



Message From the Board Chair

You'll find several important articles in this edition of the *California Licensed Contractor* newsletter, but none more important than the **alert** that details a scam against contractors and applicants. At least one company claiming to be CSLB is calling both applicants and licensees and asking for additional fees for such matters as continuing education. CSLB does not require continuing education for a contractor license, and lists all **license fees** on the website. These scammers ask for payment by credit card over the telephone; CSLB only accepts payment through the mail. Please do not be fooled into believing you need to submit fees that are in addition to those already identified in application or renewal documents. If you happen to be solicited by this unscrupulous business, please contact scam@cslb.ca.gov.

Also in this edition is a review of the many collaborative partnerships CSLB has with other state and local enforcement agencies to more effectively battle the underground economy. It's important to underscore these and other partnerships because the efforts are helping to build positive momentum and encourage additional agencies to either support or join these programs through memoranda of understanding agreements.

For the second time this year, we teamed up with contracting boards from around the country, as well as the National Association of State Contractors Licensing Agencies (NASCLA), to draw attention to illegal and deceptive ads on popular Internet bulletin boards like craigslist.org. The operation included contractor boards in seven states (Arizona, California, Nevada, Oregon, Rhode Island, South Carolina, and Utah) that conducted simultaneous enforcement operations targeting illegal craigslist ads. Dozens of individuals were arrested as a result of the joint effort, including several registered sex offenders and a convicted felon charged with statutory rape.

These arrests highlight our critical partnerships with local police and sheriff's departments, district attorney offices, the California Highway Patrol, the Department of Industrial Relations, Department of Insurance, Employment Development Department, Department of Consumer Affairs' Division of Investigation, and Immigration and Customs Enforcement. Participation from these agencies enables CSLB to arrest and book these dangerous individuals.

Through our Partnering Agency County Taskforce (PACT), district attorney investigators and building officials work with us to target unlicensed and/or uninsured violators. PACT has successfully increased criminal filings for workers' compensation insurance, licensure violations, and has reduced fraudulent owner-builder permits.

The arrest and citation tallies noted in the article "**Tackling the Underground Economy**" make a strong statement about the effectiveness of the board's collaborative work to both protect consumers



and discourage the underground economy. Each agency's operations provide unique data that, when shared, make joint operations more efficient and provide stronger court evidence.

The above-mentioned partner organizations are supporting CSLB's enforcement goals through shared resources, data, industry connections, and training opportunities. I am proud to report the board's efforts to build stronger relationships with these enforcement agencies and the resulting improvements in our operations.

Respectfully,
Paul Schifino

ALERT: Licensees, Applicants Scammed by Individuals Claiming to be CSLB

Licensees who are about to renew their current license, or those who are applying or plan to, should be aware that a licensing scam has been uncovered. At least one company claiming to be CSLB has been contacting applicants and licensees, asking for credit card information over the phone for additional license renewal, licensing exam or continuing education fees.

There is no such thing as a continuing education fee to renew a license. A list of all license fees is available on CSLB's [website](#).

In the last month, CSLB has begun including this warning information in licensee renewal packets and has issued several alerts to licensees and potential applicants in an attempt to foil the fraud. "We've discovered that information from CSLB's website is being used to contact licensees or applicants to mislead and scam them," said [CSLB Registrar Steve Sands](#). "The caller leads the licensee or applicant to believe he or she needs to immediately pay money as part of the licensing process."

Be aware that CSLB staff never asks for credit card information over the phone, nor do they process any payment over the phone. CSLB fees only are payable through the mail via check or money order, or at CSLB headquarters via cash, check, money order or credit card.

CSLB makes public the name and address of every accepted (posted) application for a license on the day following acceptance at CSLB's office in Sacramento (per Business and Professions Code section [7080.5](#)). Since technology now permits the electronic posting of these lists, CSLB makes them available on its website. These lists are used in the course of business by many legitimate companies, including bond companies and license assistance companies.



CSLB applicant information will not appear until the application has been “posted” or accepted by CSLB. Once posted, contact information about the license becomes public record and is available on CSLB’s website.

If you or a contractor or applicant you know has been contacted by someone claiming to be from CSLB and has paid money over the phone, you should contact your credit card company and contest the charges.

You also can send CSLB your name, contact information, and a brief description of the incident to scam@cslb.ca.gov.

Responsibility of Qualifying Individuals

“R” Stands for “Responsible”

CSLB licenses and regulates California’s construction industry, but its public mandate puts consumer protection above any individual interest.

As a state-licensed contractor, you know that every license requires a qualifying individual, or “qualifier,” who is the person listed in CSLB’s personnel of record, has demonstrated his or her knowledge and experience through the application process, and holds one or more license classification. (A license qualifier may be a Sole Owner, Qualifying Partner, Responsible Managing Employee (RME), Responsible Managing Officer (RMO), Responsible Managing Manager, or Responsible Managing Member.)

Qualifiers must exercise **direct** supervision and control of construction operations. Construction performed by unqualified individuals who illegally obtain a license by using an absentee qualifier is a threat to the public. Consumers are put at risk when substandard work is performed by unskilled individuals; the cost to correct deficient work can be exorbitant, often exceeding the original contract amount.

CSLB is aware of “retired” licensees who are serving as RMOs of corporate licenses for a monthly fee, but do not have direct involvement in the construction and business activities. With consumer risk in mind, CSLB is aggressively and stringently taking enforcement actions against those involved in this trend, and is in the process of legislatively enhancing violations to make them a criminal offense.



Many absentee qualifiers are older individuals who are seeking to supplement their retirement income by qualifying licenses, and are unaware of deficiencies and illegal acts performed by those who run the day-to-day operations until CSLB takes formal disciplinary action against their license. Whether the absentee qualifier is 18 or 80, CSLB will hold him or her to answer.

Being the qualifier on a license can be a huge risk and liability. Under existing law (Business and Professions (B&P) Code section 7122.5), if the performance of an act or omission by the license constitutes a cause for disciplinary action, it also is a cause for disciplinary action against the qualifier, regardless of his or her knowledge and participation.

The duties and responsibilities of a qualifier are defined in B&P Code section 7068.1 and the California Code of Regulations (CCR), Title 16, Division 8, Article 2, section 823.

B&P Code section 7068.1 states, in part:

The person qualifying on behalf of an individual or firm under paragraph (1), (2), (3), or (4); of subdivision (b) of Section 7068 shall be responsible for exercising that direct supervision and control of his or her employer's or principal's construction operations as is necessary to secure full compliance with this chapter and the rules and regulations of the board relating to the construction operations.

CCR section 823 further defines a “bona fide employee” and “direct supervision and control” as follows:

(a) For purposes of Section 7068 of the Code, “bona fide employee” of the applicant means an employee who is permanently employed by the applicant and is actively engaged in the operation of the applicant’s contracting business for at least 32 hours or 80% of the total hours per week such business in operation, whichever is less.

(b) For purposes of 7068.1 of the Code, “direct supervision and control” includes any one or combination of the following activities: supervising construction, managing construction activities by making technical and administrative decisions, checking on jobs for proper workmanship, or direct supervision on construction sites.

See B&P Code section 7068 for additional information.

Protect your license and avoid the risk of violating state law. If you are qualifying a license, make sure you are aware of all contracting activity and that your involvement in business operation meets state requirements.



Asbestos Work Must Be Performed within License Classification

A licensed contractor who wants to become certified to perform asbestos removal and/or abatement must be tested by CSLB and also register with the Department of Industrial Relations' Division of Occupational Safety and Health (DOSH) Once registered, the licensee submits verification of the DOSH registration to CSLB, and "ASB" (asbestos) appears on the license to indicate that the individual can perform removal/abatement within his/her classification.

A recent legal opinion from the Department of Consumer Affairs confirmed that asbestos certification is intended only to certify a licensed contractor's ability to perform asbestos work exclusively within his/her license classification(s).

This conclusion is based largely on the fact that the asbestos abatement certificate does not require the qualifier to have four years of experience in the field for which licensure is sought, unlike every other applicant for CSLB licensure. Asbestos certification by itself is not a CSLB license classification.

For more information on this topic, please see the legal [opinion](#) to conduct asbestos-related contracting work.

One Percent Tax on Lumber and Engineered Wood Products Begins January 1, 2013

Retailers and construction contractors who make retail sales will start collecting a 1 percent tax from California consumers who buy lumber and engineered wood products beginning January 1, 2013. A new law ([AB 1492](#)), Chapter 289, Statutes of 2012) requires the state [Board of Equalization](#) (BOE) to collect the assessment from retailers for various state agencies including the Department of Forestry and Fire Protection. BOE estimates the new lumber products tax will generate \$35 million in fiscal year 2013-14 for the Timber Regulation and Forest Restoration Fund.

Under the new law, receipts given to customers must clearly state the 1 percent lumber products assessment. The assessment is not subject to sales or use tax.



How does the new law affect construction contractors?

Contractors may be either consumers or retailers of lumber products or engineered wood products.

- As a consumer of lumber products or engineered wood products, contractors will be required to pay the assessment to their California vendors.
- As a consumer of lumber products or engineered wood products, contractors will be required to pay the assessment directly to BOE on purchases made from outside of California for use in this state.
- As a retailer of lumber products, contractors will be required to charge and collect the assessment from their customers and report and pay the assessment to BOE on their sales and use tax return.
- As a retailer of items that a contractor manufactures, assembles, processes, or produces from lumber products or engineered wood products (for example, prefabricated cabinets), no assessment is due on either the contractor's purchase or on their subsequent sale of these items.

Contractors that hold a seller's permit and sell lumber products or engineered wood products to consumers in this state may offset their reported lumber products assessment amounts against start-up costs of \$250 per business location. For more information about construction contractors, click [here](#) (BOE's publication 9, *Construction and Building Contractors*).

What products are subject to the lumber assessment?

In general, lumber products and engineered wood products subject to the 1 percent assessment are defined as "primary" wood products in which wood is a principal component (at least 10 percent of total content).

However, wood products that have been manufactured, assembled, processed, or produced from primary wood products are not subject to the 1 percent tax. These include "secondary" wood products where there has been additional labor that adds significant value to the product. See the examples below of products subject to the assessment and products not subject to the assessment:



Subject to Lumber Assessment	Not Subject to Lumber Assessment
Lumber	Furniture
Plywood particle board	Firewood
Fiberboard	Paper products
Poles	Indoor finished flooring
Posts	Wainscoting (<i>facing or paneling applied to walls</i>)
Structural panels	Paneling
Decking	Shutters
Railings	Blinds
Fencing (<i>poles, solid board</i>)	Frames
Roofing (<i>shakes and wooden shingles</i>)	Windows
Siding	Doors
Sub-flooring	Cabinets
Oriented strandboard	Molding
Glue-laminated timber	Millwork (<i>for example, baseboards</i>)
Laminated veneer lumber	Trusses
Lath (<i>for example, a thin narrow strip of wood used for support</i>)	Pre-constructed railing sections Carvings and craft products

For more information

Contact BOE's Taxpayer Information Section at (800) 400-7115 (TTY: 711), or visit BOE's website for [Frequently Asked Questions](#) and their [lumber products assessment](#) page.



18-Month CSLB Investigation of Complex Telemarketing Scheme Leads to Multiple Felony Arrests

CSLB investigators in Southern California played a major role in an 18-month investigation that led to two license revocations and three arrests, with suspects facing more than two dozen felony charges. One of those arrested had his CSLB licenses revoked in 2000.

Avi Hviv Gozlan, Ely Kavon, and Debra Lyn Mabrie all were arrested in October and face grand theft, money laundering, elder abuse, conspiracy to contract without a license, and aggravated white collar crime enhancement charges. In 2000, CSLB revoked Gozlan's prior contractor licenses (#623475, #588258, #657792, #706308) for failure to comply with contractor laws.

The Ventura County District Attorney's Office alleges the group ran a fraudulent remodeling and home improvement scheme operating across Southern California under the names Amco, Inc., Liberty Construction, Universal Remodeling, VIP Home Design, Inc., and Vista Home Improvement, Inc. The defendants misled consumers into believing these companies were properly licensed with CSLB by "renting" legitimate licenses from other contractors for a monthly fee. In reality, licensed contractors were not overseeing or participating in these contracting businesses.

Business and Professions Code section [7068.1](#) requires all responsible managing officers (RMOs) and responsible managing employees (RMEs) who qualify a license to exercise direct supervision and control of contracting operations.

Gozlan, Kavon and Mabrie are accused of selling home improvement services to consumers by utilizing a complex network of telemarketers who made hundreds of daily calls—many times contacting the same consumers multiple times—and presenting themselves as different companies with varying home improvement services.

These calls led to home improvement work that was substandard, never completed, or offered services they ultimately failed to provide.

If convicted of all charges, each defendant faces a maximum sentence of 18 years in state prison. RMOs for two of the companies (VIP Home Design, #383579 and Liberty Construction, #640562) already have pleaded guilty to conspiracy charges and have had their contractor license revoked.



CSLB Launches Veterans Application Assistance Program

In response to state and federal initiatives, CSLB has launched a program to assist those who are transitioning from military service to civilian employment. For many veterans, finding civilian employment can be difficult. Yet, in many cases, veterans have transferable skills that meet minimum experience and training requirements for state contractor licensure.

“I’m proud that our board was among the first to implement this exciting new program, which recognizes the contributions and skills of those returning from military service,” said CSLB Registrar Steve Sands.

CSLB staff partnered with the [California Military Department](#) to identify specific job classifications that would meet California’s minimum standards for licensure. The board’s program helps expedite the application process for veterans, and provides them with direct email access to CSLB employees who are trained to evaluate military job ranges and classifications.

Click [here](#) for more information about CSLB’s Veterans Application Assistance program.

Tackling the Underground Economy

CSLB stepped up one of its government agency partnerships this year to combat the underground economy and help level the playing field for licensed, law-abiding contractors.

Known as the Joint Enforcement Strike Force (JESF), this coalition of agencies was established by the Legislature in 1995 under Unemployment Insurance Code section [329](#). Along with CSLB, JESF members include the [Employment Development Department](#) (EDD), the [Department of Insurance](#), the [Franchise Tax Board](#), the [Board of Equalization](#), and the [Department of Justice](#).

JESF’s broad goals include protecting consumers by ensuring that all businesses are properly licensed and adhere to California’s consumer protection regulations to eliminate unfair business competition. JESF also helps assure that workers are protected and receive all benefits to which they are entitled by law that relate to wages and hours, health and safety, and income replacement; the burden on law-abiding citizens and businesses is reduced by ensuring that all businesses and individuals comply with the state’s licensing, regulatory, and payroll tax laws; and that the tax gap is



reduced by increasing voluntary compliance of the state's payroll tax laws to maximize its general and special fund revenues.

In January 2012, CSLB and EDD expanded these efforts by establishing the Construction Enhancement Project (CEP) and increased the number of joint investigations that are conducted, targeting contractors who intentionally evade licensing, payroll taxes, and workers' compensation insurance requirements. Through CEP, CSLB investigators and EDD agents joined district attorney investigators and building officials to issue Stop Orders to uninsured employers; reduce owner-builder permits; increase joint enforcement presence with participating counties; target contractors that intentionally evade payroll taxes; and increase criminal filings for insurance and license violations.

As of October 31, 2012, its first year, CEP already is considered a great success with 54 CSLB undercover sting operations that have resulted in the criminal prosecution of 405 unlicensed and/or uninsured contractors. In addition, 426 inspections were conducted at active job sites that resulted in 309 Stop Orders for uninsured workers and 729 administrative actions for licensed and unlicensed violations.

EDD's CEP enforcement actions have included 1,448 tax audit inspections that resulted in 516 tax audits; \$61 million in estimated unreported wages; \$24 million in CSLB license suspensions for outstanding tax liability; and \$9.5 million in recovered tax penalties.

CSLB has developed plans and strategies with its partner agencies to effectively address the underground economy in 2013.

CSLB Targets Illegal Contractors Advertising Online and in Traditional Media

Online bulletin boards have become an economical way for contractors to advertise, but they also have become a hotbed of illegal and deceptive ads. One of this year's CSLB enforcement efforts to create a level playing field in the construction industry and protect consumers has been to address unlicensed contracting activity on the Internet.

"Many sting targets have been identified in online advertisements during the past few years, but the problem is growing," said CSLB Registrar Steve Sands. "This has created an even greater need to



warn consumers about illegal contracting ads and the importance of making sure their contractor is state-licensed.”

The outgrowth of discussions with sister agencies in other states and the National Association of State Contractors Licensing Agencies (NASCLA) resulted in simultaneous multistate sting operations in California, Arizona, Oregon, and Nevada that only targeted individuals who run ads for construction services in online bulletin boards. The mid-June effort peaked news coverage about unlicensed contracting in the western states. CSLB caught 100 unlicensed individuals in eight different cities who advertised on craigslist.org during the operation. One suspect was a convicted murderer; two others are registered sex offenders.

A second operation was conducted in September that drew even more attention when Rhode Island, South Carolina, and Utah joined the original four states in the effort to warn consumers and curb illegal contracting activity. During those operations, CSLB arrested 36 individuals in three different cities who, similar to those arrested in June, faced misdemeanor charges of contracting without a license (Business and Professions Code section 7028) and illegal advertising (Business and Professions Code section 7027.1).

“The multistate sting effort is gaining momentum,” said Sands. “We expect to see even more states participate next year.”

CSLB also continues to conduct its own simultaneous statewide stings throughout the year. In addition to online advertisements, sting targets are gathered through telephone directories, newspapers, fliers and other publications.

The most recent “California Blitz” was conducted on October 17 and 18. CSLB’s Statewide Investigative Fraud Team (SWIFT), assisted by local, state, and federal law enforcement officials, conducted stings in seven counties, culminating in the arrest of 92 individuals for contracting without a license. Most of those arrested also can be charged with other offenses, such as illegal advertising, and requesting an excessive down payment (Business and Professions Code section 7159.5). Fifteen were issued Stop Orders (Business and Professions Code section 7127), which halts job site activity when any person with or without a contractor license does not have workers’ compensation insurance coverage for employees.

Sands added, “CSLB and its partners in law enforcement are serious about enforcing our state’s consumer protection laws. Unlicensed, illegal activity that puts homeowners at risk and puts those who follow state laws at a competitive disadvantage will not be tolerated.”



Renew Your License on Time

Don't Risk Losing Your License by Contracting Illegally

CSLB is tackling an increasing number of complaints received against contractors who work with suspended, inactive, or expired licenses—in other words, current or former licensees who knowingly and illegally are working without a valid license. Complaints received in CSLB's Intake and Mediation Centers mostly are from consumers and contractors with licenses in good standing.

CSLB investigators are finding that many of the expired licenses are not recent; former licensees generally have been working illegally from one to three years. When notified, questioned, or caught in an undercover sting operation, contractors have many excuses: the renewal fee (\$360 every other year) is too high, judgments haven't been paid, or they are having difficulty securing a bond.

Regardless, these individuals are unlicensed (Business and Professions Code section [7141](#)) and are subject to criminal prosecution and/or an administrative citation when enforcement staff confirms the illegal contracting claims. Citations are public record and carry a maximum civil penalty of \$5,000. In the most serious cases, CSLB revokes the license. When other state agencies become involved—such as the Employment Development Department and/or Department of Industrial Relations' Division of Safety and Health or Division of Labor Standards Enforcement, fines quickly can escalate into thousands of dollars. If a license is renewed with CSLB but fines have not been paid to other agencies, CSLB will suspend the contractor's license until the fines are paid.

Contractors with an expired license may work for \$500 or less if they don't represent or advertise that they are licensed contractors (Business and Professions Code section [7048](#))

Those who participate in the underground economy should carefully consider the legal and financial downside. Don't risk it!

Contribute to Your Trade as a CSLB Subject Matter Expert

CSLB hires Subject Matter Experts (SMEs) from among its active, working licensees to help develop and administer 45 different licensing examinations associated with 43 types of contractor licenses. This helps assure that CSLB exams are current and relevant.



The board maintains a database of SMEs from each license classification, and is always looking to add new licensees. Examinations are updated every five to seven years by CSLB's Examination Development Unit (EDU), part of the Testing division.

CSLB's testing specialists work with licensees to identify the tasks that contractors perform and the practical knowledge they must have to competently perform their work. Once information is compiled, a questionnaire is emailed or mailed to a large sample of contractors to confirm that the scope of the trade is current and accurate. The detailed description of trade practice then is used to update the licensing examination.

All of CSLB's licensing examination questions are written and reviewed by SMEs. SMEs also determine the required passing score for each examination. "We are very proud of our licensing examinations, and we could not maintain their high quality without the active participation of contractors," said Heidi Lincer-Hill, Ph.D., chief of CSLB's Testing division.

If you receive a letter from CSLB, it is a worthwhile activity to consider. There are several different types of workshops, including occupational analysis, writing workshops, and test review. Program participation takes about one year.

SMEs have an opportunity to network with other contractors and make business contacts—many return five and ten years later to participate in new examination development cycles. Gene Charbonneau, an SME with a long background in the fire protection industry, said, "It's not every day that a group of competitor contractors will get together for a common cause...this effort and level of dedication are a great example of individuals concerned (about making) an industry a top-level performer by amassing pertinent information to qualify new contractors."

SMEs must have an active license in good standing. They are reimbursed for their approved travel expenses and paid \$150 per day. Click [here](#) for more information, or please leave a message at (916) 255-3221.

CSLB Needs Industry Experts

CSLB relies on its Industry Expert Program (IEP) to provide a variety of essential services, including assisting its Enforcement division with consumer complaint investigations. IEP is comprised of a statewide pool of licensed tradespeople who serve as independent consultants and are compensated by the board for their time.



Many join the program to help regulate and give back to the construction industry. Their unbiased professional opinions help protect the public from unscrupulous licensed and unlicensed contractors as well as assist in settling licensee disputes to help reduce formal disciplinary action. “The Enforcement division has the utmost respect for industry experts and considers them to be significant partners in maintaining the integrity of California’s construction industry,” said CSLB Enforcement Chief Dave Fogt.

CSLBs investigators consult with industry experts (IEs) to determine if completed work meets industry standards, is performed per plans and specifications, and matches contract terms and agreements. IEs regularly testify in arbitration proceedings, criminal hearings, and administrative hearings. Because IE testimony often is crucial to supporting criminal and/or administrative violations, participating contractors must possess effective written and verbal skills in addition to their knowledge of industry and code standards. IEs must have held a contractor license for at least five years that is current and free of unresolved licensing and enforcement actions, and they must be knowledgeable about up-to-date, accepted trade standards in their areas of expertise.

Currently, the board has a sufficient number of “B” General Building contractors and is accepting applications only from contractors with a “C” Specialty contractor classification.

For more information, click [here](#). To apply, please email your qualifications and preferred work location to: IndustryExpert@cslb.ca.gov.

Odorized Natural Gas Safety Alert

Odor fade can be a safety concern any time natural gas is flowing through pipe structures. Even experienced contractors should use caution when working around natural gas and should not rely only on sense of smell to be alerted to leaking gas. Rust, mill scale, moisture, air, cutting oil, pipe thread compound, liquids, the gas’s composition and other substances in pipe can result in the loss of odorant in the gas and reduce the effect of the odorant. Odor fade also is more likely to occur in piping systems with high gas pressure or where there’s little or intermittent gas flow. Certain soil conditions and fresh concrete also can strip gas of its odorant when there is an underground gas leak.



The U.S. Department of Transportation and California Public Utilities Commission provide rules and regulations for odorizing natural gas. Gas companies are required to comply with these laws, but odor fade still may occur due to the chemical and/or physical processes that cause odor fade.

As a safety precaution, utility companies remind contractors to always use gas detection devices when working with natural gas, and remember to never release the contents of a gas line into a confined space. Safely purge the contents of gas pipes and equipment to the outside atmosphere away from people, animals, structures, and sources of ignition.

Information on odor fade and natural gas safety is available on the following websites: CSLB at cslb.ca.gov, Southern California Gas Company® at socalgas.com/safety, or San Diego Gas & Electric Company at sdge.com.

PG&E Energy Rebate Program Changing in 2013

Northern and Central California contractors involved in energy efficiency programs will be interested in changes to Pacific Gas and Electric Company's (PG&E) portfolio of rebate programs.

PG&E's Energy Efficiency (EE) program operates in two- to three-year program cycles. The current program began in 2010 and concludes on December 31, 2012. This means many current rebates on EE products either will be eliminated or changed after that date. It also means many new products will be launched January 1, 2013, across a wide range of technologies, including lighting, HVAC, and water heaters.

To receive 2012 rebates and incentives for current energy efficiency projects, all qualifying products must be purchased, installed, and invoiced by December 31, 2012. Apply online or mail your completed application with required documentation postmarked no later than March 1, 2013.

PG&E is updating its Web pages and printed and electronic marketing material to represent all of the key product and program changes. Check www.pge.com for new rebate catalogs in January 2013.



Invitation to Participate in Geothermal Well Standards Project

Contractors who are C-57 Well Drilling licensees and any others who may work with wells and groundwater will be interested to know that the Department of Water Resources (DWR) is updating state Geothermal Heat Exchange Well (GHEW) Standards and is inviting industry participation during the review process. These standards protect the state's groundwater and provide statewide minimum standards for the construction, maintenance, abandonment, and destruction of GHEWs.

California Water Code sections [231](#) and [13800](#) mandate DWR to recommend minimum standards to the Legislature and Regional Water Quality Control boards, and to submit them to the State Water Resources Control Board for adoption into the Model Well Ordinance. The Model Well Ordinance sets the minimum standard that local well ordinances must meet and is the default if no local ordinance has been adopted.

DWR plans a 30-day public comment period and at least two public workshops to present draft standards and solicit comments to update and finalize GHEW standards. DWR wants to work with interested stakeholders throughout the process.

Visit the project [website](#) to learn how to participate.

[License Revocations](#)