

News Release

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July 1, 2021

CSLB #21-05

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Contractors Face 130 Legal Actions After Series of Statewide Stings and Sweeps

Contractors State License Board enforcement operation part of national effort to warn consumers about dangers of hiring unlicensed or uninsured contractors.

SACRAMENTO, Calif. – A series of statewide stings and sweeps conducted by the [Contractors State License Board](#) (CSLB) has revealed that unlicensed activity was not slowed by the pandemic.

During the operation, 74 people were cited for unlicensed contracting. One of the many ways unlicensed contractors put homeowners at risk is because they do not carry workers' compensation insurance, making consumers liable if someone is injured on the job.

"Licensed contractors have proven experience, qualifications and verifiable business credentials to do the job right," said David Fogt, CSLB Registrar. "This enforcement effort shows that even in an industry thriving after the pandemic there are still unlicensed contractors looking to take advantage of consumers," Fogt said.

From June 7 to 25, 2021, CSLB partnered with local law enforcement to conduct four undercover sting operations in **El Cajon, San Diego County; Montclair, San Bernardino County; St. Helena, Napa County;** and in **Visalia, Tulare County**. Undercover stings target unlicensed contractors, with investigators contacting the suspects through their advertisements.

The suspected unlicensed operators came to the sting locations to place bids on projects including **concrete, electrical, flooring, kitchen and bathroom remodeling, landscaping, painting, plumbing, roofing, and tree services**. As a result, a total of 56 legal actions were filed and 49

people are accused of contracting without a license. Unlicensed contractors can face penalties of up to six months in jail and/or a fine of up to \$15,000 if they bid or contract for work valued at more than \$500.

Twenty-four sweep operations of construction sites were also conducted in **Fresno, Kern, Kings, Los Angeles, Merced, Monterey, San Benito, San Bernardino, San Diego, San Mateo, Santa Clara, Santa Cruz, and Ventura counties** that resulted in 74 legal actions against licensed and unlicensed contractors. Twenty-five of the 74 legal actions were for unlicensed contracting and 30 Stop Orders were issued which halted all employee labor at active job sites where contractors did not have workers' compensation insurance for their employees.

The enforcement actions were part of a nationwide effort coordinated by the [National Association of State Contractors Licensing Agencies](#) designed to make consumers aware of the importance of hiring licensed contractors and the risks of using unlicensed operators.

“Many homeowners are not aware of the financial risks when they hire unlicensed contractors,” Fogt said. “Saving a few dollars by hiring an unlicensed contractor can end up costing a consumer thousands of dollars when the work is not completed or in need of correction.”

During the stings and sweeps, 13 individuals were also cited for requesting an excessive down payment. In California, a home improvement project down payment can't exceed 10-percent of the contract total or \$1,000, whichever is less. This misdemeanor charge carries a maximum penalty of six months in jail and/or a fine of up to \$5,000.

During operations, unlicensed individuals were given information on getting licensed and were invited to attend one of CSLB's [Licensed to Build workshops](#). CSLB also created a new [B-2 licensing classification](#) for home remodeling with the goal of promoting the growth of small businesses and increasing consumer protection.

For their protection, CSLB recommends that consumers get at least three bids and check references before hiring someone for a construction job. Consumers can quickly check if a contractor is licensed on CSLB's online [Instant License Check](#).

From the License Check, consumers can also view the contractor's individual license page, which indicates if the contractor is carrying workers' compensation insurance for employees. Contractors without workers' compensation insurance should not have workers on the jobsite. Consumers can find a list of licensed contractors in their area by using CSLB's [Find My Licensed Contractor](#).

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.*

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