

**December 9, 2020****CSLB #20-25**

Brush-Up on New Contracting Laws that Come into Play January 1, 2021

SACRAMENTO – As we make our way into the new year, CSLB would like to highlight some construction-related laws that will go into effect January 1. Pay close attention to these changes, including an extension for seniors' right to cancel a contract (AB 2471) and the direct authority for the registrar to take disciplinary action for tree worker safety violations (AB 2210). These updates, and the others mentioned below, may impact the way licensees conduct business.

[AB 2471 \(Maienschein\)](#): Extends the right to cancel contracts for persons 65 years of age or older from three business days to five business days for the following transactions: home solicitation contracts, home improvement contracts, Property Assessed Clean Energy assessment contracts, service and repair contracts, and seminar sales contracts. (*Chapter 158, Statutes of 2020*)

[AB 1551 \(Arambula\)](#): Relates to Property Assessed Clean Energy (PACE) financing home improvements through PACE assessment contracts, as regulated by the California Financing Law and the Streets and Highways Code. AB 1551 prohibits "prepayment penalties" in PACE assessment contracts and prohibits PACE assessments on properties with reverse mortgages. This bill also requires the PACE Financing Estimate and Disclosure be provided to the homeowner in printed, paper form, unless the property owner signs a printed paper document opting out of a hard copy; if they opt-out, they may receive the disclosure electronically. (*Chapter 156, Statutes of 2020*)

[AB 2210 \(Aguiar-Curry\)](#): Authorizes disciplinary action against a licensed contractor for violations of tree worker safety regulations administered by the California Division of Occupational Safety and Health without regard to whether death or serious injury to an employee resulted from the violation. This bill also extends the time for the CSLB registrar to bring disciplinary action against a licensed contractor for violations of the Labor Code or

the specified tree safety regulations from 180 days to 18 months. (*Chapter 128, Statutes of 2020*)

[AB 3087 \(Brough\)](#): Authorizes the CSLB registrar to contract with a public or private organization to administer, and provide services and materials for, CSLB's contractor license exams. (*Chapter 295, Statutes of 2020*)

[SB 865 \(Hill\)](#): Makes several changes to the Dig Safe Act of 2016, including renaming the California Underground Facilities Safe Excavation Board to "Dig Safe Board"; updating requirements about the exchange of information and records between the Dig Safe Board and regional notification centers (RNC); requiring that all new subsurface installations use specified mapping technology; and requiring that an excavator notify the RNC within 48 hours of discovering or causing damage. The bill also updates some of the enforcement responsibilities of the Dig Safe Board, including the option to require that violators take an educational course in lieu of paying a fine. (*Chapter 307, Statutes of 2020*)

[SB 1189 \(McGuire\)](#): Creates a new classification of contracting business called "residential remodeling contracting," which is defined as projects that make improvements to, on, or in an existing residential wood frame structure that use at least three unrelated building trades or crafts for a single contract; a list of trades is included in the bill. The bill also includes in the definition of "home improvement" the reconstruction, restoration, or rebuilding of residential property damaged or destroyed by a disaster for which either the governor or president has declared a state of emergency. The bill also expands the type of contracting activity in a declared disaster zone for which a person without a contractor license can be prosecuted. (*Chapter 364, Statutes of 2020*)

[SB 1474 \(Committee on Business, Professions and Economic Development\)](#): Requires the CSLB registrar to retroactively reinstate an expired contractor license if a completed license renewal application is received with the appropriate fees within 90 days of the license expiration date. It also makes several minor, technical, non-substantive changes to the law. (*Chapter 312, Statutes of 2020*)

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