

THE CALIFORNIA LICENSED CONTRACTOR

RONALD REAGAN, Governor

WINTER 1973

JOHN T. KEHOE, Director

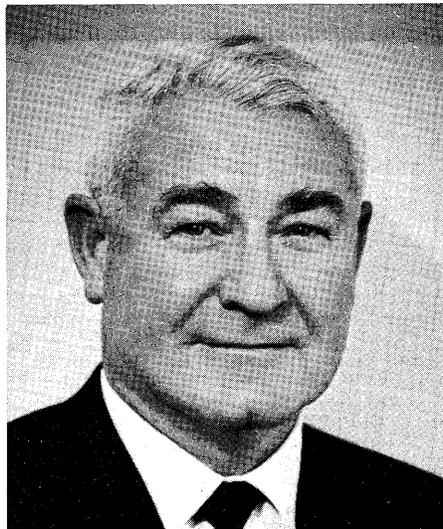


FRANCIS M. BOOTH

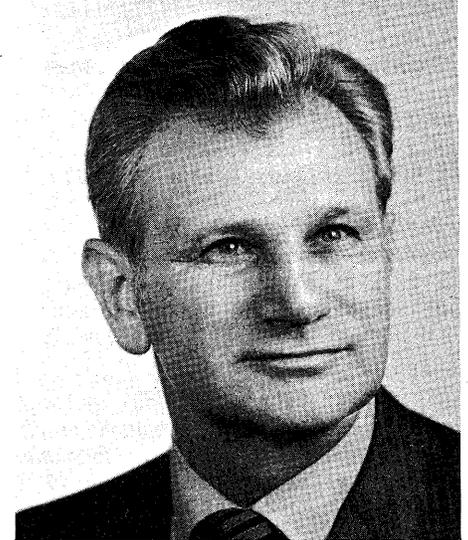
Francis M. Booth, Marysville, was appointed to the Contractors' State License Board by Governor Ronald Reagan on September 10, 1973 to replace Edward D. Weyand, of Sacramento, whose term expired. Mr. Booth, 55, is President of Frank M. Booth, Inc., a Plumbing, Heating and Refrigeration contractor. He is a native of Yuba City and a cum laude graduate of Santa Clara University with a degree in mechanical engineering. Mr. Booth, a California Licensed Professional Engineer, was a research engineer for Carrier Air Conditioning Corporation in 1940 to 1942. He is active in civic and public affairs. He is Past President of the Marysville Rotary Club, Past President of Marysville-Yuba County Chamber of Commerce, Past Commander of Yuba-Sutter Post of the American Legion, President of the Board of Trustees of the Rideout Memorial Hospital in Marysville, Director of the Mechanical Contractors Council of Central California and Member of the Advisory Board of Chico State College and the California State Advisory Committee on Factory-Built Housing. Mr. Booth is married and has five children.

J. Frank Park, Compton, was reappointed to the Contractors' State License Board by Governor Ronald Reagan on September 4, 1973. Mr. Park was originally appointed to the Board on May 11, 1970. He is a Warm-Air, Heating, Ventilating and Air-Conditioning contractor. Mr. Park, 68, is President of Western Air and Refrigeration, Inc., Mechanical and General Building contractors. A Director and former President of the Air-Conditioning and Refrigeration Contractors Association of Southern California, prominent in civic activities, Mr. Park is a registered mechanical engineer, one-time Associated General Contractor Director, President of the Sheet Metal and Cooling Contractors Association and President of the American Society of Heating Refrigeration and Air Conditioning Engineers. Mr. Park, a Rotarian and USC Architectural Guild member, is a native Californian from Modesto. He attended both the University of California at Berkeley and Los Angeles. He is married and has two grown children.

Mr. Park was elected to the office of Vice Chairman by the Contractors' State License Board at its regular meeting in July 1973.



J. FRANK PARK



RALPH T. VIOLA

Ralph T. Viola, Oxnard, was originally appointed to the Contractors' State License Board by Governor Ronald Reagan on May 11, 1970. He was reappointed to the Board on September 4, 1973. A General Building contractor, Mr. Viola, 57, is president of six corporations in the construction and development fields and has held his individual license since July 1, 1947. He is owner of the Ralph T. Viola Company in Oxnard. He is a member of the Board of Directors of the Oxnard Savings and Loan Association and is a former Senior Vice President of the California Chapter of the Associated General Contractors Association. Very active in public affairs, Mr. Viola belongs to numerous State and County civic organizations including the State and National Chambers of Commerce, National Alliance of Businessmen and Society of American Military Engineers. A 1938 graduate of the University of Maine, he served in the Navy during World War II. He is married and the father of three sons.

During his first term as a member of the Contractors' Board, Mr. Viola was very active in the Rules and Regulations Committee which recommended changes to update the Board Rules.

**THE CALIFORNIA
LICENSED CONTRACTOR**

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Board*

WINTER 1973

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Department of Consumer Affairs.

STATE OF CALIFORNIA

RONALD REAGAN, Governor

JOHN T. KEHOE, Director

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CAL-OSHA

California Occupational Safety and Health Act of 1973.

Assembly Bill 150 by the Assembly Select Committee on industrial safety is now law. This bill which created the California Occupational Safety and Health Act of 1973 (CAL-OSHA) became law immediately after it was signed by Governor Reagan and filed with the Secretary of State on October 2, 1973. This rather lengthy bill (it is 41 full pages long in its final printed form) is a major revision in the safety and health laws of the State of California.

The Occupational Safety and Health Standards Board is created within the Department of Industrial Relations. The board consists of seven members who are appointed by the Governor. It shall meet at least monthly and all meetings shall be open and public. Time shall be made available at each meeting of the board to interested persons to propose new or revised orders or standards appropriate for adoption or other items concerning occupational safety and health. The board is the only agency in the state to adopt occupational safety and health standards and must adopt standards at least as effective as the federal standards within six months of the effective date of the federal standards.

Any employer may apply to the Occupational Safety and Health Standards Board for variance from an occupational safety and health standard, order, special order or portion thereof, upon a showing of an alternate program which will provide equal or superior safety for employees. The board will conduct hearings on such requests and its decision will be final except for any rehearing or judicial review.

District Offices

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La Cienega, 1945 So. La Cienega
Boulevard, Los Angeles
(Vacant), Supervising Deputy

Van Nuys, 14411 Van Owen Street
MEL COOPER, Supervising Deputy

Long Beach, Room 411, 320 Pine Avenue
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Santa Ana, 28 Civic Center Plaza,
Room 360

DAVID R. PHILLIPS, Supervising Deputy

Ventura, Room 102, 2590 East Main Street
MARVIN LEFLER, Supervising Deputy

The Occupational Safety and Health Appeals Board is also created within the Department of Industrial Relations and will consist of three members appointed by the Governor. Any decision of the appeals board is binding on the director of the department and the Division of Industrial Safety with respect to the parties involved in a particular appeal. Rehearing or judicial review of the appeals board's decision is permitted.

The California Occupational Safety and Health Act of 1973 was enacted for the purpose of assuring safe and healthful working conditions for all California working men and women by authorizing the enforcement of effective standards, assisting and encouraging employers to maintain safe and healthful working conditions, and by providing for research, information, education, training and enforcement in the field of occupational safety and health.

The Division of Industrial Safety has the power, jurisdiction, and supervision over every employment and place of employment in this state which is necessary to enforce laws, standards and orders for the protection of life, safety and health of each employee.

The Division of Industrial Safety may upon its own motion or upon complaint summarily investigate any place of employment which it believes is not safe or is injurious to the welfare of any employee, with or without notice. Any complaint received must be investigated not later than three working days after receipt. The division shall keep complete and accurate records of all complaints.

An employee cannot be laid off or discharged for refusing to perform work which involves a violation of any standard or order. Any employee discharged, demoted, or suspended after making a bona fide complaint is entitled to reinstatement and reimbursement for lost wages and benefits.

The Division of Industrial Safety is required to investigate any employment accident which is fatal to one or more employees or which results in serious injury to five or more employees. It may investigate the cause of other industrial accidents or occupational illness and shall issue any

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MOBILEHOME CONTRACTING

Law becomes effective January 1, 1974

Some very important legislation concerning people in the mobilehome service industry was passed by the 1973 Session of the Legislature and will become law on January 1, 1974. The definition of contractor in connection with mobilehomes has been expanded by this legislation to include the requirement of a contractor's license for many more operations on mobilehomes than was required previous to this legislation.

Prior to November 1969 the Contractors License Law did not require a contractor's license for any work connected with a mobilehome or demountable mobilehome accessory structures. However, on November 10, 1969 legislation passed by the Legislature bringing operations in connection with mobilehomes and mobilehome accessory structures under the definition of contractor became law. This law was very limited and required a contractor's license only of those people engaged in the installation or setup of mobilehomes on a site within a mobilehome park. The law also included the installation and erection of mobilehome accessory buildings and structures on a site within a mobilehome park.

The 1970 Legislature amended the law to include the installation of a mobilehome and the installation and erection of mobilehome accessory structures on any site which was for the purpose of human habitation or human occupancy. This then meant that a contractor's license was required for the installation of a mobilehome and the installation and erection of mobilehome accessory buildings or structures anywhere and for whatever purpose, including uses for other than a residence.

Installation of a mobilehome was construed to include only those operations performed from the time the mobilehome arrived on the site and until it was ready for occupancy. Any work performed on a mobilehome after it had been set up and occupied was not construed to require a contractor's license. This meant work on the mobilehome after it was set up, other than the installation and erection of mobilehome accessory structures, did not require any contractor's license. The installation and erection of mobilehome accessory

buildings and structures required a contractor's license at any time, even years after the mobilehome had been installed.

The new legislation which becomes law on January 1, 1974 removed "installation of a mobilehome upon a site for the purpose of human habitation or human occupancy" from the general definition of contractor in Section 7026 of the Contractors' License Law and included the definition of contractor as it pertains to mobilehomes under Section 7027 of the Contractors License Law. Section 7027 as it becomes effective on January 1, 1974 reads as follows:

7027. For the purposes of this chapter, the term contractor includes any person engaged in the business of the construction, installation, alteration, repair or preparation for moving of a mobilehome or mobilehome accessory buildings and structures upon a site for the purpose of occupancy as a dwelling.

The term contractor shall not include the manufacturer of the mobilehome or mobilehome accessory building or structure when it is

constructed at a place other than the site upon which it is installed for the purpose of occupancy as a dwelling, and shall not include the manufacturer when he is solely performing work in compliance with his warranty. The term contractor shall include the manufacturer when he is engaged in onsite construction, alteration, or repair of a mobilehome or mobilehome accessory buildings and structures pursuant to specialized plans, specifications or models, or any work other than in compliance with his warranty.

For the purpose of this chapter,

(a) "Mobilehome" means a vehicle defined in Section 18008 of the Health and Safety Code.

(b) "Mobilehome accessory building or structure" means a building or structure defined in Section 18010 of the Health and Safety Code.

Sections 7045 and 7046 of the Contractors License Law which provides for exemptions to the requirement for contractors' licenses on finished products and personal property with the exception of mobilehomes and mobilehome accessory buildings and structures were also changed to reflect the new requirements under Section 7027.

Section 7027, as amended, includes under the definition of contractor, the construction, alteration, repair and preparation for moving of a mobilehome in addition to the installation of a mobilehome. The amendment also includes the preparation for moving of mobilehome accessory buildings and structures in addition to the installation and erection of mobilehome accessory buildings and structures.

An important change in the law concerns the purpose for which the mobilehome is to be used. Under this new legislation a contractor's license will be required for the various operations above described only on mobilehomes which are used by the occupants as a dwelling. This eliminates the requirement for a contractor's license on work performed on mobilehomes used as offices or other commercial purposes. The law still includes mobilehomes installed on any site in or out of mobilehome parks.

As can readily be ascertained in reading Section 7027, manufacturers of mobilehomes are not included under the law except under certain restricted conditions. The manufac-

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In Memoriam

FREDERIC H. BRUMM, a long time employee of the Contractors' State License Board, died suddenly on November 4, 1973 at the age of 60. He became associated with the Board on January 5, 1953 as an Investigator and on November 10, 1961 he was appointed as Regional Deputy of the Northern Regional Office, San Francisco, the position he held until his death.



BUSINESS MANAGEMENT FOR CONTRACTORS

Continued

Because of the importance of good business practices in conducting a successful contracting business, this agency is making available to all licensed contractors in serial form in this publication an elementary treatise on Business Management for Contractors. The material presented is not intended to be a complete text on the subjects mentioned. With reference to

payroll taxes and insurance, the State and Federal agencies concerned should be contacted. They will furnish complete printed instructions covering their requirements. The comments upon business management and finances cover those areas in which education appears to be most urgently needed for the average contractor. If

he will master and apply the principles which will be discussed, he should develop a sound and profitable business. A compilation of all the material which will be contained in this series of articles should make an excellent source of reference. (Chapter 1 appeared in the September 1973 issue of this publication.)

RECORDS

No man can intelligently conduct a business without maintaining at least a minimum amount of records. State and Federal governmental agencies specify certain records which must be maintained. These records are required for governmental audits and as substantiating documents for tax purposes. However, the records required by governmental agencies *are not* designed for the specific purpose of assisting management in conducting his business in the most efficient manner. In other words, they do not necessarily show the contractor where he is making or losing money.

A first management requirement, therefore, when starting business is to have a simple but *adequate* set of books established for the business. These books should be set up in an accepted accounting fashion. It is important to assure that *income, direct costs* and all *overhead expenses* are clearly detailed so that the contractor may intelligently analyze and control his operations.

ACCOUNTING TERMS

The primary purpose of accounting for a business is to provide management with the information to develop and maintain an efficient operation. Accounting, of course, will make available the financial information required by governmental agencies, creditors and lending institutions. The businessman who has a reasonable knowledge of accounting is in a position to understand and study financial reports, evaluate more accurately the results of past operations and shape his future business activities more intelligently.

Is it necessary that contractors understand *detailed* accounting methods? In general, *it is not*. However,

CHAPTER II—MONEY MANAGEMENT

it is important that he be familiar with some general accounting terms, as well as the purpose of and significant information to be obtained from his financial statements.

Fundamental terms in accounting which the contractor should understand are defined and explained as follows:

Cash Basis of Accounting: There are two general bases of accounting—*cash* and *accrual*. The cash basis of accounting is generally used by individuals for personal and family records and is widely used by small businesses. When a true cash basis of accounting is used, *income is recorded only when cash is received and expenses are recognized only when cash is paid out*. This, of course, would mean that there would not be accounts receivable and accounts payable shown in the books. However, the cash basis of accounting is often modified to include the recording of accounts receivable and accounts payable, depending upon the type of business operated.

Accrual Basis of Accounting: The accrual basis of accounting enables a more current method of accounting than the cash basis; however, at the same time is more complicated. When the accrual basis is used, *income is recorded for the period in which it is earned, whether it is received during that period or not. Expenses incurred in earning the income are recorded as expense, whether or not payment has been made for them during that period*.

Balance Sheet: The balance sheet is a *statement of financial condition* of an individual or business at a *given date*. It sets forth the amounts and the nature of the assets, liabilities and proprietorship (net worth or capital).

The balance sheet is generally considered to be the most important financial statement. There are certain comparisons or ratios which may be used in analyzing a balance sheet in order to evaluate the stability of a business. A few of these ratios are discussed later.

Assets: A simple definition of an asset is *anything of value owned*. Complete legal ownership is not required before classifying the item as an asset. A building with a mortgage against it, or equipment being purchased on the installment plan are considered assets in the books of account. Assets may be tangible or intangible. That is, they may have a definitive physical character, such as credit extended to others, or prepaid rent or insurance. Typical assets are: cash (on hand or in bank), accounts receivable, notes receivable, inventory, prepaid insurance, land, buildings, equipment, furniture and fixtures.

Liabilities: Liabilities are *debts*. They are obligations to pay money or other assets, or to render services to others, either now or in the future. Common liabilities are: accounts payable, notes payable, interest payable, mortgages payable and contracts payable.

Proprietorship Owner's Equity: Proprietorship (owner's equity or capital) is the *excess of total assets over total liabilities*. It is the owner's equity in the business. The terms net worth or capital are often used in place of proprietorship on the balance sheet but have lost their popularity in the accountants' field.

Current Assets: Current assets are those assets which in the normal course of business will be converted

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DISCIPLINARY ACTIONS TAKEN THIRD QUARTER, 1972-73—SUSPENDED

Namestyle	Address	Date	Sections violated and suspension time
Allred Building Contractors	P.O. Box 182, Loma Linda	3-28-73	7112, 7117 for 6 mo.
Allred, Paul F.	Apartado 407, Navojoa, Sonora, Mexico	3-28-73	7122.5 for 3 mo.
Avery, William P.	2149-A Otis Dr., Apt. 331, Alameda	3-14-73	7122.5 for 6 mo.
Beeson, John Construction	14550 Blossom Hill, Los Gatos	1-16-73	7113.5 for 60 days
Behrens, Eugene dba Gene Behrens's Wonderful World of Landscaping	10116 Odessa Ave., Sepulveda	2-22-73	7107, 7109, 7113, 7117, 7119, 7159 Indefinitely
Better Homes Construction Co. Incorporated	1015 S. Atlantic Dr., Compton	2-9-73	7109, 7119, 7120, 7159 for 10 days
Billings, George Frank	4406 Damon Lane, El Cajon	3-27-73	7107, 7110, 7113 for 45 days
C C C Drywall Co.	7231 Kensington Court, Highland	1-16-73	7113.5 for 180 days
Cal-Pacific Builders	6117-H Reseda Blvd., Reseda	2-21-73	7107, 7110, 7113, 7121 for 90 days
Carlis Construction	P.O. Box 763, N. Hollywood	3-22-73	7109, 7113 for 15 days
Commercial Lathing Company Inc. dba Pacific Plastering Corp.	1236 N. Sierra Vista, Fresno	2-27-73	7120 Indefinitely
Custom Plastering	1312 W. 25th St., Upland	2-22-73	7113.5 for 1 year
D and D Taping	1233 Alicante Dr., Pacific	1-9-73	7113.5 Indefinitely
Darnel, Bond	27 W. Constance Ave., Santa Barbara	2-2-73	7120, 7159 for 20 days
De Cor Company of California	P.O. Box 5782, San Jose	1-26-73	7107, 7108, 7113, 7115 Indefinitely
Design Construction Company	453 S. Indiana St., Los Angeles	1-11-73	7116, 7116.2(b) for 30 days
Direito Euclides dba E. D. Construction	1549 Mt. Palomar Dr., San Jose	3-9-73	7107, 7109, 7113 for 45 days
Elton Pool	4950 Shippee Ln., Stockton	1-19-73	7097 Indefinitely
Elton Pools Inc.	4950 Shippee Ln., Stockton	1-19-73	7107, 7113, 7120 Indefinitely
Farr, Sherman M.	486 Shady Dr., Costa Mesa	2-9-73	7122.5 for 10 days
Ferry Bros. Const. Co.	P.O. Box 2218, El Cajon	2-2-73	7110 for 5 days
Ferry, John M.	1327 La Palma, San Diego	2-2-73	7122.5 for 5 days
Ferry, Patrick	10463 Russell, La Mesa	2-2-73	7122 for 5 days
Franco, John	P.O. Box 527, Oxnard	1-17-73	7113.5 for 1 year
Freeze, Ronald S.	701 La Para Ave., Palo Alto	2-2-73	7122.5 for 10 days
Hartman, Woody W., Construction Co.	12411 Euclid, Garden Grove	3-20-73	7115, 7122.5 Indefinitely
Holm, Frank Service	16228 Slover Ave., Fontana	3-7-73	7122.5 for 180 days
Ironcraft, Inc.	P.O. Box 768, Rialto	3-6-73	7110, 7121 Indefinitely
Isaac Electric	12014 Centralia, Hawaiian Gardens	1-5-73	7107, 7113, 7159 Indefinitely
Johnson, Richard I.	1236 N. Sierra Vista, Fresno	2-27-73	7122.5 Indefinitely
Karuzich, Harry A.	P.O. Box 465, Broomfield, CO	1-16-73	7109, 7110, 7113 for 90 days
Machado, Earl J.	309 N. San Pedro Rd., San Rafael	3-21-73	7108, 7109, 7113, 7115, 7120, 7122.5 Indefinitely
Mainil, Gerard	15508 Camarillo St., Encino	1-5-73	7117.5, 7159 for 60 days
Mains, Thomas J.	P.O. Box 445, N. Hollywood	3-23-73	7120 for 60 days
Maxey, Quinton	428 S. Myrtlewood, Covina	3-7-73	7113.5 for 180 days
Modern Renovators	1107 1/2 N. Western Ave., Hollywood	1-31-73	7107, 7109, 7110, 7113, 7159 for 9 mo.
Modern Roofing Co.	43 and Old Hwy 53, Clearlake Highlands	1-18-73	7109, 7113, 7115 Indefinitely
Moro, William Steve	2117 El Paseo Dr., Alhambra	1-12-73	7107, 7113, 7114, 7115 for 5 days
Nichols, James J.	634 W. Sierra Madre Blvd. #0, Sierra Madre	3-6-73	7122.5 Indefinitely
Orange Mechanical Inc.	744 W. Baker St., Costa Mesa	3-6-73	7113.5 Indefinitely
Pacific Plastering Corp. and Johnson, Richard I. JV	1236 N. Sierra Vista, Fresno	2-27-73	7097 Indefinitely
Pionbi, Renato	555 South Rd., Belmont	3-27-73	7122, 7122.5 for 60 days
Priest, Charles Richard	12426 Royal Rd., El Cajon	2-27-73	7109, 7113, 7117(a), 7159 for 30 days
Putnam Electric Co.	816 Park Central, Richmond	3-20-73	7107, 7109, 7113, 7115, 7120 Indefinitely
Renfro, Phil	P.O. Box 741, Greenfield	1-19-73	7071.11 Indefinitely
Richardson, F. P. Plumbing and Heating	2502 Esmond Ave., Richmond	1-18-73	7113.5 for 90 days
Rodney's Piping	8836 Elm St., Fontana	3-7-73	7113.5 Indefinitely
Rojas Construction Co.	8731 Herrick St., Sun Valley	2-23-73	7107, 7113, 7159 for 90 days
Schmidt, John K. Company	116 S. Arrowhead, San Bernardino	2-22-73	7113.5 for 180 days
Schmidt, John K. Plumbing Sales & Service	860 E. Baseline, San Bernardino	2-22-73	7097, 7121 for 180 days
Schupp, Daniel	22861 Belquest, El Toro	2-13-73	7097 for 6 mo.
Springer Construction	P.O. Box 575, Cedar Glen	3-7-73	7113.5 for 180 days
Stewart, Lloyd D.	158 Carnelia Ln., San Bernardino	3-20-73	7113.5 for 180 days
Sunco Development Corporation	611 Greenview Dr., Santa Rosa	2-2-73	7109 for 10 days
Tolbertson, Lloyd C.	P.O. Box 156, Coyote	2-23-73	7107, 7109, 7110, 7113, 7115, 7119 for 120 days
Underhill, Ray	1272 Poplar Ave., Sunnyvale	3-27-73	7122 for 60 days
Walker, Willard S. General Contractor	1055 Monticello Rd., Napa	2-27-73	7108, 7113 for 15 days
Waltman, Vernon A. General Contractor	2711 Stevens St., La Crescenta	3-7-73	7107, 7109, 7113, 7117(a), 7159(b) for 45 days
Williams, O. A.	1527 Foxworthy Ave., San Jose	2-9-73	7071.11 for 90 days
Young Construction Co.	2416 Melendy Dr., San Carlos	3-27-73	7122.5 for 30 days

DISCIPLINARY ACTIONS TAKEN THIRD QUARTER, 1972-73—REVOKED

Name/style	Address	Date	Sections violated
All Crafts Builders	17843 Sierra Way, Saugus	2- 1-73	7109, 7110, 7113, 7115
Alter Ad Inc. dba A & A Builders	662 Commercial St., San Jose	2-28-73	7112
Aluma Shade Awning Corporation	1701 Industrial Rd., San Carlos	1- 9-73	7109, 7113
B and D Pipeline and Equipment Rental Inc.	1695 W. Crescent, Anaheim	2- 8-73	7107, 7113
Bakeman, Frederick R. dba Bakman Const. Co.	3714 41st St., San Diego	1- 7-73	7028, 7071.11, 7107, 7108, 7110, 7113, 7117, 7120
Barilla, Pat	9562 Woodlawn Dr., Huntington Beach	1- 9-73	7112
Barilla & Steinke Iron Works, Inc.	9221 Bolsa Ave., Westminster	1- 9-73	7113.5
Bates and Ebert Landscaping	8684 Tumble Weed Ter., Santee	1- 7-73	7110
Bennett, Bill Electric Inc.	1629 Eureka St., San Bernardino	1-17-73	7113.5
Bennett Electric	1629 Eureka St., San Bernardino	1-17-73	7098, 7121
Benson Bros. Paving and Grading	P.O. Box 449, Walnut Creek	3-22-73	7071.11
Boatman, James Lee	8271 20th St., Westminster	2- 2-73	7109, 7113
Bradley, R. N.	440 Hanover Ave., Oakland	1-16-73	7107, 7109, 7110, 7113, 7119, 7120
Brea Plastering Co. Inc.	P.O. Box 386	1- 4-73	7113.5
Broussard, Martin	1135 Lincoln Way, San Francisco	2-10-73	7110
Builders Pipeline	2259 Dexter Way, Hayward	1-28-73	7113.5
Butland Chemical Company Inc.	5025 W. Century No. 203, Inglewood	1-27-73	7107, 7109, 7113, 7115, 7117
California City Construction Corp.	P.O. Box 4673, Oakland	3-14-73	7107, 7109, 7120
Clark, Val Roofing	556 N. 2nd, Bishop	3-14-73	7110, 7113.5
Collins, Edward R. dba Eddies Plumbing Repair	770 Myrna Dr., Port Hueneume	3- 6-73	7113.5
Creative Masonry	14341 Lyndon St., Garden Grove	2- 1-73	7110, 7113, 7115, 7120
Custom Swimming Pool Construction Co.	12142 Elnora Pl., Granada Hills	3-28-73	7109, 7113, 7120
Da Lon Incorporated	1319 E. Edinger, Santa Ana	2-13-73	7113.5
Dean, John R. Painting & Decorating	1174 Rear 73rd Ave., Oakland	2- 8-73	7113.5
Engineered Weather	18408 Gault St., Reseda	3- 6-73	7113.5
Farmer, George C.	10641 Rockhurst St., Santa Ana	1-25-73	7109, 7113
Fernandez, Joe Ortiz dba Pala Construction Company	11108 E. Schmidt Rd., El Monte	2- 1-73	7110, 7112
Fitzgerald, E. G. dba Formost Homes	17777 Meekland Ave., Hayward	1-11-73	7109, 7110, 7111, 7113, 7114
Giordani, Harold J.	1542 E. Mesta Ave., West Covina	1-26-73	7122.5
Gray, Clara Interiors	901 Madrone Rd., Stockton	2-23-73	7109, 7113
Hacienda Roofing Co.	4165 Curnevill Rd., Glenn Ellen	1-26-73	7109, 7115
Hadley, S. M. Tile Co.	16065 Oak Glen Ave., Morgan Hill	3-22-73	7115
Heagerty, Al	2510 Golden Ave., Long Beach	2-10-73	7122.5
Hindsman, C. Earl	16212 Ventura Blvd., Encino	2- 1-73	7113.5
Horowitz, Al Co. Inc.	16212 Ventura Blvd., Encino	2-13-73	7107, 7108, 7113, 7113.5, 7120
Hughes Const. Co.	16212 Ventura Blvd., Encino	2-13-73	7107, 7108, 7113, 7113.5, 7120
Huston Electric Inc.	4673 N. Mariposa Ave., Fresno	3-30-73	7113.5
Ideal Alum Awning Co.	12553 Josephine St., Garden Grove	1- 4-73	7113, 7116, 7120
James, Dave Construction Company, Incorporated	22832 S. Western Ave., Torrance	2- 8-73	7109, 7110, 7113, 7117(a)
Jelavich, M. B. Design & Const. Co.	P.O. Box 606, Fresno	1-11-73	7107, 7115
Jenkins, Dennis	3462 Rossmoor Way, Los Alamitos	1-27-73	7113, 7120
Jim's Mobile Home Moving	1157 Graham Street, Simi	3- 6-73	7109, 7113, 7115
K B Enterprises	9356 Castlemont Cr., Orangevale	3-13-73	7107, 7113, 7116
La Moure, Roger D. dba Hacienda Builders	515 E. Theborn, Covina	1- 7-73	7112
Lee's Custom Rooms & Patios	19846 Rambling Rd., Covina	3-21-73	7113.5
McKay Construction Co.	4283 N. Motel Dr., Fresno	2-10-73	7109, 7113
McKay Construction Co., Inc.	4283 N. Motel Dr., Fresno	2-21-73	7113.5
McWilliams, Ross	4346 E. Mission Blvd., Pomona	2-21-73	7098
McWilliams & Scott	11217 Surrey St., Ontario	1-25-73	7108, 7113, 7115, 7120
Mission Roof and Waterproofing Co., The	1126 Pagoda Pl., Los Angeles	1-25-73	7098, 7121
Mobile Class Construction Company	3915 24th St., San Francisco	2- 9-73	7109, 7113, 7121
Moore Construction Company	986 Pocatello, Sunnyvale	1-11-73	7113.5
Orr, William E. Cement Contracting Co.	14843 Beckner, La Puente	3-20-73	7113.5
Pacific Neon Lite	1900 Calle Aragon, Laguna Beach	3-14-73	7109, 7113
Potts, George Masonry	18406 Basswood, Fountain Valley	3-28-73	7109, 7110, 7113, 7115, 7117
Qualified Plastering Co.	4151 Middlefield Rd., #203, Palo Alto	2- 1-73	7122.5
Residential Remodeling Co., Inc.	P.O. Box 2168, Lake Havasu City	2- 9-73	7109, 7113, 7113.5, 7119, 7120
Sagor, Robert	1399 W. 13th St., San Bernardino	3-27-73	7107, 7108, 7109, 7111, 7112, 7113, 7115, 7116
San Bernardino Gunito Co.	450 Clark St., Bishop	2- 1-73	7114, 7120
Sierra Roofing Co.	15834 Workman St., La Puente	2-15-73	7107, 7108
Smiths, Frank Refrigeration Company	P.O. Box 386, Brea	3-15-73	7113.5
Speer, Harry D.	P.O. Box 386, Brea	1- 4-73	7122.5
Starbuck Jerry C. dba La Mesa Pools	3368 California St., Costa Mesa	2- 9-73	7107, 7113, 7116, 7117, 7120
Stephens, W. K. Construction	2526 Modoc Rd., Santa Barbara	2- 8-73	7107, 7108, 7113, 7120
Sunkist Electric Corporation	P.O. Box 228, Union City	3-27-73	7107, 7113, 7113.5
Sunset General Inc.	8152 W. Cerritos, Stanton	1-26-73	7107, 7113
Superior Roofing Service	1535 W. Pomona St., Santa Ana	2-15-73	7109, 7113
Thunderbird Pools	302 N. Riverside Ave., Rialto	2-18-73	7122.5
Two Danes, The dba Slip in Aluminum Windows	1232 Edgewood Rd., Redwood City	1- 7-73	7109, 7110, 7113
Valley Neon	435 S. Arrowhead Ave., San Bernardino	2-23-73	7113.5
Victor & Victor	39672 Royal Palm Dr., Fremont	1-25-73	7107, 7109, 7113, 7115
Vore, Jack R.	2545 Camino Del Rio, San Diego	2-21-73	7107, 7113, 7113.5
Western Hosts	874 Stevenson St., San Francisco	1-10-73	7113.5, 7116
Wilson, Don C. Co.	P.O. Box 761, Pacific Palisades	2- 7-73	7107, 7113, 7115, 7117, 7120
Wise Concrete Contractor	68 Cresta Verde Dr., Rolling Hills Estates	2-10-73	7110, 7113.5
Wylie's Mobile Home Set-up	5704 San Vincente Way, North Highlands	3-13-73	7122.5

DISCIPLINARY ACTIONS DO NOT INCLUDE LICENSES SUSPENDED FOR FAILURE TO MAINTAIN REQUIRED BONDS

The following explanation may be helpful to those persons interested in the causes of disciplinary action indicated by sections violated in the table of Disciplinary Actions:

7107	Abandonment of a project without legal excuse.	7115	Failure to comply with the Contractors' Law.
7108	Diverted funds or property received for a specific job to other purposes.	7116	Committing a willful or fraudulent act as a contractor.
7109	Willfully disregarded plans and specifications, or has failed to complete the job in a good and workmanlike manner.	7116.2	False advertising.
7110	Willful disregard and violation of building laws.	7117	Acting as a contractor out of namestyle.
7110.1	Violation of Labor Code.	7118	Contracting with unlicensed person.
7111	Failure to keep records and to make them available to a representative of the registrar.	7119	Failure to prosecute a job with diligence.
7112	Misrepresentation of a material fact on an application.	7120	Failure to pay for materials or services.
7113	Failure to complete a project for the price stated in the contract.	7121	Prohibition against associating with suspended or revoked licenses.
7113.5	Avoiding or settling for less than lawful obligations as a contractor through the various bankruptcy proceedings.	7122	Participation of licensee in violating Contractors' Law.
7114	Aiding and abetting an unlicensed person.	7122.5	Responsibility of Qualifying Person for acts committed by his principal.
		7123	Conviction of a Felony in connection with construction activities.
		7124	A plea of nolo contendere is considered a conviction.

DENIED

All New Construction Company	7642 Winnetaka Ave., Canoga Park	2-27-73	7069, 7073
Corners Construction Company	501 W. Floral Dr., Monterey	3-20-73	7069, 7073, 7112
Hoskinson, James R. General Contractor	4702 Balsam St., Santa Rosa	2- 6-73	7069(a), 7069(b), 7109, 7110, 7112, 7115
Shean, Harvey George	112 Mary Way, Los Gatos	1-23-73	7069(a), 7112
Tomorrow's Construction	9737 Riverview Ave., Lakeside	2-27-73	7069, 7069(a), 7073, 7112, 7115
Tri-West Construction Company dba Utah-Tri-West Construction Co.	3826 W. State St., Boise, Idaho	1-12-73	7069(a), 7110, 7026.6, 7026.9(b)

FLOORING AND FLOOR COVERING CONTRACTORS

By action of the Contractors' State License Board at its regular meeting on July 26, 1972 the C-15 Flooring classification was amended to include the installation of all floor covering materials which were being classified under the C-61 Limited Specialty classification. Since it was a tedious process to locate all licensed C-61 Floor Coverings contractors in the records of this agency, an article in the November 1972 issue of "The California Licensed Contractor" advised all C-61 Floor Coverings contractors to request a change from the C-61 classification to the C-15 classification. In glancing through the 1973-1975 Official Directory of California Licensed Contractors as it was being prepared for printing it was revealed that many contractors whose business names imply floor covering operations are still licensed in the C-61 classification.

If you are a floor covering contractor and still classified in the C-61 classification, you are requested to do one of two things.

First, if you are licensed in the C-61 classification to install only floor coverings such as carpets, linoleum, resilient flooring and terrazzo you should return your large license certificate and your 1973-1975 pocket certificate to the Sacramento Office of the Contractors' State License Board and request the change be made on your license from the C-61 to the C-15 classification. There will be no charge for this change.

If your C-61 classification includes operations other than floor coverings such as draperies, wall coverings, window coverings, etc., you must retain the C-61 classification for those operations you are licensed to do other than actual floor coverings. To change the floor coverings operations under your C-61 to the C-15 classification will require that you obtain an additional classification by submitting an Application For Supplemental or Change of Primary Classification for the C-15 Flooring and Floor Covering classification. This requires an application fee of \$20.00. No examination will be required nor will you have to fill in the experience portion of the application. Simply complete the application in full with the exception of the experience and mail

it to the Sacramento Office with the \$20.00 application fee, your large license certificate and your 1973-1975 pocket certificate. The two certificates will be returned to you with changes reflecting a primary C-15 classification and a supplemental C-61 classification.

The Application For Supplemental or Change of Primary Classification can be obtained at any of the offices of the Contractors' State License Board either in person, by written request, or by telephone request. The address of the various offices are listed on page 2 of this publication.

Be sure to send the application or request for change to:

Contractors' State License Board
1020 N St.
Sacramento, Cal. 95814

MOBILEHOME CONTRACTING

Continued from page 3

turer is required to be licensed as a contractor only when he is engaged in on-site construction, alteration, or repair of a mobilehome or mobilehome accessory buildings and structures pursuant to specialized plans, specifications or models. Any work performed by the manufacturer in compliance with his warranty would not require a contractor's license even though the warranty work is performed on a site for the purpose of occupancy as a dwelling.

This new law has the effect of requiring a contractor's license on work performed on mobilehomes comparable to existing requirements on permanent residences.

The contractor licensed in either the C-61, Mobilehome Installation classification or the B, General Building classification will be properly licensed to perform any work on mobilehomes or mobilehome accessory buildings and structures as provided by the new law. Also any specialty contractor acting solely within the scope of his classification will be proper to perform work within his classification on mobilehomes. As an example a C-10 Electrical contractor may perform electrical work, a C-33 Painting contractor may paint, a C-39 Roofing contractor may roof and a C-20 contractor may install or repair heating and air conditioning equipment on mobilehomes.

Those contractors licensed in only the C-61 Mobilehome Installation classification should remember that the C-61 allows them to work only on mobilehomes, demountable mobile-

CHAPTER II—MONEY MANAGEMENT

Continued from page 4

into cash *within one year* from the date of the balance sheet. Current assets other than cash and accounts receivable consist of inventory of supplies, parts, merchandise for resale and the unconsumed portion of prepaid insurance, interest, taxes and long term advertising.

Fixed Assets: Fixed assets are assets which are expected to be useful to the business over several years. They were not purchased for resale purposes and will usually not be sold so long as their economic usefulness continues. Examples are: land, buildings, equipment, furniture and fixtures. Fixed assets are usually shown on the balance sheet at *cost less depreciation*, which indicates the current value of the asset.

Current Liabilities: Current liabilities are the debts which mature within one year from the date of the balance sheet. Current liabilities are such items as: notes payable, accounts payable, accrued wages and accrued taxes.

To be continued

home accessory buildings and structures and that work necessary to connect the mobilehome electrical, gas, water and sewer to existing facilities at the site. It does not include any alterations, repairs or construction of permanent facilities. No changes can be made in the permanent electrical service by a C-61 licensed contractor even though the power source is inadequate at the electrical service. Any C-61 Mobilehome Installation contractor desiring to perform work on facilities other than the mobilehome and the accessory structures should look into the advisability of acquiring supplemental classifications to perform the additional work.

Sections 18008 and 18010 of the Health and Safety Code are hereafter quoted for information of interested parties.

18008. "Mobilehome" is a vehicle designed and equipped to contain not more than two dwelling units to be used without a permanent foundation.

18010. "Mobilehome accessory building or structure" is any awning, portable, demountable or permanent cabana, ramada, storage cabinet, carport, fence, windbreak or porch established for the use of the occupant of the mobilehome.

Cal OSHA

Continued from page 2

orders necessary to eliminate such causes and to prevent reoccurrence. It shall transmit to the Registrar of Contractors copies of any reports made in any investigation conducted because of an employment accident which results in a fatality or serious injury to five or more employees and may upon its own motion or at the request of the Registrar of Contractors transmit copies of reports made in any investigation conducted because of other industrial accidents or occupational illness which involves a contractor licensed pursuant to the Contractors License Law.

Upon the showing of appropriate credentials the chief of the division and all employees authorized by him shall have free access to any place of employment for the purpose of investigation or inspection. Any person who obstructs or hampers such investigation or inspection is guilty of a misdemeanor.

If upon inspection or investigation, the division believes an employer has violated any standard, rule, regulation, or order it shall promptly issue a citation to the employer. The citation shall be in writing, describe the nature of the violation and fix a reasonable time for abatement.

The division may apply to the superior court for an injunction restraining the use and operation of any equipment which constitutes a serious menace to the lives or safety of persons about it. Any authorized representative of the division may prohibit for a period of 24 hours the use of any machine, apparatus or equipment when its use would constitute an imminent hazard to employees. The regional manager of the division may extend this prohibition for not more than an additional 72 hours, and the chief of the division may, after a hearing, extend the prohibition beyond the 96 hours until such time as the division declares that the place of employment, machine, device, apparatus, or equipment is no longer an imminent hazard.

An employer may request and be granted an immediate hearing (within 24 hours) when an authorized em-

ployee of the division prohibits the use of the device, machine, apparatus or equipment because of the determination that an imminent hazard exists. The hearing is to review the validity of the representative's order.

A work permit must be issued by the division to an employer before he starts any work on certain high risk projects. High risk projects are specified as construction of trenches or excavations five feet or deeper into which a person is required to descend, and construction or demolition of any structure more than three stories high or the equivalent height. The employer must demonstrate evidence that the project will provide a safe, and healthful place of employment. The division may conduct an investigation or hearing, or require a safety conference prior to starting of actual work. A fee may be charged for such permits as reasonably necessary to cover the costs of investigation and issuance.

There are several criminal sanctions provided by CAL-OSHA. The most severe sanction is that imposed upon an employer or any employee having direction, management, control, or custody of any employment, place of employment, or other employee who willfully violates any occupational safety or health standard, order or special order and the violation caused death to any employee or caused permanent or prolonged impairment of the body of any employee. Upon conviction the person found in violation shall be punished by a fine of not more than ten thousand dollars (\$10,000.00) or by imprisonment for not more than six months, or by both.

The California Occupational Safety and Health Act of 1973 is a long and complicated piece of legislation. Contractors should obtain as much information relative to the provisions of this law as is possible. Undoubtedly, the various contractor associations will be conducting studies and imparting information to their members. The Department of Industrial Relations should be the primary source of information which can be tapped by the contractor after the department has had opportunity to assess its position and make available

CONSTRUCTION INSPECTORS

Legislation which may be of interest to licensed contractors creates a State Board of Registered Construction Inspectors within the Department of Consumer Affairs. Senate Bill 165 authored by Senator Cusanovich which provides for the registration of construction inspectors will become law on January 1, 1974. This bill provides for the appointment of a 12 member board by the Governor. The board may make rules and regulations which are reasonably necessary to carry out the provisions of the law and shall establish divisions of construction inspection. It will be a misdemeanor for any person to use the title or term "registered construction inspector", without being registered as such with the State Board of Registered Construction Inspectors.

As it always requires a certain amount of time to create new boards and put laws into effect by newly created boards, it may be some length of time before the new board will be in a position to start accepting applications from prospective construction inspectors. It is sufficient to say, the Education Code will not require the registration of construction inspector who are engaged to inspect the construction, reconstruction, alteration of any school building until January 1, 1976.

Any inquiry relative to this law should be directed to the Department of Consumer Affairs, 1020 N Street, Sacramento, California 95814.

This new law is not to be enforced by the Contractors' State License Board so please do not direct inquiries to this agency.

to the public various standards and orders. Part of the department's duties will be to educate relative to the safety and health requirements. We have also been advised that the State Compensation Insurance Fund has prepared information relative to CAL-OSHA which is available and that many of the private carriers of compensation insurance also have been preparing information which will be available to their insured.