

The CALIFORNIA LICENSED CONTRACTOR



APRIL, 1950

LICENSE RENEWALS \$7

State Contractors' License renewal fee for the Fiscal Year 1950-51 will be \$7 instead of the customary \$5 fee which has been in effect for many years.

The Contractors' License Board, at its regular quarterly meeting in Los Angeles, on October 14, 1949, established the fee of \$7 in accordance with the authority delegated to it by the passage of Assembly Bill No. 19 at the 1949 session of the State Legislature. This bill amended Section 7137 of the Contractors' License Law and provided the board with the power to establish the annual renewal fee at not less than \$3 nor more than \$10 in any one or more years.

The present increase of \$2 over last year's fee of \$5 was made necessary by greatly increased workload, due to the steady influx in the number of licensees. Ten additional field investigators were employed and salaries of all employees increased along with the cost of other services necessary to the board's functions. The Contractors' License Board has been, and is at the present time operating at a loss. As the board is a self-supporting agency, it must operate from its own revenue. General fund moneys cannot be used in support of the agency's functions. Since the principal source of income is through the annual renewal fee such a sliding scale is feasible. Its flexibility will enable the board to match income with expenditures and eliminate the creation of surpluses when necessary by reducing the fee.

Renewal application forms will be mailed to all licensees at their addresses as recorded by the Sacramento office between the 1st and 15th of May. Each renewal application contains complete instructions which should be read carefully by the licensee. These applications should be returned immediately to the registrar to insure your renewal.

The renewal fee is \$7 provided it is filed with the registrar, with a properly signed and completed renewal application, prior to the delinquent date. (Midnight June 30th.)

The following sections dealing with the renewal of licenses are from the Business and Professions Code (Contractors Chapter):

Sec. 7140. All licenses issued under the provisions of this chapter shall expire on June 30th of each year.

A license may be renewed without penalty by the filing of a renewal application with the registrar not later than June 30th of each fiscal year. To be effective such renewal application must be made upon forms prescribed by the board and must be accompanied by the annual renewal fee prescribed by this chapter or fixed by the board. Otherwise a license, application for renewal of which has not been so filed on or before June 30th of each fiscal year, shall be ipso facto suspended until a renewal application is properly filed, and shall be renewable only if the application for the renewal thereof is filed with the registrar not later than September 30th of each year on a form prescribed by the board and is accompanied by the penalty fee prescribed by this chapter, or fixed by the board, in addition to the current renewal fee.

No license shall be renewed under any conditions unless the prescribed renewal application, together with all prescribed fees, is filed with the registrar on or before September 30th of each year.

Sec. 7141. The filing of a renewal application within the time, in the form and with the fees prescribed in this article, authorizes operation as a contractor by the licensee until the actual issuance of the renewal license for the ensuing fiscal year; provided, that the license of said applicant is not otherwise under suspension by reason of the decision of the registrar in a disciplinary proceeding.

From the foregoing it can be seen that when a licensee whose completed application form and fee have been filed prior to June 30th, he is entitled to continue in business, although it may be several weeks before the license certificate can actually be issued.

Each renewal application shows the

name in which the license is issued, and the members or officers if the licensee is a copartnership or corporation, and the address.

If any change has occurred in the personnel of a copartnership, the license cannot be renewed, and the remaining members of the copartnership must immediately secure an original application form and take steps to secure a new license.

If the officers of a corporation are not as shown upon the renewal application form, a correction should be noted in the space provided. If the address of the licensee is not as shown, the old address should be stricken out and the new address inserted in the space provided.

If there is any question as to whether or not renewal of a license is possible due to some change, the licensee should take the following three steps:

- (1) Across the face of the renewal application boldly print the word "Questioned."
- (2) Attach a letter clearly explaining the situation or the change that has occurred.
- (3) Execute the renewal application form, filing it with the registrar with the fee of \$7 prior to midnight of June 30th.

If the change does not bar renewal of a license, the certificate will be issued. If further information is necessary, the filing of the fee and application will permit renewal without a penalty, even though the registrar may be unable to finally straighten the matter out until after June 30th.

A majority of licensees wait until the last day or two to file their renewal application. Obviously, those whose applications are filed at this time will have to wait much longer for their new licenses than those whose applications are filed early in June. Every effort will be made by the registrar to issue renewal licenses as rapidly as possible. A minimum of extra help will be employed, in order to avoid clerical errors

License Renewals

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that follow the employment of inexperienced clerks.

Licenses who may be required to show their new licenses in order to secure jobs, permits, or city licenses, cannot expect temporary certificates or letters from the registrar stating that the renewal application has been filed if they find themselves without proof of renewal of their license during the early part of July. If it is important for you to have your new certificate in your possession the first of July, do not wait until the end of June to apply for it.

The annual renewal of licenses is a tremendous task for our regular staff. The board and registrar will appreciate your cooperation in following the instructions on the renewal application form, and in filing for your 1950-51 license as soon as possible.

REGISTRATION BY CLASSIFICATION

(As of December 31, 1949)

A	General Engineering Contractors	2,204
B 1	General Building Contractors	23,251
C 4	Boilers, Hot Water Heating, Steam Fitting	145
C 6	Cabinet and Mill Work	373
C 8	Cement and Concrete	1,225
C 45	Electric Signs	168
C 10	Electrical (general)	4,664
C 11	Elevator Installation	78
C 12	Excavating, Grading, Trenching, Paving, Surfacing	751
C 15	Flooring (wood)	705
C 16	Fire Protection Engineering	27
C 17	Glazing	374
C 21	House and Building Moving	224
C 2	Insulation	173
C 27	Landscaping	324
C 26	Lathing	365
C 29	Masonry	1,048
C 23	Ornamental Metals	213
C 33	Painting, Decorating, Paperhanging	6,225
C 35	Plastering	1,832
C 36	Plumbing	4,994
C 38	Refrigeration	382
C 39	Roofing	1,187
C 42	Sewer, Sewage Disposal, Drain, Cement Pipe Laying	447
C 43	Sheet Metal	901
C 50	Steel, Reinforcing	76
C 51	Steel, Structural	181
C 22	Structural Pest Control	110
C 54	Tile (Ceramic and Mosaic)	921
C 20	Warm-Air Heating, Ventilating, Air Conditioning	576
C 60	Welding	158
C 57	Well Drilling	437
C 61	Classified Specialists	2,140
		56,879

REGISTRATION IN FIVE PRINCIPAL CLASSIFICATIONS

B 1	23,251
C 33	6,225
C 36	4,994
C 10	4,664
A	2,204

NEW EXAMINATION PROCEDURE

The purpose of the Contractors' License Law being for the protection of the building public, it is incumbent upon the board to pre-qualify those who would practice contracting as a vocation. On two separate occasions the Appellate Courts of California have ruled that the Contractors' State License Board is the sole examining authority for licensing various classifications of contractors. The board does have a broad and comprehensive examination program, however constant revision of both examination material and the methods of conducting such examinations is necessary due to many variable factors.

The following revision in examination procedure is effective March 1, 1950:

CONTRACTORS' STATE LICENSE BOARD REGISTRAR'S ORDER FOR EXAMINATION PROCEDURE

(Authority: Section 773, Chapter 8 of Title 16, California Administrative Code)

Places and Times of Examination

Effective March 1, 1950, except as shown below, examinations will be conducted as follows:

- Los Angeles: First and Third Mondays of each month.
- San Francisco: Second and Fourth Mondays of each month.
- Sacramento: Second and Fourth Mondays of each month.

Examination Limitation

Effective March 1, 1950, the following order shall govern application and examination for license:

1. An application for license is effective only within the six months period subsequent to the date such application for license is accepted for filing.

2. During the effective six months period of an application for license, only one such application shall be accepted for filing.

3. An examinee may take only two examinations; an original examination and a reexamination, during the effective six months period of an application for license.

4. The reexamination may not be taken by an examinee until ninety days shall have elapsed from the date appearing on the "Notice of Failure."

5. When an examinee shall have failed a reexamination, the "Notice of Failure" shall be stamped with a suitable stamp, on the face thereof, stating in effect that a new application for license shall be filed before another examination will be given the same examinee who has taken and failed to pass the two previous examinations within a period of six months.

Note: A new application for license shall not be accepted until six months has elapsed since the date of the filing of any previous application when two examinations have already been given and failed.

6. The above procedure for application for license, Paragraphs 1 to 5, inclusive, shall also apply to applications for change of primary classification and applications for supplemental classification.

7. "Notices of Failure . . . and Applications for Reexamination" presently in the hands of examinees who have already been notified of failure to pass an examination will be accepted for reexamination upon presentation of such reexamination form accompanied by the statutory fee therefor.

Protest of Failed Examinations

The protest of grading of failed examination papers falls into two categories; namely:

- (1) Protest of the content of the examination material and authorities for same.
- (2) Protest of the actual grading of the failed examination paper.

Pursuant to Rule 773, examinees will be permitted to question the result of an examination provided a written request is addressed to the Registrar of Contractors, at Sacramento, within fifteen days from the date shown on the "Notice of Failure." (The postmark on the envelope shall determine the terminal date.)

Failed papers must be reviewed within thirty days from the date of approval of the request to review.

Failed examination papers may be questioned and reviewed only at the Sacramento Office of the Board.

Only the examinee who has failed the examination shall be permitted to question and review the failed paper.

An examinee will be allowed a period of one hour, under the surveillance of a staff member, within which to review a failed examination paper and can take only such notes as are absolutely necessary to prepare a protest to the failed examination, or any part thereof. Protests based purely on personal opinion, without cited authority, will not be entertained.

When a question of a failed examination is challenged, or upon which a protest is made, the part, section, subsection and question shall be written and cited in a manner sufficient for positive identification together with a citation or citations of Competent Authority showing conclusively that

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MECHANICS' LIEN LAW

The Mechanics' Lien Law is of particular interest to all persons in the building and construction industry inasmuch as the value of labor performed upon and materials furnished to any building and construction project are debts the payment of which can be secured by a lien binding the real property as security for the value of the labor performed and the materials furnished.

A perfected claim of lien binds the real property for the value of the labor performed and materials furnished similar to the manner in which a mortgage or a deed-of-trust secures the payment of a loan or a note.

The following definitions are written for the purpose of clarity and are to be used only in connection with reading and interpreting the time schedule chart.

"Person" means the State of California or a political subdivision thereof, an individual, a firm, copartnership, corporation, association, or a combination of any thereof.

"Owner" means any person in whom some title to a parcel of real property rests.

"Et al." means any other person on behalf of the owner.

"Awarding Authority" means an owner, or a duly authorized agent of an owner, who awards an original building and construction contract.

"Original Contractor" (General Contractor) means any person who has an original building or construction contract with and from an awarding authority.

"Subcontractor" (Specialty Contractor) means any person who has a contract with and from an original contractor.

"F/E" means file, filed or filing of a bond, notice of nonresponsibility, notice of completion, notice of cessation from labor, claim of lien, suit to perfect claim of lien, etc., for record with the county recorder of the county, or city and county in which the property filed upon is situated.

"Stop Notice" means notice to an awarding authority to withhold moneys to satisfy claims for labor and materials furnished to an original contractor.

A mechanics' lien cannot be filed upon any real property the title of which rests in the State of California or any political subdivision thereof.

The stop notice is used on public works in place of a claim of lien. A stop notice may be used on either public or private work. Anyone except an original contractor may serve a stop-notice.

When a subcontractor (specialty contractor) has a contract directly with and from an awarding authority (not through an original contractor) the subcontractor is then an original contractor and is subject to the provisions of the Mechanics' Lien Law relating to an original contractor.

(Claimants of mechanics' liens should, wherever possible, be guided by the opinion of legal counsel in taking any steps in filing or enforcing such liens.)

MECHANICS' LIEN LAW

TIME SCHEDULE FOR POSTING, FILING OR SERVING DOCUMENTS

IMPORTANT—Before attempting to interpret this chart, READ the definitions and information preceding.

§ means Section

C.C.P. means Code of Civil Procedure

Read across from left to right

KIND OF DOCUMENT	PERSON WHO: POSTS, FILES OR SERVES DOCUMENT	TIME TO: POST, FILE OR SERVE DOCUMENT
BOND §1183-C.C.P.	ORIGINAL CONTRACTOR Contract with owner, et al.	FILE—Before commencement of work.
BOND §1183-C.C.P.	SUBCONTRACTOR Only if contracting directly with owner.	FILE—Before commencement of work.
NOTICE OF NON-RESPONSIBILITY §1192-C.C.P.	OWNER, et al.	POST—In a conspicuous place upon the property within TEN (10) DAYS after obtaining knowledge of the work; and, FILE—Within TEN (10) DAYS after obtaining knowledge of the work.
STOP-NOTICE or NOTICE TO OWNER OF CLAIM OF LIEN §1184-C.C.P.	SUBCONTRACTORS, MATERIAL MEN, MECHANICS, LABORERS and others entitled to a mechanics' lien, except an original contractor.	SERVE—Upon the owner et al. AT ANY TIME within which Claims of Lien may be filed.
NOTICE OF COMPLETION §1187-C.C.P.	OWNER, et al.	FILE—Within TEN (10) DAYS after the completion of a contract, project or work of improvement, etc.
NOTICE OF CESSATION FROM LABOR §1187-C.C.P.	OWNER, et al.	FILE—Within TEN (10) DAYS after an actual cessation from labor for a period of THIRTY (30) DAYS.
CLAIM OF LIEN §1187-C.C.P.	ORIGINAL CONTRACTOR	FILE—Within SIXTY (60) DAYS after filing date of Notice of Completion or Notice of Cessation from Labor.
CLAIM OF LIEN §1187-C.C.P.	SUBCONTRACTORS, MATERIAL MEN, MECHANICS, LABORERS and others entitled to a mechanics' lien, except an original contractor.	BEFORE Notice of Completion has been filed: FILE—AT ANY TIME AFTER ceasing to perform labor or furnish material and until the end of the period within which claims of lien may be filed. AFTER Notice of Completion has been filed: FILE—Within THIRTY (30) DAYS after filing date of Notice of Completion.
CLAIM OF LIEN §1187-C.C.P.	SUBCONTRACTORS, MATERIAL MEN, MECHANICS, LABORERS and others entitled to a mechanics' lien, except an original contractor.	BEFORE Notice of Cessation from labor has been filed: FILE—AT ANY TIME AFTER ceasing to perform labor or furnish material and until the end of the period within which claims of lien may be filed. AFTER Notice of Cessation from Labor has been filed: FILE—Within THIRTY (30) DAYS after filing date of Notice of Cessation from Labor.
CLAIM OF LIEN §1187-C.C.P.	ANYONE entitled to a mechanics' lien.	When Notice of Completion is NOT filed: FILE—Within NINETY (90) DAYS following completion of structure or improvement. ("Completion" includes cessation from labor for 30 days.)
SUIT TO PERFECT CLAIM OF LIEN §1184 (a)-C.C.P. §1190-C.C.P.	ANYONE entitled to a mechanics' lien.	FILE—NOT LATER than NINETY (90) DAYS AFTER the period within which Claims of Lien must be filed; but, NOT BEFORE the expiration of the period within which Claims of Lien must be filed. SUIT to perfect a particular Claim of Lien must be brought within a period of NINETY (90) DAYS after the date of the filing of that particular Claim of Lien.

New Procedure

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the result in the failed examination is in error.

When protesting the actual grading of the examination paper, a staff member shall show the examination key to the protestant.

Instruction to Monitors

Examination papers shall be distributed to examinees commencing at 8.30 a.m. The actual examination shall commence at 9 a.m.

All papers shall be taken from examinees at 4 p.m.

Examinees shall be permitted to go to lunch for not to exceed a one hour period only between Part I and Part II of an examination. Monitors should encourage examinees to take advantage of this luncheon period.

A total of six hours shall be allowed for an examination consisting of Part I and Part II.

Four hours shall be allowed for an examination consisting of only Part I or Part II and no luncheon period can be had.

Monitors shall be present at all times in the examination room, during examinations. Examinees requesting permission to leave the examination room while the examination is in progress shall be allowed not more than ten minutes absence from the examination room, shall leave all examination papers and documents with the monitor, which papers and documents shall be returned to the examinee on return to the examination room.

Cheating in Examinations: Monitors charged with the conducting of examinations shall be on the alert for any cheating or collusion and shall see that no reference is made by examinees to any copies of laws, reference books, memoranda or other informative data during examinations.

Should an examinee be caught cheating in an examination, the monitor shall immediately pick up the examination paper and advise the examinee that his rights to take this examination have been forfeited. The monitor shall make a detailed report concerning the circumstances in connection with the cheating and attach same to the file to be sent to the Sacramento Office.

Legislative Amendments to the License Law

The following changes in the Contractors' License Law were effective October 1, 1949.

Section 7137 as amended now provides that the application fee for an original license is \$15. The fee for reapplication or reexamination is also \$15 and the annual renewal fee is to be set by the board at not less than \$3 or more than \$10 in any one or more years. The penalty for failure to apply for renewal of a license is still \$5.

Section 7110 (Article 7, Disciplinary Proceedings) the amendment to this section affects those licensees classified as well drillers (classification C-57). Disciplinary proceedings may now be invoked against a licensee who violates any of the provisions of the Health and Safety Code or the Water Code in connection with the digging, boring or drilling of water wells.

Section 7100 prior to October 1, 1949, provided for the cost of transcripts in connection with any proceedings before this agency be set at \$0.20 for each 100 words. This portion of section 7100 was deleted. As of October 1, 1949, any person requesting a transcript, for the purpose of judicial review, of any proceedings must pay the actual expense of preparation of such transcript.

Several other minor changes in the Contractors' License Law were made for clarification purposes only and do not affect license holders.

Revised Contractors' Reference Book

The 1949 edition of the California Contractors' License Law and Reference Book is now available. Copies may be obtained from the Printing Division, Documents Section of the State Bureau of Printing, 11th and O Streets, Sacramento, California, for the price of \$1.03.

This new edition has been completely revised and contains the amendments enacted during the 1949 Legislative Session to the various laws which it covers.

To further acquaint those connected with the construction industry and

THE CALIFORNIA LICENSED CONTRACTOR

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others who would have need for such a book, the rules and regulations of the Contractors' License Board have been incorporated in this edition.

In addition to other features, the book contains the Contractors' License Law, a digest of the Mechanics' Lien Laws, a time schedule for posting, filing or serving documents in connection with filing a mechanic's lien, a digest of the Workmen's Compensation Insurance Act, selected sections of the State Labor Code which are of particular interest to those connected with the construction industry, California Unemployment Insurance Act, Federal Old Age and Survivors Insurance requirements for contractors and the State Housing Act.