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Message From the Board Chair



CSLB is always working to improve its connection with licensees. Hopefully you will find this newsletter helpful in understanding some of the board's important information that pertains to the growth of your business.

So far in 2019, CSLB has been implementing new laws, including SB 721, which establishes

requirements for inspecting and repairing "exterior elevated elements", such as balconies and decks. The board has also welcomed a new member, Frank Altamura, Jr., who can help us make impactful decisions.

As you know, Californians are still climbing out of the devastation that historically large wildfires have left in their communities. More than 7,500 wildfires burned almost 1.7 million acres of land in the state in 2018. The Mendocino Complex Fire in Colusa, Glenn, Lake, and Mendocino counties burned more than 459,000 acres, making it the single largest wildfire in state history. The Camp Fire in Butte County was the deadliest and most destructive, with 85 deaths and 18,804 structures destroyed. At this time, licensed contractors couldn't be of more value to the well-being of our state.

In working closely with property owners on rebuilding in the affected areas, we want you to rely on CSLB should you need any resources or have questions about your place in the rebuilding process. A great start to help you and your business is the 2019 California Contractors License Law & Reference Book.

There's no doubt that as the need for more licensed contractors in California increases, CSLB staff will continue to enhance the application process and the process to make updates and additions to your license. You may have already utilized our "easy fill forms," to help you make updates quickly and easily. We will continue to add new forms to our website and will notify you when we make those updates.

Our board is also working closely with other states, giving you the opportunity to contract across state borders. Adding to existing licensing agreements with Arizona, Nevada and Utah, CSLB and the Louisiana Board

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for Contractors have agreed to license reciprocity; licensed contractors can now apply for a trade exam waiver in Louisiana, and vice versa.

Public works projects are also another great avenue for licensees to grow their contracting business. But before you jump into that line of work, CSLB's enforcement staff wants to make sure you are aware of the common mistakes contractors make while bidding on these projects, mistakes that can have serious repercussions. Read through our public works article later in this newsletter to find out more.

We know that licensees want us to increase the accessibility of our resources to get more people licensed. There is no question that students studying construction management at universities around the state will become tomorrow's industry leaders. Because of licensee contributions to the Construction Management Education Sponsorship Act (CMESA) grant program, the board has approved distributing \$100,000 to seven different universities. Continue reading to learn more about how you can contribute to future generations of construction managers.

In this newsletter, we also wanted to address the emerging issues about online marketplaces and clear-up any confusion that contractors may have. We will answer questions like, does the online marketplace or contractor referral website need to have a license? Read that information carefully if your business is reliant on home improvement marketplace companies.

Licensed contractors play an important role in fueling California's economic growth. We are proud of our hard-working licensees whose professionalism provides a secure route to meet consumer's construction needs throughout the state

We welcome your feedback on this newsletter, as well as on any other issue. Please contact us through our website feedback form (LINK).

Respectfully,

Marlo Richardson CSLB Board Chair





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New CSLB Board Member Appointed



California Contractors State License Board (<u>CSLB</u>) welcomes new Board Member, Frank Altamura, Jr., of Vacaville, who was appointed by Governor Edmund G. Brown, Jr. in January 2019.

Since 2012, Mr. Altamura has served as a Product Manager for Trane Energy Services and Control. He previously served as a Product Manager for Serious Energy, and as a Founding Engineer with

Valence Energy.

Mr. Altamura earned both a Master of Business Administration degree and a Bachelor of Science degree from Santa Clara University. His term continues through June 1, 2022.

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The Contractors State License Board (CSLB) is providing a summary of new construction related laws that are in effect for 2019. For more information please refer to the 2019 California Contractors License Law & Reference Book.

<u>Senate Bill (SB) 721</u> establishes requirements for inspecting and repairing "exterior elevated elements," which includes decks and balconies, for buildings with three or more multi-family dwelling units. Additionally, it establishes reporting and repair requirements, including timeframes, if it is found repairs are needed.

This bill also specifies who can complete the inspections and repairs - such as "A" General Engineering, "B" General Building, and C-5 Framing and Rough Carpentry contractor license classifications, if specified experience requirements are met. Also, this bill provides for application of civil penalties if building owners violate the requirements. (Chapter 445, Statutes of 2018)

<u>SB 981</u> removes the restriction on delivering or installing a water treatment device sold through a home solicitation contract during the consumer's

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"three-day right to rescind" from the date the contract is signed. Instead, this bill allows for the installation to take place during that time period.

If the consumer subsequently withdraws the contract within the three-day period, the seller is responsible for the costs to remove the device or any material and to return the property to its same condition prior to the contract. (Chapter 932, Statutes of 2018)

SB 1042 authorizes CSLB's registrar to "settle" less egregious administrative citations prior to an administrative hearing, using an informal citation resolution process. The informal process is not subject to the Administrative Procedure Act and the person cited would not surrender their right to request an administrative hearing. (Chapter 110, Statutes of 2018)

SB 1087 is a follow-up to AB 1284 (Dababneh, Statutes of 2017), which required the licensing and regulation of Property Assessed Clean Energy (PACE) program administrators by the Department of Business Oversight (DBO). Among other things, SB 1087 makes it unlawful to begin work under a home improvement contract if the property owner was not ultimately approved for the PACE financing applied for. (Chapter 798, Statutes of 2018)

<u>SB 1465</u> requires licensed contractors and insurers to report to CSLB any final civil judgments, settlements, or arbitration awards involving damage claims over \$1,000,000 for construction defects in multi-family rental residential structures that meet specified criteria. (Chapter 514, Statutes of 2018)

Assembly Bill (AB) 2138 - Effective July 1, 2020, this bill prohibits an applicant from being denied a license solely because he or she has been convicted of specified crimes. It also authorizes a board to deny a license based on a conviction if it occurred within seven years from the date of application, regardless of the following:

- Incarceration status;
- If the crime is substantially related to the qualifications, functions, or duties of the license;
- · If the conviction requires California sex offender registration; and
- If the conviction is a financial felony crime directly and adversely related to the qualifications, functions, or duties of the license.

This bill also prohibits license denial if the applicant was pardoned, shows mail alerts rehabilitation, or if the conviction was dismissed, and prohibits denial based on an arrest that resulted in anything other than a conviction.

Boards will also be prohibited from requiring an applicant to provide his or her criminal history and requires boards to produce annual reports about applicants with a criminal background to the Legislature and for public posting. (Chapter 995, Statutes of 2018)

AB 2371 provides that before CSLB revises a landscaping contractor examination, it must confer with specified entities to determine if any updates or revisions to the exam are needed to reflect new and emerging landscape irrigation efficiency practices. (Chapter 867, Statutes of 2018)

AB 2705 increases the statute of limitations from one year to two years during which an unlicensed contractor can be prosecuted for failing to



obtain workers' compensation insurance for their employees. (Chapter 323, Statutes of 2018)

AB 3126 eliminates the option of a cash deposit with CSLB in lieu of a contractor license bond, bond of qualifying individual, or disciplinary bond to prevent contractors from removing bond funds from their private accounts and leaving no funds payable to a consumer following a valid claim against a bond. Contractors can only submit a cashier's check as an alternative to the required \$15,000 contractor bond. (Chapter 925, Statutes of 2018)





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You already know about advertising in newspapers, magazines, and on radio and television airwaves but, for licensed contractors, advertising is more than that.

It's also:

- Your business card;
- · Any contract proposal;
- · Lettering on your trucks and other vehicles;
- Any sign or billboard identifying you or your company as a contractor;
- Any electronic transmission, including your company's website content;
- Any soliciting brochure, pamphlet, circular, or Internet ad you or anyone else posts or distributes;
- Any clothing or giveaway items that include your company name or logo; and
- Any directory or listing that states or implies you are a contractor requesting or looking for the kind of work that requires a contractor license under California Contractors License Law.

These specifications are in Section 861 of the Contractors State License Board (CSLB) Rules and Regulations. They define what Business and Professions (B&P) Code Section (§) 7030.5 means when it says that licensed contractors are required to include their license numbers in "(a) all construction contracts; (b) subcontracts and calls for bid; and (c) all forms of advertising, as prescribed by the registrar of contractors." The civil penalty

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(pursuant to California Code of Regulations § 884) for not complying with this requirement is between \$100 and \$1,000 for a first offense.

Identifying Business Vehicles C-36 Plumbing, C-45 Sign, and C-57 Well-Drilling contractors must display the following information on each side of every business vehicle with commercial registration in letters at least 1.5 inches high (B&P § 7029.5):

- · Business name;
- · Permanent business address; and
- · Contractor license number.

All other licensed contractors must display their business names and contractor license numbers on every one of their commercially-registered vehicles. The name and number must be in a clearly visible location in letters at least 3/4 inch high and wide (B&P § 7029.6).

Resources:

<u>TEXT California Contractors State License Law and Reference Book (2019 edition)</u>

CSLB Advertising Guidlines Brochure



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Between October 2017 and the end of 2018, California was hard hit by a series of disasters that changed the face of several communities.

2018 saw the deadliest and most destructive wildfire season in California history. As a result, CSLB made one of its biggest coordinated commitments to post-disaster recovery efforts in its 90-year history.

More than 7,500 wildfires burned almost 1.7 million acres of land in the state in 2018. The Mendocino Complex Fire in Colusa, Glenn, Lake, and Mendocino counties burned more than 459,000 acres, making it the single largest wildfire in state history. The Camp Fire in Butte County was the deadliest and most destructive, with 85 deaths and 18,804 structures destroyed. For the year, 98 civilians and six firefighters were killed as a result of wildfires across California.

As a consumer protection agency, and in its role regulating California's construction industry, CSLB is responsible for protecting those whose homes and property are directly affected by wildfires, as well as other catastrophic events like floods, mudflows, earthquakes, and pipeline explosions.

CSLB's post-disaster mission is to help ensure that survivors are not victimized by unlicensed or unscrupulous contractors who may try to take advantage of them during the recovery and rebuilding process.

The chart below lists 13 state of emergency declarations issued in 2018 for 11 wildfires and two torrential storms. The declarations affected 22 counties, two of which received multiple emergency declarations.

Source of Emergency	County/Counties Effected	Data of Declaration
March Storms	Amador, Fresno, Kern, Mariposa, Merced, Stanislaus, Tulare, Tuolumne	4/19/18
Pawnee	Lake	6/25/18

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Fire		
Klamathon Fire	Siskiyou	7/5/18
West Fire	San Diego	7/6/18
Holiday Fire	Santa Barbara	7/7/18
Monsonial Rainstorm	San Bernardino	7/24/18
Carr Fire	Shasta	7/26/18
Cranston Fire	Riverside	7/26/18
Ferguson Fire	Mariposa	7/26/18
Mendocino Complex Fires	Lake, Mendocino, Napa 7/28/19	
Holy Fire	Orange, Riverside	8/9/18
Camp Fire	Butte	11/8/18
Woolsey Fire	Ventura, Los Angeles	11/9/18

CSLB Post-Disaster Response

CSLB invests significant resources in its post-disaster response program.

The first step is to staff various assistance centers opened for survivors run by the Governor's Office of Emergency Services (OES) and/or the Federal Emergency Management Agency (FEMA).

In 2018, CSLB staffed 18 assistance centers, directly meeting with almost 2,900 disaster survivors. CSLB employees spent 4,600 hours staffing centers, or the equivalent of 115 five-day work weeks. In addition, CSLB staff assembled, shipped, or delivered thousands of pages of educational material for distribution at the various centers, as well as to the offices of local legislators, building departments, and chambers of commerce.

In addition, CSLB participated in a joint federal-state housing task force to address the issues surrounding both short and long-term housing needs for survivors of various disasters.









Disaster Warning Signs

CSLB also posted hundreds of signs, in both English and Spanish, throughout disaster areas to warn homeowners that unlicensed or unscrupulous contractors may try to scam them. The signs also warn unlicensed contractors that it is a felony to contract without a valid state license in a declared disaster area.



Media Outreach

In 2018, CSLB issued multiple news releases and hosted three news conferences with messages targeted to survivors, licensed contractors, and unlicensed or unscrupulous individuals hoping to take advantage of the situation. These efforts resulted in dozens of media stories.

Rebuilding Workshops

In response to the wildfires, in 2018, CSLB began a series of workshops, in conjunction with local agencies, to help both survivors and contractors with the rebuilding process. Survivor workshops focused on providing information about permits, hiring architects and contractors, and insurance claims. Contractor workshops focused on assisting those interested in adding license classifications, employees, and workers' compensation insurance to their licenses, and specific information about rebuilding. Nine workshops were held in burn zones around the state during 2018. Workshops are already on the calendar for the Woolsey and Camp Fire zones.

On-Going Enforcement Efforts

During 2018, SWIFT investigators conducted 80 days of sweep operations within disaster areas in Lake, Mendocino, Napa, San Diego, Sonoma, Shasta, and Ventura counties. Investigators also secured owner permission to use fire-damaged properties for six enforcement stings in Napa, San



Diego, Shasta, and Sonoma counties. Throughout the disaster areas in 2018, SWIFT investigators issued 18 administrative citations, referred 71 cases to the local district attorney for criminal prosecution (including multiple felony cases), issued 45 Stop Orders, and wrote 90 Advisory Notices for minor violations.

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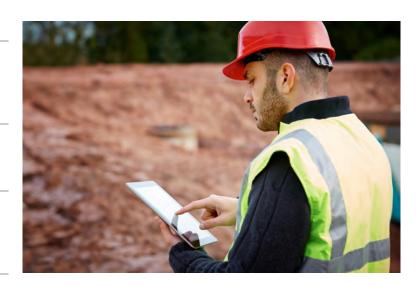
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The online "easy-fill" forms that launched in 2017 were the first step CSLB took to upgrade its online system to fulfill many licensing needs. Since then CSLB has added a number of electronic forms and online processes for those applying for licensure and contractors making updates or changes to their licenses.

Applicants and licensees will be alerted if an error is made when entering information, such as when an answer conflicts with information previously entered, or if any of the required fields are left blank. In addition, reminders are provided about relevant forms that may need to be submitted.

Easy-Fill Forms:

Easy-fill forms should make completion easier and faster and reduce mistakes so that CSLB can process them efficiently.

These forms can be completed electronically and then must be printed, signed, and mailed to CSLB. Applications must also add their Social

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Security Number (SSN) or Individual Taxpayer Identification Number (ITIN) before they are sent.

Electronic Forms

New forms that may be submitted electronically include:

- General Liability Insurance
- Workers' Compensation Exemption
- Workers' Compensation Insurance

Upon submission, the information will be updated in CSLB databases. Forms with future effective dates, which cannot exceed 30 days, will be held and the database updated on the policy's effective date.

CSLB staff monitors the use of these interactive forms by applicants and licensees and uses that feedback to further enhance our online processes.

Helpful Resources:

Forms and Applications (CSLB Website)

CSLB Launches New Online Forms (2017 article)



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If you need to renew your license, CSLB wants to make sure you understand the process, especially for those not familiar with how renewals are administered.

Every active license expires every two years. Sixty days prior to the expiration date, CSLB's Renewals Unit will send a renewal application to the business address listed on your license.

The completed renewal application and payment must be received by CSLB's headquarters prior to the expiration date of the license – to avoid a lapse in your license or a delinquency fee.

I submitted my renewal, when will it be processed?

You can check processing times on our website, which are updated weekly. Search "processing times" to locate the page, or <u>click here</u>.

Don't wait until the last minute to submit your renewal! As suggested on the renewal application, submitting four weeks in advance of the expiration date is strongly recommended. Processing times can vary significantly and timely submission is advised!

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For any questions regarding the renewal process, please contact the License Information Call Center: 800-321-CSLB (2752).

Helpful Resources

- General Renewal Information
- Processing Times
- Maintain and Change Your License

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The 2019 Contractors License Law & Reference Book is an excellent resource for information about making any changes to your license. Also known as the CSLB law book, chapter two has answers to questions about common license modifications.

Here are a few tips to help guide you through chapter two.

(This information was taken from pages 36-37 of the CSLB law book. Please refer to the book for more detailed and in-depth information.)

Steps to Adding a Classification to Existing License

If your license status is current, you may fill out a separate "Application for Additional License Classification" for each classification you are requesting. Here are some informative steps to adding a classification:

- Select a qualifier (who may also be the licensee) for the new classification you are applying for;
- Have the qualifier describe in detail, four years of experience within the last ten years as a journeyperson, foreperson, supervisor, or

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- contractor in the classification for which he or she is to serve as the qualifier;
- Provide verification for the claimed experience;
- Submit the required application and processing fee with the application;
- Take and pass the trade examination for the new classification for which he or she is to serve as the qualifier;
- · File any required bonds; and
- Inactivate the qualifier's license if they are an RME.

This information is available in further detail on page 36 of the CSLB law book.

Changes in Personnel

Changes in personnel can have an affect on a contractor license. Here is a list of what to do if there are personnel changes:

- Sole Owner: A sole ownership license is not transferable. If a
 contracting business was purchased, the new owner must obtain
 their own license before operating the business legally.
- Partner: If a general or qualifying partner leaves the business, the
 license must be cancelled. A license continuance request could
 be considered if requested within 90 days of the event that
 caused the license cancellation. The remaining partners must
 apply for a new license if they choose to remain in business.
- Corporate Officers and Limited Liability Company (LLC)
 Personnel: If any officer or LLC personnel listed on a license were to leave, that must be reported to CSLB within 90 days using the "Disassociation Request." To add personnel, you must submit an "Application to Report New Officers of a Corporation" or "Application to Report New Officer of an LLC." Officers, members and managers listed on the records of California Secretary of State must match those individuals listed on the contractor's license, including their titles. To report current titles, you must submit an "Application to Report Change of Title for Current Officer or Personnel of Existing Corporate or Limited Liability Company License"
- Qualifier (Responsible Managing Officer, Employee, Member, or Manager) Leaves: Notify CSLB within 90 days in writing with the following information:
 - o Date of disassociation
 - Name of the qualifier who left
 - Name of the business
 - o Contractor license number
 - Signature of disassociating individual or current member of license personnel

More detailed information on personnel changes can be found on pages 37-39 in the CSLB law book.

Changes in Business Name or Address

Report changes to business name or address as soon as possible, but no later than 90 days after the change. You can notify CSLB by submitting the Application to Change Business Name and/or Address." Please note the following:

- The form must be signed by a current member of the license personnel: an owner, general partner, officer, member, or manager.
- For corporate or LLC licenses, you must register the name change with the California Secretary of State.
- The new business name must not conflict with the type of business entity or the classification held.
- Corporate and LLC registered name changes will be confirmed with the California Secretary of State.

Changes in Business Type

CSLB licenses five types of business entities:

- 1. Sole Ownership
- 2. Partnership
- 3. Corporation
- 4. Joint Venture
- 5. Limited Liability Company (LLC)

Whenever the business type is changed, it's required to obtain a new license. If you were to change your business entity without obtaining a new license, your business would face all the legal risks of an unlicensed contractor.

For more information regarding changing your business entity, including a Q&A about license requirements, visit page 40 of the CSLB law book.

The 2019 edition of the *California Contractors License Law & Reference Book* is now available for purchase, or to view online for free. The cost of the 1,100-page book, which includes information you need to become a licensed contractor, maintain your existing license, and run a successful contracting business, is \$36.00, plus tax and shipping. The book can only be purchased directly from the publisher.

Click here to purchase a copy of the book

Click here to view a copy of the book online

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Adding to existing licensing agreements with Arizona, Nevada, and Utah, CSLB and the Louisiana State Licensing Board for Contractors (LSLBC) have agreed to license reciprocity for the "B" General Building classification.

Licensed contractors in California can now apply for a trade exam waiver in Louisiana, and vice versa. If approved, reciprocity eases the process to get a "B" General Building license to work legally as a contractor in both states.

Contractors seeking to work in either California or Louisiana based on this reciprocity agreement must obtain the appropriate state license before bidding (unless it's a federal project), signing contracts, or performing work.

California Contractors Seeking a Louisiana License

A California licensed "B" General Building contractor who successfully applies for reciprocity in Louisiana will not need to take the Louisiana trade exam and will be exempt from the statutory 60-day waiting period between the date the application is received and when the license is issued.

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Applicants will still need to take and pass the Louisiana business and law exam, which can be taken remotely.

Licensed contractors who want to apply for reciprocity in Louisiana must be in good standing for the three years prior to applying and successfully meet all other Louisiana requirements for licensure. They must also complete an <u>application</u> using the same qualifier and submit the appropriate fees.

Applicants will also need to have CSLB complete a <u>Request for Verification</u> which will then be returned to the contractor for submission to the Louisiana State Licensing Board for Contractors.

Louisiana Contractors Seeking a California License

Licensed General Building contractors who want to apply for reciprocity in California must have held an active license in good standing in Louisiana for five years prior to applying. They must also successfully complete and submit a CSLB <u>Application for Original Contractor's License</u>, including the Certification of Work Experience included in the application to verify the journey-level work experience for the previous five years. The contractor must also submit to CSLB a <u>"Request for Verification of License"</u> completed by the LSLBC.

A Louisiana licensed Residential Building or Commercial Building contractor who successfully applies for reciprocity in California will not need to take the California trade exam but will need to take and pass the California business and law exam, complete an application, submit all relevant fees, and meet all other licensure requirements related to workers' compensation and contractor bonds.

Helpful Resource:

General Reciprocity Information



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Public Works: How to Get Started and Common Mistakes to Avoid



Public works projects are the construction, alteration, demolition, installation, or repair work done under contract and paid in whole or in part out of public funds. For a full definition of public works refer to <u>Labor Code section 1720</u>.

If you work or bid on a public works project, then you are considered a public works contractor. The term "public works contractor" includes subcontractors. According to the Department of Industrial Relations (DIR), all public works contractors must fulfill four key responsibilities.

- 1. Register as a public works contractor
- 2. Pay prevailing wages
- 3. Comply with certified payroll requirements
- 4. Follow apprenticeship requirements (if the project is \$30,000 or more)

While those key responsibilities are enforced by DIR, CSLB wants to highlight common complaints that originate from public works projects, complaints that are centered on contractors failing to pay the accurate

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prevailing wage, and prime contractors failing to pay subcontractors and/or material suppliers.

The first problem commonly seen by CSLB is contractors who are not paying employees the correct prevailing wages. All workers employed on public works projects must be paid a <u>prevailing wage</u> rate. That rate is determined by the type of work being performed and the location of the project.

Failure to pay workers, falsification of payroll records, misclassification of workers, or underreporting hours worked can result in license suspension or revocation (BPC § 7110 & L.C.§1774).

Consequences may include paying restitution of wages owed, plus interest and liquidated damages, monetary penalties, debarment of up to three years, criminal prosecution, or reimbursement of investigation costs to DIR, and up to \$5,000 in fines from CSLB.

Another common complaint made to CSLB regarding public works projects, is the failure to pay material suppliers or subcontractors. Failing to pay for materials provided or work performed by subcontractors when you have the capacity to pay or when you have received sufficient funds to do so can result in disciplinary action (BPC § 7120).

The violations mentioned above are often a result of underbidding a public works project, which is why it's important that the bid you submit includes all necessary work.

If unknown work at the time of bid is discovered during the contracting activity you will need to submit necessary "change orders" and have them approved by the awarding entity in order to receive payment.

Failing to complete a job for the contracted amount could lead to disciplinary action against your license (BPC § 7113).

If you're just getting started with your license, or if you want to start bidding public works projects, it would be smart for you to brush up on these laws.

A great resource is the 2019 California Contractors License Law & Reference Book online, or order your copy here. Or, by checking out the DIR website at www.dir.ca.gov.







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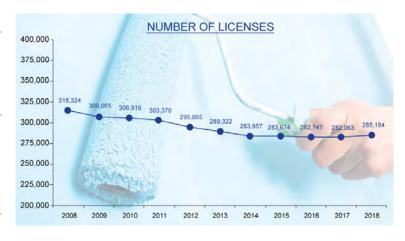
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After a slow, but steady decline over the past ten years, the total number of state-licensed contractors rose slightly in 2018. Also, the number of license applications rose during the year.

At the end of 2018, there were 285,184 contractor licenses in California, an increase of just over one percent from the start of the year.

About 80.5 percent of those (229,656) were "active," and about 19.5 percent (55,528) were "inactive" (those who are not currently contracting or submitting bids for work).



More than 55 percent of those holding an active license are "B" General contractors, with 135,055 in that classification. The C-10 Electrical contractor classification is the next most widely held with 32,211 licensees, followed by "A" General Engineering licensees, with 19,403 at the beginning of 2019.

The number of applications CSLB has received in 2019 continues to rise. CSLB's Licensing unit is processing 40-60 applications per day.

CLASSIFICATION	TOTAL
"B" - General Building	135,055

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C-10 Electrical	32,211
"A" - General Engineering	19,403
C-36 Plumbing	19,033
C-33 Painting and Decorating	18,406
C-20 Warm-Air Heating, Ventilating, and Air-Conditioning	14,473
C-27 Landscaping	13,906
C-15 Flooring and Floor Covering	8,267
C-8 Concrete	7,598
C-54 Tile (Ceramic and Mosaic)	7,371

Another positive sign for the industry's recovery was that CSLB received over 31,000 license applications in 2018, an 11 percent increase from the prior year. Original license applications increased by nearly 14 percent; applications to add a classification to an existing license increased by 8.75 percent.

Even though the number of license applications increased in 2018, the time it took CSLB staff to process applications dropped 50 percent. That's due in great part to a number of processing improvements, including cross-training of staff.

To help reduce barriers to licensure, in 2018, CSLB added Louisiana to the states with which it has reciprocity agreements, a list that also includes Arizona, Nevada, and Utah.



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CSLB's licensing workshops are free to those who have questions about the application process. The workshops are available in English and Spanish and are available in Northern and Southern California.

Attendees will get an overview of:

- How to apply for a license
- How to use a Social Security Number or Taxpayer Identification
 Number to apply for a license
- Required work experience
- · Both required licensing exams
- Fees

Workshops are currently held every second Wednesday of the month in Norwalk and every third Wednesday of the month in Sacramento. The English sessions are from 1:00 p.m.- 2:00 p.m., and Spanish sessions from 2:30 p.m.- 3:30 p.m.

Southern California | Every 2nd Wednesday of the month

Contractors State License Board 12501 East Imperial Highway, Suite 600 Norwalk, CA 90650

Northern California | Every 3rd Wednesday of the month

Contractors State License Board

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Almost 30 years ago, in 1991, the California Legislature passed the Construction Management Education Sponsorship Act (CMESA). It was later signed into law by Governor Pete Wilson.

In passing the law, the Legislature recognized the increasing demand and need to educate and prepare college graduates to manage construction operations and companies. The students studying construction management at universities around the state will be tomorrow's industry leaders.

Over the next 14 years, CSLB has disbursed more than \$1.3 million in grants to seven universities. Schools must apply for the grants and demonstrate how they will use the grant money. Grant amounts are determined by the number of Construction Management graduates at each school the previous year.

The Board has approved distributing \$100,000 annually if enough funds are available. This year's awards are currently being disbursed.

University	This	Total

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	Year	
California State University, Chico	\$42,124	\$478,454.05
California Polytechnic State University, San Luis Obispo	\$45,421	\$309,797.19
California State University, Fresno	\$0	\$162,881.02
California State University, Long Beach	\$0	\$150,381.42
California State University, Sacramento	\$12,454	\$111,474.28
California State Polytechnic University, Pomona	\$0	\$91,841.78
California State University, Northridge	\$0	\$12,159.03
Total	\$99,999	\$1,154,107.75

If you're a contractor who wants to improve your bottom line, you will need managers who are educated and trained for today's more complex systems. By contributing to the CMESA fund, you can make a significant contribution to the quality of education and the number of graduates who receive important training for construction contracting.

Click here to donate to CMESA.



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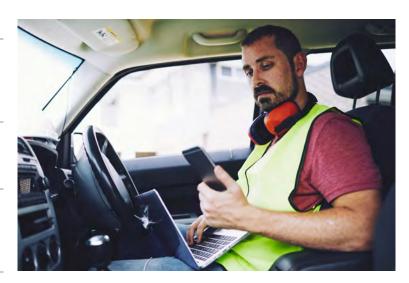
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Clearing Up Confusion about Contracting Requirements for Online Home Improvement Marketplace Companies



CSLB has been addressing emerging issues involving online marketplaces and contractor referral websites. In its most basic form, online marketplaces are e-commerce websites that link consumers to products and/or services that are provided by multiple third parties. In these situations, the e-commerce operator processes the transactions. Many referral websites charge contractors a fee for leads.

For either online marketplaces or referral websites, there's no argument that the contractor performing the home improvement work must hold a CSLB-issued license. But, does the online marketplace or contractor referral website need to have a California contractor license? To help clear up any confusion CSLB issued a Fast Facts information sheet outlining requirements for these companies.

The following is a synopsis of the information provided in the *Fast Facts*:

<u>California Business and Professions Code (BPC) § 7026</u> defines a contractor as a "builder," which includes any person who undertakes, offers

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to undertake, or purports to have the capacity to undertake, or submits a bid for, construction or demolition of any building, home improvement, or project. The definition includes those who do construction or demolition work themselves or "by or through others."

Therefore, persons engaged in the business of home improvement must be licensed in the appropriate trade before advertising and/or submitting bids for construction and construction-related services. The license requirement is for jobs that total \$500 or more in labor and materials (BPC § 7028).

Contractor referral services are legal in California, but within limits. It's important to remember that a referral service cannot solicit or negotiate contracts on behalf of a contractor, or <u>offer to undertake to</u>, or purport to have the capacity to undertake itself or through others a construction project (<u>BPC § 7026</u>).

A referral service may act as a repository for licensed contractors and provide contractor contact information to prospective customers. However, to avoid allegations of unlicensed activity, the prospective customer should enter into a contract directly with the licensed contractor and make payments directly to that licensed contractor.

Also, it is a criminal misdemeanor (<u>BPC § 7027.1</u>) for any person to advertise for construction or work of improvement unless that person holds a valid license in the classification so advertised.

In addition, with limited exceptions, a CSLB-issued home improvement salesperson registration is required for any person who is engaged in the business of soliciting, selling, negotiating, or executing contracts on behalf of a licensee for home improvements.

You can find the Fast Facts information sheet here on the CSLB website.



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What Contractors Should Know about Fenestration Product Labels



Californians will reach out to a contractor for installing new fenestration fixtures like windows, exterior doors, or skylights hoping to save energy in their home. But, in the case of low-rise residential buildings, there are labeling requirements that contractors need to follow when installing manufactured fenestration products.

According to Section 110.6 of California's 2016 Building Energy Efficiency Standards (Energy Standards), prescribed by the California Energy Commission (Energy Commission), contractors need to make sure the appropriate fenestration labels are visible upon installation.

Licensed contractors need to look for one of two approved fenestration product labels listing energy performance values.

- Labels from the National Fenestration Rating Council (NFRC), the responsible entity for certifying manufactured fenestration products; and
- 2. A temporary label listing the Energy Commission or "CEC" default values.

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A manufactured product that is NFRC certified would have both a permanent and non-permanent label. The non-permanent label cannot be removed until a local building department inspector has verified its adequacy; all fenestration installations can be put on hold by the inspector if the appropriate labels are not available on site.

NFRC labels list values for the U-factor, Solar Heat Gain Coefficient (SHGC), Visible Transmittance (VT), and Air Leakage.

The NFRC's website has a database of manufacturers who participate in its program, making it easier for contractors to find certified products.

Another option for meeting the Energy Standards criteria for fenestration labels would be to incorporate a temporary label which lists the CEC default values for U-factor, SHGC, and VT in table 110.6-A of the Energy Standards.

It's important to also note that manufacturer-generated labels and performance values do not comply with California's Energy Standards and will not be accepted by building inspectors (i.e. non-NFRC values).

The label options are explained in detail in Section 10-111 of the Energy Standards.

For additional information regarding California's Energy Standards, contact the Energy Standards Hotline at (800) 772-3300 (in California), or (916) 654-5106 (out of state), or email title24@energy.ca.gov.

Helpful Resources:

- <u>California Energy Commission Regulatory Advisory: Fenestration</u>
 Labeling
- 2016 Building Energy Efficiency Standards for Residential and Nonresidential Buildings (Title 24, Parts 1 and 6)
 - Section 110.6 Mandatory Requirements for Fenestration Products and Exterior Doors
 - 10-111 Certification and Labeling of Fenestration Product U-Factors, Solar Heat Gain Coefficients, Visible Transmittance, and Air Leakage



California Energy Commission

National Fenestration Rating Council

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Recycle Unwanted Paint Easily and for Free



Do you know how easy it is to dispose of your unused paint, primer, stains, sealers, and clear coatings in an environmentally responsible way?

PaintCare, a non-profit stewardship organization that runs paint recycling programs across the country, launched in California in 2012. Today, there are more than 725 convenient and free drop-off sites located throughout the state, mostly at paint and retail hardware stores. Nearly 99 percent of Californians live within 15 miles of a PaintCare drop-off location, and businesses and residents alike are encouraged to drop-off their unwanted paint.

Painting contractors, property managers, and others with large amounts of unwanted paint can also enjoy the convenience of PaintCare's free large-volume pick-up (LVP) service. If you have more than 200 gallons, measured by container size (not content), you qualify for the free service. Last year, PaintCare completed more than 500 large-volume pick-ups across the state.

Additionally, if you frequently dispose of large amounts of paint, a regular pick-up service can be arranged.

To request a large volume pick-up simply fill out a paper or electronic version of the "Large Volume Pick-Up Request Form" and return it to PaintCare by email, fax, or regular mail. Visit www.paintcare.org for the form.

Learn more about what PaintCare accepts and does not accept for pickups and drop-offs.

What Products Does PaintCare Accept?

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PaintCare Sites Accept	PaintCare Sites Do Not Accept
House paint	Aerosols (spray cans)
Primers	Solvents
Stains	Products intended for industrial use
Sealers	Products intended for non-architectural use
Clear coating (shellac and varnish)	Open, leaking or unlabeled containers

PaintCare Resources

- Find a PaintCare Drop-Off Site Near You
- Information About PaintCare's Large Volume Pick-Up Program (English & Spanish)
- <u>Information for painting contractors is available in English, Chinese, Korean, Vietnamese, and Spanish.</u>

