



Strategic Plan 2022-2026

Prepared by:
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Department of Consumer Affairs

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Bureau of Household Goods and Services

Advisory Council Members as of January 20, 2022

Pascal Benyamini, Public Member
James Garelli, Industry Member (Household Movers)
Burt Grimes, Industry Member (Home Furnishings and Thermal Insulation)
Chris Higdon, Industry Member (Household Movers)
Donald Lucas, Public Member
Stephen McDaniel, Industry Member (Electronic and Appliance Repair)
Dan Rhodes, Industry Member (Electronic and Appliance Repair)
Toby Taylor, Industry Member (Electronic and Appliance Repair)
Steve Weitekamp, Industry Member (Movers and Storage)

Gavin Newsom, Governor
Lourdes M. Castro Ramírez, Secretary, Business, Consumer Services and Housing Agency
Kimberly Kirchmeyer, Director, Department of Consumer Affairs
Justin Paddock, Chief, Bureau of Household Goods and Services

Message from the Chief

I am pleased to present the Bureau of Household Goods and Services' (Bureau) 2022-2027 Strategic Plan. The Strategic Plan is the result of a long collaborative process between our executive and management teams, as well as both internal and external stakeholders. Our goal was to provide a fresh look at the next five years and build a relevant plan for continued improvement at the Bureau.

Keeping true to our mission to protect and serve consumers while ensuring a fair and competitive marketplace, we have outlined five goals – each with its own set of objectives – designed to ensure the continued success of our mission. Over the course of the next half a decade, Bureau staff will focus on enhancing our licensing and enforcement processes, increasing our communication and educational outreach activities, implementing legislative and regulatory updates, and improving the overall organizational effectiveness of the Bureau.

I invite you to join us as the Bureau implements the various elements of this plan and I hope that you will continue to work with us to achieve these ambitious goals.

Sincerely,

Justin Paddock
Chief, Bureau of Household Goods and Services

About the Bureau

History and Function of the Bureau

The Bureau is split into four distinct areas of regulation: 1) Home furnishings and thermal insulation, 2) electronic and appliance repair, 3) service contracts, and 4) household movers.

Home Furnishings and Thermal Insulation

The California Bureau of Home Furnishings and Thermal Insulation (BHFTI) was initially established in 1911 as part of the Bureau of Labor Statistics in response to unscrupulous manufacturing in the mattress industry. There were no requirements at the time to disclose the materials used in the contents of the mattresses, which were widely recognized as contributors to fires following the 1906 San Francisco earthquake. Later, BHFTI's jurisdiction was expanded to include retailers, wholesalers, and importers, to be able to trace the origin of a product to the source and when products were deemed dangerous to have a mechanism to remove the product from the market.

In addition to bedding and furniture manufacturers, importers, wholesalers, and retailers, the Bureau currently regulates supply dealers, custom upholsterers, bedding sanitizers, and manufacturers of thermal insulation.

Electronic and Appliance Repair

The California Bureau of Electronic and Appliance Repair (BEAR) was established in 1963 as the Bureau of Repair Services under the Department of Professional and Vocational Standards, which later became the Department of Consumer Affairs (Department), in response to fraud and negligence in the television repair industry.

In 1973, major home appliance repair was added to BEAR's regulatory authority. As technology evolves, the Bureau's regulation has been revised to add such items as microwave ovens, personal computers, satellite antennas, and home office products. In 2013, BEAR was also authorized to regulate the installation, service, and maintenance of ignition interlock devices.

Service Contracts

In 1994, service contracts for consumer electronic and home appliance products were added to BEAR's regulatory authority in response to companies selling or administering contracts without providing adequate financial backing or properly disclosing the terms and conditions as required by the Song-Beverly Consumer Warranty Act.

The products covered under service contracts were expanded in 2004 to include furniture, jewelry, lawn and garden products, and many other items used in homes for personal use. In 2014, service contract authority was expanded again to include optical products, such as eyeglasses. On January 1, 2020, the products covered under service contracts were expanded again to include all consumer goods.

Household Movers

As of July 1, 2018, the Bureau’s oversight includes household movers as a result of legislation that transferred administration of the Household Movers Act from the California Public Utilities Commission.

How the Bureau’s Composition and Functions Evolved

To effectively share resources and provide cost savings, BHFTI and BEAR were housed together and placed under the oversight of one Chief in the late 1990s. As time went on, units within the bureaus consolidated and staff cross-trained, sharing the workload. In 2009, legislation – ABX4 20 – officially merged the two bureaus as the Bureau of Electronic and Appliance Repair, Home Furnishings and Thermal Insulation.

The Division of Household Movers augmented the Bureau’s existing workforce by providing additional licensing, enforcement, and administrative positions to effectively regulate the moving industry and protect consumers. The Bureau recruited additional staff, while providing cross-training and opportunities for existing staff to affect the implementation of the new program, while maintaining a high level of service for the existing programs.

The Bureau currently licenses and regulates over 42,000 companies across the globe from small single-person businesses to major corporations. The Bureau currently has a staff of over 60 employees who license, register, and permit companies, handle consumer complaints, inspect businesses, ensure compliance with laws and regulations, conduct investigations, test products to determine whether they meet Bureau and federal standards, and initiate disciplinary action against companies that commit violations.

Bureau Advisory Council Composition

The Advisory Council (Council) is an informal, voluntary council dedicated to assisting the Bureau by providing perspective and insight into the electronic and appliance service markets, service contract market, the upholstered furniture, bedding and thermal insulation markets, and the household mover market in California. Members serve in an advisory capacity on policy matters, making recommendations directly to the Bureau Chief. The Director of the Department of Consumer Affairs appoints members who serve two-year terms.

As of January 20, 2022, the Council included two public members: Pascal Benyamini and Donald Lucas. The Council’s seven industry members were from three distinct fields.

Household Movers	Electronic & Appliance Repair	Home Furnishings & Thermal Insulation	Service Contracts
James Garelli	Dan Rhodes	Burt Grimes	Stephen McDaniel
Chris Higdon	Toby Taylor		
Steve Weitekamp			

Mission, Vision, and Values

Mission

The Bureau of Household Goods and Services' mission is to protect and serve consumers while ensuring a fair and competitive market.

Vision

The Bureau of Household Goods and Services' vision is to be an efficient organization that effectively protects consumers and improves the marketplace through quality customer service, prompt licensing, and enforcing the law.

Values

- Accountability
- Consumer Protection
- Effectiveness
- Integrity
- Professionalism
- Service
- Education

Goal 1: Licensing

Administer a licensing program that enables applicants to timely enter the workforce while ensuring consumer protection.

- 1.1 Establish licensing processes and procedures to streamline workflow.
- 1.2 Review and enhance customer service standards to carry out the mission of the Bureau.
- 1.3 Continually improve online services to increase compliance and reduce barriers to licensure.
- 1.4 Streamline the electronic filing process for insurance companies to decrease reporting timeframes and increase compliance by household movers.

Goal 2: Consumer Protection and Enforcement

Ensure the Bureau's enforcement program maximizes resources to provide timely consumer protection through actively enforcing the laws and regulations governed.

- 2.1 Establish processes and procedures in enforcement operations to ensure accountability of all regulated populations.
- 2.2 Implement proactive enforcement and "sting operations" to enhance consumer protection and increase permitted household movers in the state.
- 2.3 Annually solicit input from partners on industry trends and business practices to ensure the Bureau uses up-to-date enforcement/investigative practices.
- 2.4 Coordinate outreach to local law enforcement and local prosecutors to increase cooperation amongst different agencies.
- 2.5 Leverage the Bureau's Memorandum of Agreement with the Federal Motor Carrier Safety Administration to protect California consumers from unpermitted inter-state movers.

Goal 3: Communication and Education

Inform and engage consumers, licensees, and other stakeholders about the Bureau's laws and regulations and the availability of the complaint process.

- 3.1 Educate consumers about what the Bureau is and how it protects consumers.
- 3.2 Educate the regulated industries about the functions of the Bureau and the resources available to them to enhance their business operations and increase compliance.
- 3.3 Publicize enforcement actions to inform consumers of industry violations.
- 3.4 Conduct outreach to related industries to educate them of the Bureau's laws and create partnerships to identify illegal activity.
- 3.5 Create and implement a comprehensive outreach plan.
- 3.6 Improve the user friendliness of the Bureau's website to make it an indispensable resource for licensees and consumers.
- 3.7 Explore new and alternative methods of communication to reach more stakeholders.

Goal 4: Legislation and Regulations

Implement legislative and regulatory changes to provide for the protection of consumers and to address current and emerging issues.

- 4.1 Adopt regulations to clarify law label requirements and remove outdated language to increase compliance.
- 4.2 Adopt regulations to enable comprehensive enforcement actions for violations of the Household Movers Act.
- 4.3 Analyze ignition interlock device legislation and regulations to evaluate the Bureau's role in regulating the industry.
- 4.4 Update Bureau regulations and statutes to reflect the evolving gig economy (freelance and independent contract workers), as well as explore and identify participants in the gig economy.
- 4.5 Update and simplify Electronic and Appliance Repair Dealer Registration Law to address current and emerging technologies, eliminate obsolete references, assist enforcement, align with current business practices, address privacy and information security issues, and enhance compliance.

Goal 5: Organizational Development

Provide effective leadership and improve the quality of services in all program areas.

- 5.1 Implement effective staff recruitment, including updating candidate evaluation criteria, to improve recruitment and retention of qualified staff.
- 5.2 Identify and implement creative ways to attract an increased number of qualified applicants.
- 5.3 Increase the speed in which staff vacancies are filled, reducing the Bureau's staff vacancy rate to less than 10 percent.
- 5.4 Create a comprehensive Bureau training plan to initiate long-term succession planning.
- 5.5 Facilitate staff team building to increase collaboration and improve morale among staff.

Strategic Planning Process

To understand the environment in which the Bureau operates, as well as identify factors that could impact the Bureau's success in carrying out its regulatory duties, the Department of Consumer Affairs' SOLID Planning unit conducted a SWOT analysis (Strengths, Weaknesses, Opportunities, and Threats) of the Bureau's current situation, including assessing internal and external environments, by collecting information through the following methods:

- Interviews were conducted with almost all Advisory Council members, as well as with Bureau leadership, during the month of November 2021 to assess the challenges and opportunities the Bureau is currently facing or will face in the upcoming years.
- An online survey was sent to external stakeholders on November 11, 2021, closing on December 1, 2021. In the survey, external stakeholders provided anonymous input regarding the challenges and opportunities the Bureau is currently facing or will face in the upcoming years. A total of 33 external stakeholders participated in the survey.

Bureau executive staff were provided the results of the environmental scan over a week before the strategic planning session on Thursday, January 20, 2022. They were also given an objectives worksheet and a list of action words to consider when creating their objectives, and these were passed along to the Advisory Council members and Bureau leadership. During the planning session, suggestions were taken from Council Members, the new Bureau Chief, and members of Bureau management. These objectives were discussed and rephrased into the objectives included in this document.

Bureau of Household Goods and Services

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Strategic plan adopted on July 13, 2022.

This strategic plan is based on stakeholder information and discussions facilitated by SOLID for the Bureau of Household Goods and Services on January 20, 2022. Subsequent amendments may have been made after the adoption of this plan.

STATE OF CALIFORNIA



DEPARTMENT OF CONSUMER AFFAIRS

**SOLID TRAINING AND
PLANNING SOLUTIONS**

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