Insurer’s Report of Payment on a Construction Defect Civil Action

Effective January 1, 2019, insurers are required to report specified civil actions directly to the Contractors State License Board (CSLB) within 30 days, pursuant to Section 7071.21 of the Business and Professions Code (BPC). Section I of this form will help you determine whether a civil action must be reported; and, if so, the rest of this form will ensure you report all the required information. CSLB will review the report and determine whether further action is necessary. Information provided on this form is for official use by CSLB only.

I – Reporting Criteria

A civil action must meet all the following criteria to be considered a “reportable event” pursuant to BPC Section 7071.21.

- You or your company have provided a licensed contractor with commercial general liability insurance, construction defect insurance, or professional liability insurance; and
- During the period of coverage, the insured contractor was named as a defendant or cross-defendant in a civil action that resulted in a final judgment, executed settlement agreement, or final arbitration award; and
- That civil action was first filed in court on or after January 1, 2019; and
- The civil action pertained to an alleged defect in construction at a multi-family, rental, residential structure; and
- The defect allegedly caused a structural failure (or substantial risk of failure) in a load-bearing portion of the structure; and
- The civil action alleged fraud, deceit, negligence, breach of contract/warranty, misrepresentation, incompetence, recklessness, wrongful death, or strict liability by the insured’s act or omission while acting as a contractor; and
- The action resulted in a total judgment, settlement, or award of $1 million or more, of which you or your company were responsible for liability of at least $15,000.

If you checked all the above boxes, you are required to notify CSLB of the reportable event, and you should complete the remainder of this form. If you did not check all the boxes, the event is not reportable, and no further action is required. Failure to submit a required report is a violation of Section 700(c) of the Insurance Code.

II – Insurer Information

Insurer: Phone:

Address: Email Address:

Insurance Agent/Representative Name (Last, First, MI): Date:

III – Identification of Insured

Name of Insured: Phone Number: Email Address:

Address of Insured: Contractor’s License Number(s): Type of Policy:

IV – Description of Claim

If available, please attach a copy of the final judgment, settlement, or arbitration award.

Name of Payee: ☐ Same as above Total Amount of Award: $ Amount Paid by Insurer: $

Court or Agency Name: Claim or File Number: Date Civil Action First Filed:

Mail this completed form to: Contractors State License Board
Enforcement Services Section
P.O. Box 26888
Sacramento, California 95826

Form - BPC 7071.21 Report (Rev. 10/31/19)