article 5 – Plumage Regulations: Remove the verbiage “Comply with Federal Standards.”
- Addition of example plumage label to regulations.
- Addition of example flammability label with “Flame Retardant Chemical Statement.”
- Lowering the grams (g) of oxygen from 20g to 10g per 100,000g of sample to coincide with industry standard.
- Implement the use of a sliding scale for damaged feathers in blended waterfowl and down products.
- CCR Section 1113. Deviations from Percentages Stated states “Any deviation from percentages stated of a blend or types or kinds of filling materials shall not exceed 10% of the smaller component,” however, the example used in this regulation illustrates a 5% variance by stating “i.e., a product labeled as 50% polyester/50% polyurethane must contain no less than 45% polyester fiber.” The Bureau is discussing the possibility of expanding that allowance.
- The addition and clarification of technical definitions including: polyurethane foam pad, mattress, decking, dust covers, barriers, pre-consumer, post-consumer.
- Clarification regarding the use of Type 6 and Type 7 “examples” to alleviate industry confusion and noted clearer definition or clarification for use of the term “pad” for these label examples.

Ms. Pecota stated that it has been requested that the Bureau consults with other states to determine if an area of agreement can be reached and incorporate such allowances in Bureau regulations. For example, California regulations do not require sterilization of plumage products but other states do. Currently, the Bureau allows the sterilization permit number of other states and/or finish size to be printed at the bottom of the law label. Ms. Pecota mentioned the proposed regulation update seems like a good opportunity for consideration of change/additions to fiber terminology to address the ever-changing evolution of manufacturing in the industry. She added that another area the Bureau is discussing is juvenile product exemption. The Bureau currently lists 18 exempt juvenile products and will review whether or not the exemptions are adequate for the current market.

Another area of concern is in regards to what the Bureau terms “stickers” that are used to be placed on or over areas of the label to make one or multiple label corrections. The “stickers” must meet official law label requirements (i.e., black print on white background, correct size,

font, verbiage, non-tearable, non-flake). The intent is that the “stickers” are to be used as an interim measure until new labels are printed.

A teleconference member asked when the Bureau anticipates the aforementioned changes to be implemented. Mr. Chasse stated the update is overdue, and the Bureau intends to move fairly quickly on the regulatory update. He added that once regulatory changes are proposed, there will be a 45-day public comment period where the Bureau will hear objections and/or concerns. The teleconference member suggested that the Bureau reach out to interested stakeholders prior to the public comment period. Mr. Chasse affirmed that any interested parties can sign up on the Bureau website, and the Bureau will reach out to stakeholders and Advisory Council members.

Mr. Grimes suggested that label examples should be accessible in one central place on the Bureau website. He added that the other items of discussion regarding finish sizes and permit numbers should explicitly be stated as optional in California so manufacturers do not mistakenly think these numbers need to be added to their labels.

Agenda Item # 13 – Sanitization Regulation

Laboratory Chemist Sandhu opened the topic by stating the Bureau is in the process of sanitization regulation update. She explained the current regulations explicitly discuss the sanitization and labeling of mattress and box springs. She added that Article 9 discusses disinfection methods for mattresses and box springs but is not clear in regards to other bedding products such as pillows, comforters, and sleeping bags. She said the Bureau would like to know how industry responds to questions regarding sanitization of returned and used bedding products such as pillows and comforters. Some acceptable methods of sanitization include commercial dry cleaning, and commercial washer/dryer processes but the Bureau is looking for more input. There were no comments.

Agenda Item #14 – Barrier Research Study Update

Ms. Cathalifaud introduced the topic by stating that Flammability Engineer Nurbakhsh could not be present for the meeting due to a laboratory conflict. She said that several companies have generously donated fabric and barriers, and the laboratory is currently waiting for those shipments to arrive. The Bureau has estimated the sewing of the cushion to be used in the barrier research study will cost approximately \$15,000. Ms. Cathalifaud added that in addition to the barrier study the Bureau has a contract with Duke University who is currently testing 25 barriers. She said the Bureau hopes to hear the results of the tests within a few weeks.

Donald Lucas asked how many large scale cushions the Bureau plans on testing, and added that the process seems expensive. Ms. Cathalifaud agreed that it is an expensive process and does not have details on hand. She stated there are many cushions, and will put Dr. Nurbakhsh in touch with Mr. Lucas to discuss exact numbers.

Agenda Item #15 – SB 1019 / DTSC Contract

Ms. Cathalifaud stated that as of May 1, 2017, the Department of Toxic Substances Control (DTSC) will post any changes to their Standard Operating Procedures (SOP) or inclusion of new flame retardant chemicals to their website. She added Myrto Petreas of DTSC has proposed changes to sample prep procedures that will be posted on the DTSC website as well as the addition of at least one new chemical. Ms. Cathalifaud said the Bureau's new contract with DTSC begins July 1, 2017, and the new contract should include an additional ten samples.

In regards to the SB 1019, ten samples are currently sent to DTSC for analysis. The Bureau requests flame retardant documentation from manufacturers to support their labels that state "Contain no Flame Retardant Chemicals." Ms. Cathalifaud added the laboratory had been busy with accreditation, but the laboratory is now up and running. She said samples are currently being secured, the laboratory is sending flame retardant documentation requests to manufacturers, and DTSC will be receiving samples. In addition, the Bureau currently only has two textile technicians and expects to complete the interviews for replacement by the end of February. Ms. Levin asked about labeling law compliance statistics. She wanted to know how many labels reported they either did or did not contain flame retardant chemicals and what percentage passed and/or failed. Ms. Cathalifaud stated statistics are currently being run and the information can be provided at the July Advisory Council Meeting.

Agenda Item #16 – Home Furnishings Retail Advertisement Survey

Mr. Chasse opened the topic by stating the Bureau field and personnel including Ms. Skelton and former Bureau Chief Paddock handed out surveys to see if retailers were experiencing confusion in regards to current advertising regulations which discuss defined former price, going out of business, and the definition of a "sale." Mr. Chasse stated that in 2017 the Bureau will use Survey Monkey to post internet based surveys with a more concise focus on principal questions regarding liquidation sales, percentage markdowns, and suggestions from the industry. Licensing Technician Wallace-Schoell added that the survey has been condensed to ten questions, and that retailers are more willing to answer questions if the phone call is 10 minutes long or less.

Agenda Item #17 – Public Comment on Items not on Home Furnishings and Thermal Insulation Agenda

Mr. Chasse mentioned he heard a comment regarding manufacturing dates being included on law labels. He said some stores have old stock, so it may be helpful for the date to be printed on the label for Bureau Field Representatives to review during an inspection. He added the Bureau Field Representatives currently ask for documentation, but not all businesses have that information readily available. Ms. Levin agreed that a manufacture date would be helpful for consumers. Mr. Hupe stated there is a current requirement within the Consumer Product Safety Commission (CPSC) to print the location and date of manufacture on products that are used in preschools and lower elementary grades. Mr. Chasse asked Mr. Hupe to send him more information. Mr. Hupe stated he will prepare a package that shows labels and what has been

approved by CPSC. A teleconference caller stated that Walmart currently requires their vendors to put the date of manufacture on the product. The date is added to the bottom of the law label as long as it is separated by a black line, which has been approved by IABFLO.

Dave Panning asked about the status of the repeal of TB 133. Mr. Chasse stated that at the November Advisory Council Meeting the timeline was set for discussion in May or June of 2017. It will then go through a public comment period, and the Bureau projected possibly seeing a repeal consideration on items by January 2018. He affirmed that the Bureau is still on track for the same schedule. Mr. Panning asked if the Bureau is working with ASTM and CPSC on the possibility of a national flammability standard. Mr. Chasse stated the Bureau is in contact with CPSC and hopes to continue discussions. He added the Bureau is working with Dr. Locke on future steps.

Mr. Chasse concluded the meeting at 10:30 AM.