CONTRACTORS STATE LICENSE BOARD



www.cslb.ca.gov | www.CheckTheLicenseFirst.com | www.SeniorScamStopper.com

October 1, 2021

## **CSLB Media Contacts**

Joyia Emard Information Officer II 916.880-0590 joyia.emard@cslb.ca.gov Kevin Durawa Information Officer 916.255.4693 kevin.durawa@cslb.ca.gov Natalie Watmore Information Officer 916.255.3915 natalie.watmore@cslb.ca.gov

CSLB #21-10

## Santa Cruz Undercover Construction Sting Catches Unlicensed Contractors

Contractors State License Board warns consumers about the dangers of hiring unlicensed contractors

**SACRAMENTO, Calif. –** Unlicensed contractors are out in full force as consumers begin fall projects. A recent <u>Contractors State License Board</u> (CSLB) sting in Santa Cruz County found unlicensed activity that included a contractor who demanded \$15,000 more than the \$1,000 allowed for a down payment, and whose bid of \$32,000 for deck work was double the amount of other bids.

"Unlicensed contractors often take advantage of consumers by requesting tens of thousands of dollars as a down payment for a project," says CSLB Registrar David Fogt. "Once the money is handed over, the unlicensed contractor may leave the consumer financially harmed, by leaving the work unfinished or poorly done."

"We are experiencing an increase in fraud from fake contractors taking excessive down payments and embezzling consumers' money," said Santa Cruz District Attorney Jeffrey Rosell. "We vigorously prosecute these felony theft cases."

The September 21 and 22 enforcement operation was conducted with representatives from the <u>California Department of Insurance</u> and the <u>Santa Cruz District Attorney's</u> <u>Office</u>. The operation focused on the Santa Cruz area south of Capitola Road. CSLB's Statewide Investigative Fraud Team (SWIFT) members posed as residential homeowners and contacted suspected unlicensed contractors through their advertisements to perform concrete, decking, landscaping, and tree service work.

Twelve people were issued Notice to Appear in criminal court citations for unlicensed contracting violations. Four of the unlicensed persons were also cited for requiring excessive down payments.

A CSLB-issued license is required for any construction job totaling \$500 or more in labor and materials. Licensed contractors have met experience and testing requirements, carry a license bond, passed a criminal background check and carry workers' compensation insurance for employees.

All suspects were ordered to appear at the <u>Santa Cruz Superior Court of California</u>, on December 14, 2021. For more information on this, contact Doug Allen at the Santa Cruz County District Attorney's Office at (831) 454-2400 or email <u>Douglas.allen@santacruzcounty.us</u>.

## Tips for Hiring a Contractor

Hire only California-licensed contractors. Ask to see the license. The number must be on all advertisements, contracts and business cards.

<u>Check the license</u> number on CSLB's website or by phone at 800-321-CSLB (2752). Confirm the contractor has workers' compensation insurance for employees.

Create a personalized list of licensed, area contractors using the <u>Find My Licensed</u> <u>Contractor</u>.

Get three bids, check references, and get a written contract.

Don't rush into decisions and don't hire the first contractor who comes along.

Don't pay more than 10 percent down or \$1,000—whichever is less.

Don't pay cash, and don't let the payments get ahead of the work. Only pay for work as it is completed to your satisfaction

Keep a job file of all project papers, including correspondence and copies of all payments.

Avoid making the final payment until you're satisfied with the job.

For more information, visit CSLB's <u>website</u>, or connect with us on <u>Facebook</u>, <u>Twitter</u>, <u>Instagram</u>, and <u>YouTube</u>.

**About CSLB**: CSLB operates under the umbrella of the Department of Consumer Affairs and licenses and regulates nearly 281,000 contractors in California. In 2020, CSLB helped consumers recover more than \$26 million in ordered restitution.

This email was sent because you subscribed to the email alert feature on the Contractors State License Board (CSLB) website, <u>www.cslb.ca.gov</u>, or because you indicated an interest in receiving CSLB materials electronically. Your email address is not shared with third party sources. To unsubscribe, please visit our <u>unsubscribe page</u>.

Please do not reply to this email. Contact information can be found on the <u>CSLB website</u>.

Copyright © 2021