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BEFORE THE
REGISTRAR OF CONTRACTORS
CONTRACTORS' STATE LICENSE BOARD
DEPARTMENT OF CONSUMER AFFAIRS
STATE OF CALIFORNIA

In the Matter of the Accusation Against**:** **CARLOS ALBERTO GARCIA MANZANARES** **DBA C & E ELECTRIC & FIRE ALARM SERVICES;** 3450 Sacramento St 433 San Francisco, CA 94118 **Contractor's License No. 895194, C10** Respondent.	Case No. N2025-290 **ACCUSATION**

PARTIES

1. Brian Melvin (Complainant) brings this Accusation solely in his official capacity as the Supervising Special Investigator I of the Contractors' State License Board (Board), Department of Consumer Affairs.

2. On or about April 24, 2007, the Registrar of Contractors (Registrar) issued Contactor's License Number 895194, Class C-10 (Electrical), to Carlos Alberto Garcia Manzanares dba C & E Electric & Fire Alarm Services (Respondent). The license will expire on April 30, 2027, unless renewed.

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JURISDICTION

3. This Accusation is brought before the Registrar for the Board under the authority of the following laws. All section references are to the Business and Professions Code (Code) unless otherwise indicated.

4. Section 118, subdivision (b), of the Code, states:

> The suspension, expiration, or forfeiture by operation of law of a license issued by a board in the department, or its suspension, forfeiture, or cancellation by order of the board or by order of a court of law, or its surrender without the written consent of the board, shall not, during any period in which it may be renewed, restored, reissued, or reinstated, deprive the board of its authority to institute or continue a disciplinary proceeding against the licensee upon any ground provided by law or to enter an order suspending or revoking the license or otherwise taking disciplinary action against the licensee on any such ground.

5. Section 7076.5, subdivision (h), of the Code states:

> The inactive status of a license shall not bar any disciplinary action by the board against a licensee for any of the causes stated in this chapter.

6. Section 7090 of the Code provides, in pertinent part, that the Registrar may suspend or revoke any license or registration if the licensee or registrant is guilty of or commits any one or more of the acts or omissions constituting cause for disciplinary action.

7. Section 7106.5 of the Code states:

> The expiration, cancellation, forfeiture, revocation, or suspension of a license by operation of law or by order or decision of the registrar or a court of law, or the voluntary surrender of a license by a licensee, shall not deprive the registrar of jurisdiction to proceed with any investigation of or action or disciplinary proceeding against the license, or to render a decision suspending or revoking the license.

8. Section 7121 of the Code states:

> A person who has been denied a license for a reason other than failure to document sufficient satisfactory experience for a supplemental classification for an existing license, or who has had his or her license revoked, or whose license is under suspension, or who has failed to renew his or her license while it was under suspension, or who has been a partner, officer, director, manager, or associate of any partnership, corporation, limited liability company, firm, or association whose application for a license has been denied for a reason other than failure to document sufficient satisfactory experience for a supplemental classification for an existing license, or whose license has been revoked, or whose license is under suspension, or who has failed to renew a license while it was under suspension, and while acting as a partner, officer, director, manager, or associate had knowledge of or participated in any of the prohibited acts for which the license was denied, suspended, or revoked, shall be prohibited from serving as an officer, director, associate, partner, manager,

qualifying individual, or member of the personnel of record of a licensee, and the employment, election, or association of this type of person by a licensee in any capacity other than as a nonsupervising bona fide employee shall constitute grounds for disciplinary action.

STATUTORY PROVISIONS

9. Section 7107 of the Code states:

Abandonment without legal excuse of any construction project or operation engaged in or undertaken by the licensee as a contractor constitutes a cause for disciplinary action.

10. Section 7108 of the Code states:

Diversion of funds or property received for prosecution or completion of a specific construction project or operation, or for a specified purpose in the prosecution or completion of any construction project or operation, or failure substantially to account for the application or use of such funds or property on the construction project or operation for which such funds or property were received constitutes a cause for disciplinary action.

11. Section 7111.1 of the Code states:

(a) Failure to make and keep records showing all contracts, documents, records, receipts, and disbursements by a licensee of all of his or her transactions as a contractor, and failure to have those records available for inspection by the registrar or his or her duly authorized representative for a period of not less than five years after completion of any construction project or operation to which the records refer, or refusal by a licensee to comply with a written request of the registrar to make the records available for inspection constitutes a cause for disciplinary action.

(b) Failure of a licensee, applicant, or registrant subject to the provisions of this chapter, who without lawful excuse, delays, obstructs, or refuses to comply with a written request of the registrar or designee for information or records, to provide that information or make available those records, when the information or records are required in the attempt to discharge any duty of the registrar, constitutes a cause for disciplinary action.

12. Section 7116 of the Code states:

The doing of any willful or fraudulent act by the licensee as a contractor in consequence of which another is substantially injured constitutes a cause for disciplinary action.

13. Section 7159 of the Code states:

(a)(1) This section identifies the projects for which a home improvement contract is required, outlines the contract requirements, and lists the items that shall be included in the contract, or may be provided as an attachment.

. . .

(5) Failure by the licensee, their agent or salesperson, or by a person subject to be licensed under this chapter, to provide the specified information, notices, and disclosures in the contract, or to otherwise fail to comply with any provision of this section, is cause for discipline.

. . .

(c) In addition to the specific requirements listed under this section, every home improvement contract and any person subject to licensure under this chapter or his or her agent or salesperson shall comply with all of the following:

. . .

(3)(A) Before any work is started, the contractor shall give the buyer a copy of the contract signed and dated by both the contractor and the buyer. The buyer's receipt of the copy of the contract initiates the buyer's rights to cancel the contract pursuant to Sections 1689.5 to 1689.14, inclusive, of the Civil Code.

. . .

(d) A home improvement contract and any changes to the contract shall be in writing and signed by the parties to the contract prior to the commencement of work covered by the contract or an applicable change order and, except as provided in paragraph (8) of subdivision (a) of Section 7159.5, shall include or comply with all of the following:

. . .

(13) The heading: "Note About Extra Work and Change Orders," followed by the following statement:

"Extra Work and Change Orders become part of the contract once the order is prepared in writing and signed by the parties prior to the commencement of work covered by the new change order. The order must describe the scope of the extra work or change, the cost to be added or subtracted from the contract, and the effect the order will have on the schedule of progress payments."

. . .

14. Section 7159.5 of the Code states:

This section applies to all home improvement contracts, as defined in Section 7151.2, between an owner or tenant and a contractor, whether a general contractor or a specialty contractor, that is licensed or subject to be licensed pursuant to this chapter with regard to the transaction.

(a) Failure by the licensee or a person subject to be licensed under this chapter, or by their agent or salesperson, to comply with the following provisions is cause for discipline:

. . .

(3) If a downpayment will be charged, the downpayment may not exceed one thousand dollars ($1,000) or 10 percent of the contract amount, whichever is less.

. . .

(5) Except for a downpayment, the contractor shall neither request nor accept payment that exceeds the value of the work performed or material delivered. The prohibition prescribed by this paragraph extends to advance payment in whole or in part from any lender or financier for the performance or sale of home improvement goods or services.

COST RECOVERY, RESTITUTION AND OTHER AUTHORITY

15. Section 125.3 of the Code states, in pertinent part:

(a) Except as otherwise provided by law, in any order issued in resolution of a disciplinary proceeding before any board within the department or before the Osteopathic Medical Board, upon request of the entity bringing the proceeding, the administrative law judge may direct a licentiate found to have committed a violation or violations of the licensing act to pay a sum not to exceed the reasonable costs of the investigation and enforcement of the case.

(b) In the case of a disciplined licentiate that is a corporation or a partnership, the order may be made against the licensed corporate entity or licensed partnership.

. . .

16. Section 11519 of the Government Code states:

(a) The decision shall become effective 30 days after it is delivered or mailed to respondent unless: a reconsideration is ordered within that time, or the agency itself orders that the decision shall become effective sooner, or a stay of execution is granted.

(b) A stay of execution may be included in the decision or if not included therein may be granted by the agency at any time before the decision becomes effective. The stay of execution provided herein may be accompanied by an express condition that respondent comply with specified terms of probation provided; provided, however, that the terms of probation shall be just as reasonable in light of the findings and decision.

(c) If respondent was required to register with any public officer, a notification of any suspension or revocation shall be sent to the officer after the decision has become effective.

(d) As used in subdivision (b), specified terms of probation may include an order of restitution. Where restitution is ordered and paid pursuant to the provisions of this subdivision, the amount paid shall be credited to any subsequent judgment in a civil action.

(e) The person to which the agency action is directed may not be required to comply with a decision unless the person has been served with the decision in the manner provided in Section 11505 or has actual knowledge of the decision.

(f) A nonparty may not be required to comply with a decision unless the agency has made the decision available for public inspection and copying or the nonparty has actual knowledge of the decision.

(g) This section does not preclude an agency from taking immediate action to protect the public interest in accordance with Article 13 (commencing with Section 11460.10) of Chapter 4.5.

17. Section 143.5, subdivision (b), of the Code states:

Any board, bureau, or program within the Department of Consumer Affairs that takes disciplinary action against a licensee or licensees based on a complaint or report that has also been the subject of a civil action and that has been settled for monetary damages providing for full and final satisfaction of the parties may not require its licensee or licensees to pay any additional sums to the benefit of any plaintiff in the civil action.

18. Section 7095 of the Code states:

(a) The decision may:

(1) Provide for the immediate complete suspension by the licensee of all operations as a contractor during the period fixed by the decision.

(2) Permit the licensee to complete any or all contracts shown by competent evidence taken at the hearing to be then uncompleted.

(3) Impose upon the licensee compliance with such specific terms and conditions as may be just in connection with the licensee's operations as a contractor disclosed at the hearing and may further provide that until those terms and conditions are complied with no application for restoration of the suspended or revoked license shall be accepted by the registrar.

(4)

(A) Provide for the stay of execution of the decision pending completion of specified terms and conditions of probation.

(B) Failure to fully comply with the terms and conditions of probation set pursuant to subparagraph (A) may result in automatic termination of the stay of execution without further notice. If a stay of execution is terminated pursuant to this subparagraph, the decision shall be considered a disciplinary action within the meaning of this chapter.

(b) The specific terms and conditions imposed pursuant to paragraph (3) or (4) of subdivision (a) may include, but are not limited to, any of the following:

(1) Payment of restitution to persons injured as a result of the violation.

(2) Payment of the costs of investigation and enforcement pursuant to Section 125.3.

(3) Enrollment in, and completion of, specified administrative or trade-specific coursework.

(4) Successful completion of the board's law and business examination or trade examination, as appropriate.

(5) Any further terms and conditions as are set forth for specified violations in the board's disciplinary guidelines in Section 871 of Title 16 of the California Code of Regulations.

19. Section 7097 of the Code states:

Notwithstanding the provisions of Sections 7121 and 7122, when any licensee has been suspended by a decision of the registrar pursuant to an accusation or pursuant to subdivision (b) of Section 7071.17, Section 7085.6 or 7090.1, any additional license issued under this chapter [the Contractors' State License Law] in the name of the licensee or for which the licensee furnished qualifying experience and appearance under the provisions of Section 7068, may be suspended by the registrar without further notice.

20. Section 7098 of the Code states:

Notwithstanding the provisions of Sections 7121 and 7122, when any license has been revoked under the provisions of this chapter [the Contractors' State License Law], any additional license issued under this chapter in the name of the licensee or for which the licensee furnished qualifying experience and appearance under the provisions of Section 7068, may be revoked by the registrar without further notice.

21. Section 7102 of the Code states:

After suspension of a license upon any of the grounds set forth in this chapter [the Contractors' State License Law], the registrar may reinstate the license upon proof of compliance by the contractor with all provisions of the decision as to reinstatement or, in the absence of a decision or any provisions of reinstatement, in the sound discretion of the registrar.

After revocation of a license upon any of the grounds set forth in this chapter, the license shall not be reinstated or reissued and a license shall not be issued to any member of the personnel of the revoked licensee found to have had knowledge of or participated in the acts or omissions constituting grounds for revocation, within a minimum period of one year and a maximum period of five years after the final decision of revocation and then only on proper showing that all loss caused by the act or omission for which the license was revoked has been fully satisfied and that all conditions imposed by the decision of revocation have been complied with.

The board shall promulgate regulations covering the criteria to be considered when extending the minimum one-year period. The criteria shall give due consideration to the appropriateness of the extension of time with respect to the following factors:

(a) The gravity of the violation.

(b) The history of previous violations.

(c) Criminal convictions.

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When any loss has been reduced to a monetary obligation or debt, however, the satisfaction of the monetary obligation or debt as a prerequisite for the issuance, reissuance, or reinstatement of a license shall not be required to the extent the monetary obligation or debt was discharged in a bankruptcy proceeding. However, any nonmonetary condition not discharged in a bankruptcy proceeding shall be complied with prior to the issuance, the reissuance, or reinstatement of the license.

FACTUAL ALLEGATIONS

22. In or about March of 2024, LQ was looking for a contractor to install new electrical wiring in 22 units of an apartment building in San Francisco, CA. LQ contacted Respondent and Respondent agreed to perform the desired scope of work for LQ.

23. On or about March 12, 2024, Respondent provided LQ with an invoice requesting a deposit of $62,040.00. LQ paid Respondent $62,040.00 by check, that same day.

24. On or about March 13, 2024, Respondent sent LQ a written estimate to install new electrical wiring in 22 units of the apartment building for $98,648.00. LQ accepted and signed the estimate. The estimate served as the contract for the project. The estimate/contract did not include all of the language required by Code section 7159.

25. On or about March 13, 2024, Respondent gave LQ an invoice requesting a progress payment of $26,608. LQ paid Respondent $26,608.00 that same day.

26. On or about March 18, 2024, Respondent began working on the project. Between about April 2024 and May 2024, Respondent completed the electrical wiring in seven units and began working on the eighth unit.

27. On March 29, 2024, Respondent gave LQ an Invoice requesting a progress payment of $5,600.00. LQ paid Respondent $5,600.00 that same day.

28. On or about May 30, 2024, Respondent informed LQ the main panel box for the building had to be upgraded to a 400amp service. Respondent told LQ the upgrade was required. LQ agreed to upgrade. There was no written change order, signed by the parties, for the upgrade of the panel.

29. Respondent gave LQ two invoices, numbered 1127 and 1128, for the panel upgrade. Invoice #1127 requested payment of $26,876.00. Invoice #1128 requested payment of $30,774.00. Respondent explained that both Invoices were for the panel upgrade.

30. On or about May 30, 2024, LQ paid Respondent $26,876.00 by check for Invoice #1127.

31. On or about May 31, 2024, LQ paid Respondent $30,774.00 for Invoice #1128.

32. Work on the project basically stopped following these payments. Between June of 2024 through January of 2025, Respondent provided LQ with several excuses for the delay of the project.

33. In January of 2025, Respondent informed LQ he would return to complete the project. On or about January 23, 2025, Respondent returned to work on the molding for the eighth unit. However, Respondent failed to complete the electrical wiring in the eighth unit. This was the last day Respondent performed work on the project.

34. In or about March 2025, LQ asked for a refund of the money he paid for the work not performed. Respondent told LQ he did not have the money. Respondent abandoned the project and told LQ he was filing for bankruptcy.

35. No work on the main panel was ever performed by Respondent. Respondent failed to perform any of the contracted work in 14 of the units. Respondent failed to complete all the contracted work in the eighth unit.

FIRST CAUSE FOR DISCIPLINE

(Abandonment)

36. Respondent is subject to disciplinary action under Code section 7107 in that he abandoned a construction project without legal justification or excuse. The circumstances are described in the factual allegations above.

SECOND CAUSE FOR DISCIPLINE

(Excessive Downpayment)

37. Respondent is subject to disciplinary action under Code section 7159.5, subdivision (a)(3), in that he asked for and received a downpayment exceeding $1,000.00. The circumstances are described in the factual allegations above.

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THIRD CAUSE FOR DISCIPLINE

(Excessive Payments)

38. Respondent is subject to disciplinary action under Code section 7159.5, subdivision (a)(5), in that Respondent asked for and received payment that exceeded the value of the work performed or materials delivered. The circumstances are described in the factual allegations above.

FOURTH CAUSE FOR DISCIPLINE

(Willful or Fraudulent Acts)

39. Respondent is subject to disciplinary action under Code 7116 in that Respondent performed willful or fraudulent acts as a contractor that substantially injured LQ. The circumstances are described in the factual allegations above.

FIFTH CAUSE FOR DISCIPLINE

(Contract Language Violations)

40. Respondent is subject to disciplinary action under Code 7159, subdivision (a)(5), in that Respondent's contract with LQ failed to have the following required language:

a. The contract failed to provide a signed copy of buyers' right to cancel (Code section 7159, subdivision (c)(3)(A));

b. The contract did not contain a notice regarding extra work and change orders. (Code section 7159, subdivision (d)(13))

FIFTH CAUSE FOR DISCIPLINE

(Verbal Change Orders)

41. Respondent is subject to disciplinary action under Code 7159, subdivision (a)(5), in conjunction with Code 7159, subdivision (d), in that there were verbal change orders for the panel upgrade. The change orders were not in a writing signed by the parties. The circumstances are further described in the factual allegations above.

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SIXTH CAUSE FOR DISCIPLINE

(Diversion of Funds)

42. Respondent is subject to disciplinary action under Code section 7108 in that Respondent diverted funds he received for the prosecution or completion of a construction project. The circumstances are described in the factual allegations above.

SEVENTH CAUSE FOR DISCIPLINE

(Failure to Respond)

43. Respondent is subject to disciplinary action under Code section 7111.1, subdivision (b), in that Respondent failed to respond to the written request to cooperate in a Board investigation. On or about January 16, 2026, a Board investigator sent Respondent a letter requesting Respondent call the investigator regarding an investigation into Respondent's contracting activities. Respondent failed to respond to this written request.

DISCIPLINARY CONSIDERATIONS

44. To determine the degree of discipline, if any, to be imposed on Respondent, Complainant alleges that on or about October 25, 2016, the Registrar issued Citation Number 2 2016 1701 to Respondent. The citation alleged violations of Code sections 7108, 7116, 7159, and 7159.5. That citation is now final.

FIRST CAUSE FOR OTHER ACTION

(Restrictions on Respondent Carlos Alberto Garcia Manzanares)

45. Pursuant to Code section 7121, if License Number 895194 issued to Respondent is revoked or under suspension, Respondent Carlos Alberto Garcia Manzanares shall be prohibited from serving as an officer, director, associate, partner, manager, qualifying individual, or member of the personnel of record of a licensee.

PRAYER

WHEREFORE, Complainant requests that a hearing be held on the matters herein alleged, and that following the hearing, the Registrar issue a decision:

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1. Ordering the revocation or suspension of Contactor License Number 895194 issued to Carlos Alberto Garcia Manzanares dba C & E Electric & Fire Alarm Services, pursuant to Code section 7090;

2. Ordering restitution of all damages according to proof suffered by LQ, as a condition of probation in the event probation is order for Respondent Carlos Alberto Garcia Manzanares dba C & E Electric & Fire Alarm Services pursuant to Government Code section 11519, subdivision (d);

3. If revocation of license Number 895194, issued to Respondent Carlos Alberto Garcia Manzanares dba C & E Electric & Fire Alarm Services, is ordered, an order for restitution of all damages suffered by LQ as a result of Respondent Carlos Alberto Garcia Manzanares dba C & E Electric & Fire Alarm Services' conduct as a contractor, as a condition precedent to any future restoration of license Number 895194; or before any new license is issued;

4. Ordering Respondent Carlos Alberto Garcia Manzanares dba C & E Electric & Fire Alarm Services to pay the Registrar costs for the investigation and enforcement of the case according to proof at the hearing, pursuant to Code section 125.3;

5. Ordering that Respondent Carlos Alberto Garcia Manzanares is prohibited from serving as an officer, director, associate, partner, manager, qualifying individual, or member of the personnel of record of a licensee, pursuant to Code section 7121;

6. Ordering Respondent Carlos Alberto Garcia Manzanares to provide the Registrar with a listing of all contracting projects in progress and the anticipated completion date of each, pursuant to Code section 7095; and

7. Taking such other and further action deemed proper.

DATED: 9/9/2026

Brian Melvin
BRIAN MELVIN
Supervising Special Investigator I
Contractors' State License Board
Department of Consumer Affairs
State of California
Complainant

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