

A Message from CSLB's Board Chair



This has been a particularly difficult year for California with Covid-19 and its effect on people's personal lives and their businesses, as well as the devastating wildfires across the state that left thousands without a home.

I want to thank our license applicants and licensees for their patience as we adjusted services in response to these challenges, including the need to temporarily close our public counters and test centers. CSLB has worked very hard to expand online tools so you can easily maintain your license such as renewing sole-owner licenses online and renewing Home Improvement Salesperson online. We anticipate adding other license types consisting of only one qualifier to the online renewal process by June 2021.

The stories in this newsletter provide information that can help you run your business more smoothly and efficiently, including about the importance of following home improvement guidelines for installing solar on residential homes, how to renew your license online, CSLB's enforcement's plans for reducing legal costs, and how to make changes to your license (to name only a few).

On January 1, 2021, new CSLB-supported contracting laws became effective. Such laws include SB 1189, which establishes a new residential remodeling contractor classification and SB 1474 which authorizes the registrar to accept a renewal within 90-days of the expiration date with no lapse in licensure.

Licensed contractors play an important role in fueling California's economic growth, so it is important for us to keep you informed. We are proud of our hard-working licensees whose professionalism provides a safe and secure pathway to meet consumer's construction needs throughout the state.

We welcome your feedback on this newsletter, as well as on any other issue. Be sure to send us feedback by email at <u>social@cslb.ca.gov</u>.

Sincerely,

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David De La Torre



Contractors Looking to Help Residents Rebuild in Disaster Areas Must be Licensed in Good Standing



CSLB is reminding contractors that they must hold a valid California contractor license, in the appropriate classification, to contract for work valued at more than the legal \$500 threshold on homes and other structures damaged or destroyed in a wildfire, flood, mudslide, or other disaster.

Unlicensed persons from California and other states may want to help with rebuilding in these disaster areas. However, it's illegal and punishable as a felony to perform contracting work valued at \$500 or more in labor and/or materials in a declared disaster area in California without a CSLB-issued contractor license in good standing. Penalties may include up to 16 months in state prison or a fine of up to \$10,000.

CSLB partners with the Department of Insurance, local district attorney's offices, and local law enforcement to conduct undercover sweeps in disaster zones and will verify the licenses of contractors working or soliciting work in disaster areas. It is your responsibility to ensure you hold a contractor's license in good-standing prior to commencing any work in these areas.

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To become licensed, you must be at least 18 years old and meet a minimum of four years of experience within the last 10 years in the classification (specific trade) being applied for. CSLB expedites license applications for those looking to work in disaster areas. For more information, please view the Get Licensed to Build: A Guide to Becoming a Licensed Contractor.

To learn more about how to apply for a license, CSLB offers free virtual licensing workshops the first Friday of each month:

https://cslb.ca.gov/Media_Room/consumer_education/licensing_workshops.aspx.

All Licensed Contractors Must Follow Advertising Requirements

No matter the project, all licensed contractors are required to abide by advertising laws. CSLB knows that licensed contractors are needed in California now more than ever as residents begin to rebuild after the devastating wildfires that hit our state in the last year. Don't let advertising requirements get in the way of your projects.



"Advertisements" include, but are not limited to, online sales postings and websites, commercial vehicles, business cards, newspaper, radio, and television ads. (See Business and Professions Code (BPC) sections (§) 7027.1 and 7027.4.) To help you avoid making potential advertising mistakes, please use the following information as a guideline.

Your business name and contractor license number should be clearly visible on your commercially registered vehicle in print type of at least 72-point font, or three-quarters of an inch in height and width (BPC § 7029.6).



- License numbers must be included on all business documents, including business cards, contracts, and promotional materials <u>((BPC) §7030.5)</u>.
- Don't advertise about license bonding. Contractors, by law, are not allowed to advertise that they are bonded. It could lead the public to believe there is a higher level of protection than might actually be the case ((BPC) §7071.13).
- Advertise within your classification. Licensed contractors are not allowed to advertise for construction work outside of the trade(s) for which they are licensed ((BPC) §7117.6).
- Be aware of possible fines or penalties. The civil penalty for licensees who violate contractor advertising laws can range from \$100 to \$5,000 (California Code of <u>Regulations (CCR), Title 16, § 884).</u>

CSLB Responds to 2020 Disasters and Provides Helpful Tools for Contractors

When the Governor's Office of Emergency Services (OES) declares a disaster, CSLB responds quickly to help educate survivors so they can make the best decisions possible when looking for a licensed contractor to help them rebuild. CSLB also provides tools and resources to contractors who want to work in disaster areas and assist with the rebuild.

The first step in CSLB's disaster response is to assign staff or make materials available at various assistance centers opened to aid survivors. Local Assistance Centers (LACs) are run by OES; Disaster Relief Centers (DRCs) are run by the Federal Emergency Management Agency (FEMA). A central feature of CSLB's message to survivors is to only hire licensed contractors.



To further protect homeowners and to benefit our licensed contractors working in the affected areas, CSLB has partnered with the California Department of Insurance and local district attorney's offices for a CONTRACTORS STATE LICENSE BOARD

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"boots on the ground" outreach program. This approach allows CSLB to reach homeowners and contractors beyond the walls of an assistance center.

The program consists of Enforcement staff placing hundreds of warning signs in both English and Spanish throughout affected disaster areas, as well distributing educational materials. Some warning signs caution consumers to hire only licensed contractors; while others warn that contracting without a license in a disaster area could lead to a felony charge, which includes state prison time and/or a fine of up to \$10,000. In addition, partnering agencies conduct joint sweep operations of active jobsites and undercover sting operations, as needed.

To further assist applicants and licensees, CSLB has continued its practice of waiving fees for licensees to replace wall certificates and/or plastic pocket licenses lost in the fires. CSLB also has waived delinquent fees for failure to renew a license before it expires for fire survivors and has worked to expedite license applications for those planning to work in fire areas.

Should applicants and licensees need further assistance, please visit our <u>website</u> or contact us <u>directly for additional services</u>.

Wildfire Workshops

CSLB is now reaching out to local counties and jurisdictions to set up wildfire rebuilding workshops. As with past disasters, CSLB will offer two distinct wildfire rebuilding workshops:

- 1. For fire survivors looking to rebuild
- 2. For contractors who plan to work on the rebuilding effort

The fire survivor workshop will include essential consumer protection tips, information about contractor licensing and other requirements, insurance issues, how to work with an architect, and an update on the rebuild provided by the local building department.

The contractor workshop will include a building department update on the local rebuild and any special rules established for plan approvals and inspections. Licensing requirements are also covered, as are bonds and insurance, how to obtain a workers' compensation policy, contract

requirements, how to prevent complaints, and how the selection of building materials and the choice of building methods can help prevent future disasters.

Meeting with Oregon Construction Contractors Board



Oregon also experienced a rash of devastating wildfires that killed at least 11 people, destroyed more than 5,700 structures, and burned more than one million acres of land.

Senior staff from CSLB and the Oregon Construction Contractors Board met to share best practices and to discuss potential pitfalls in the coming wildfire cleanup, successful outreach tools, as well as the importance of collaboration with other state agencies, building

departments, construction compliance groups, and local law enforcement agencies, including district attorneys.

Resource:

November Committee Packet

https://www.cslb.ca.gov/Resources/BoardPackets/2020/11042020_Committee_Packet.pdf -Page 163

CSLB Responds to COVID-19 by Providing Crucial Online Services to Licensees



Last year brought significant strain to Californians. Not only did residents endure a tumultuous wildfire season, but many had to make major life changes due to the global COVID-19 pandemic; both causing hardships on families and businesses.

To better assist licensees amid these challenges, CSLB worked to quickly expand its online services and to establish a process to contact CSLB staff. Many CSLB services are now available online, including license and HIS registration renewals and systems have also been set-up which will allow you to begin an email exchange with CSLB staff, who remain on-duty.

Below is a chart outlining email contacts for you. Please follow <u>this link</u> for more detailed information, including frequently asked questions and additional online services.

Call Center	 1-800-321-CSLB (2752) 24/7 Automated system (many questions can be answered here) Technicians available 8:00 a.m. – 5:00 p.m. Monday – Friday (wait times vary)
Online Services	https://www.cslb.ca.gov/OnlineService.aspx
Cancelled Exams	Exams@cslb.ca.gov
License	Licensing@CSLB.ca.gov
Application Questions	
Enforcement Questions/Issues	Enforcement@cslb.ca.gov
License Classification Questions	Classifications@cslb.ca.gov
Other	Info@cslb.ca.gov
Questions/Issues	-

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



CSLB would like to highlight some construction-related laws that went into effect January 1, 2021. Pay close attention to these changes, including an extension to five business days 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). Also, take note that SB 1474 allows the registrar to retroactively reinstate an expired license if the correct fees and forms are received within 90 days of the expiration date. These newly enacted laws, and other changes mentioned below, may impact the way licensees conduct business.

New Contracting Laws for 2021

<u>AB 2471</u> (Maienschein): Extends the right to cancel contracts for those 65 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)

<u>AB 1551</u> (Arambula): Relates to Property Assessed Clean Energy (PACE) financing of 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 the homeowner s opts-out, they may receive the disclosure electronically. CONTRACTORS STATE LICENSE BOARD

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(Chapter 156, Statutes of 2020)

<u>AB 2210</u> (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)

<u>AB 3087</u> (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)

<u>SB 865</u> (Hill): Makes several changes to the Dig Safe Act of 2016, including renaming the California Underground Facilities Safe Excavation Board to the "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 meaning these projects are now subject to home improvement contract requirements such as the three day right to cancel and down payment and progress payment restrictions. 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)



<u>SB 1474</u> (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)*

CSLB's Information Technology Unit Keeps Licensee Data Secure During Routine Military Audits



CSLB is committed to keeping licensee's private information safe behind its network walls. The Independent Security Assessment (ISA), sometimes referred to as an AB 670 assessment, is a State Office of Information Security (OIS) requirement to ensure the safety of electronic data. The State OIS conducts a minimum of 35 independent security assessments of California state departments annually.

When an ISA is conducted at CSLB, the Cyber Network Defense (CND) team from the California Military Department assesses CSLB's electronic network and selected web applications to identify any security vulnerabilities. This is to ensure that CSLB's firewalls are

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functioning properly and that hackers can't access important data, such as private licensee information.

During a past audit, CND employees were divided into a "red team" and a "blue team." The red team focused on emulating the behaviors and techniques of likely attackers and tried to find ways to penetrate the network, sought to compromise passwords and network accounts, and made attempts to exploit CSLB's internal network weaknesses. The blue team focused on external network scans to discover potential vulnerabilities in the infrastructure, such as firewalls, switches, computers, and servers.

Although details of the past audit's findings cannot be released publicly, CSLB's security controls overall proved very successful and recommendations for additional enhancements will further safeguard CSLB's network and data. All findings from the Independent Security Assessment are recorded in a report known as a plan of action and milestones (POAM), submitted to the California Department of Technology.

Be on the Lookout for CSLB's Most Wanted Suspects

In our ongoing effort to protect California consumers, CSLB has identified some of the worst alleged violators of the Contractors State License Law. These individuals prey on vulnerable and unsuspecting homeowners who seek contractors for home improvement projects.

Warrants have been issued for the arrest of these individuals. If you see any of these people or have any information as to their whereabouts, please contact your local police or sheriff's department. After notifying your local law enforcement agency, please contact CSLB in Northern California at (916) 255-2924 or in Southern California at (562) 345-7600.

All warrants must be verified with the law enforcement agency holding the warrant before an arrest can be made.







ALIASES: William Laurence Bennett SEX: Male BIRTH YEAR: 1949 HEIGHT: 5' 10" WEIGHT: 275 HAIR: Grey EYES: Brown COMPLEXION: Tan RACE: Caucasian IDENTIFIERS: Wears Glasses

William Laurence Bennett

Violations: Grand theft, burglary, contracting without a license, fraudulent use of license number, advertising as a licensed contractor, failure to secure workers' compensation insurance Known Locations: San Diego County, Chula Vista and El Cajon areas Business Name: Triton, Inc. Learn more about this case:

https://www.cslb.ca.gov/Media_Room/Most_Wanted/William_Laurence_Bennett.aspx



ALIASES: Eli Hamer, Eyal Hammer SEX: Male BIRTH YEAR: 1974 HEIGHT: 6'3" WEIGHT: 240 HAIR: Brown EYES: Brown RACE: Israeli

Eyal Hamer

Violations: Elder abuse, grand theft, burglary, contracting without a license Known Locations: Current location unknown, possibly outside the U.S, past residence in North Hollywood Business Names: Noga Remodeling, Novatec Extension Accomplice: Yaakov Ahula

Learn more about this case: https://www.cslb.ca.gov/Media_Room/Most_Wanted/Eyal_Hamer.aspx



ALIASES: Josef Lubovich SEX: Male BIRTH YEAR: 1978 HEIGHT: 5'10" WEIGHT: 170 HAIR: Black EYES: Brown RACE: Caucasian

Yosef Lubovich

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Violations: Elder theft, diversion of construction funds, grand theft, misrepresenting a contractors' license number Known Locations: SF Bay Area, West Hills (Southern California), Europe Business Name: I L Global Solutions & Design

Learn more about this case: <u>https://www.cslb.ca.gov/Media_Room/Most_Wanted/josef_lubovich.aspx</u>







ALIASES: José Martinez SEX: Male BIRTH YEAR: 1957 HEIGHT: 6' 0'' WEIGHT: 200 HAIR: Brown EYES: Brown COMPLEXION: Olive RACE: Hispanic IDENTIFIERS: Unknown

Jose Antonio Martinez

Violations: Embezzlement, diversion of funds, contracting without a license Known Locations: Southern California, including Covina, La Mirada, Downey, Whittier, Bellflower Business Name: Land Developers Construction Inc.

Learn more about this case: https://www.cslb.ca.gov/Media_Room/Most_Wanted/Jose_Antonio_Martinez.aspx



ALIASES: Ying Hop, Yinghop Ng, Ying Hop Ng, and Ying H Ng. Ying SEX: Male HEIGHT: 5' 6" WEIGHT: 110 HAIR: Black EYES: Brown BIRTH YEAR: 1958 COMPLEXION: Medium IDENTIFIERS: Unknown Ying Hop Ng Violations: Diversion of Funds Known Location: San Francisco Business Name: Ying Hop Ng

Learn more about this case: https://www.cslb.ca.gov/Media_Room/Most_Wanted/Ying_Hop_Ng.aspx



ALIASES: Bob Singh, Satish Singhh, Bob Singhh SEX: Male HEIGHT: 6' 1" WEIGHT: 250 HAIR: Black/Gray EYES: Brown BIRTH YEAR: 1958 COMPLEXION: Dark Brown RACE: Fijian IDENTIFIERS: Unknown

Satish Singh

Violations: Failure to appear in court, contracting without a license, illegal advertising, fictitious checks, failure to secure workers' compensation insurance Known Locations: Sacramento County, Placer County Business Name: Bob's Concrete & Landscaping

Learn more about this case: <u>https://www.cslb.ca.gov/Media_Room/Most_Wanted/satish_singh.aspx</u>

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ALIASES: Unknown SEX: Male HEIGHT: 6' 2'' WEIGHT: 200 HAIR: Brown EYES: Brown BIRTH YEAR: 1963 COMPLEXION: Olive RACE: Hispanic IDENTIFIERS: Unknown

Servando Soto

Violations: Diversion of funds, fraudulent use of a license, illegal advertising, contracting without a license, theft by false pretenses. Known Locations: Sacramento and surrounding areas Business Name: Zavala Bro's Drywall

Learn more about this case: https://www.cslb.ca.gov/Media_Room/Most_Wanted/Servando_Soto.aspx

Latest List of Revoked CSLB Licenses



As part of its oversight responsibility in regulating California's construction industry, CSLB enforces California Contractors' State License Law (CSLL). While most of the state's over 280,000 licensees follow the CSLB's laws and regulations, CSLB does have the authority to take administrative disciplinary action for violations of the CSLL.; The most serious offenses may result in the revocation of a contractor's license.

Towards the middle of each month, CSLB posts on its website a list of licenses revoked during the previous month. Here are the postings from 2020:

https://www.cslb.ca.gov/About_Us/Library/Revoked/Default.aspx?Year=2020

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Some of the more common causes for license revocation include, but are not limited to, causing financial harm to the public by misusing construction funds, abandoning projects, failing to comply with code and trade standards requirements, mispresenting work to be performed, and conspiring with unlicensed persons to evade license requirements.

A revoked license will not be reinstated or reissued for a period of one to five years from the effective day of a revocation. The licensee also must show that he or she has complied with all provisions of the decision and settled any financial loss caused by the act or omission that resulted in the license revocation. He or she must also file a disciplinary bond in an amount set by the CSLB registrar.

Other Resources for Revoked License:

- What Constitutes a Revoked License and Rules for Revocation?
- Process to Reinstate a License
- Revoked Licenses by Year (2014-2020)
- 2021 Contractor Law & Reference Book

CSLB's Enforcement Division Uses Improved Strategies for Minor and First Time Offenses

CSLB's Enforcement staff implemented a plan to increase efficiency and manage complaints that involve minor and first-time offenses. These improvements save on legal costs and allow staff to dedicate greater resources to investigating more serious violations.

For minor offenses, the Enforcement division increased their issuance of letters of admonishment (LOA) rather than administrative citations. Issuing LOAs allows CSLB to hold informal office

conferences with affected licensees, rather than incurring the costs of attorney general representation for a formal citation appeal hearing before an administrative law judge. Informal office conferences can also be scheduled more quickly than a formal appeal hearing – therefore settling the matter sooner.

CSLB continues to issue administrative citations for violations that include repeated acts, involve health and safety violations, or include a financial injury.

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In addition, staff now refers consumers to small claims court and the contractor's license bond when the licensee does not have a history of repeated offenses and when CSLB mediation efforts are unsuccessful. This only occurs when the financial injury is less than \$10,000.

The Enforcement division has also developed complaint prioritization guidelines

which have been provided to Enforcement staff as a roadmap to manage and prioritize complaint investigations.

By streamlining the complaint process, Enforcement staff can reduce costs while still holding those who violate the CSLB's laws accountable for their actions.

New Board Members Welcomed by CSLB in 2020



Rodney Cobos, of Santa Paula, was appointed by Assembly Speaker Anthony Rendon in September 2020. Mr. Cobos is the business manager-financial secretary treasurer of the Southern California Pipe Trades District Council 16, representing 13 affiliated local unions with over 17,000 members throughout Southern California. Prior to becoming a plumbers' apprentice in 1994, Mr. Cobos served as a sergeant in the United States Army from 1989-1993. He was first elected to serve as a

union officer in 2002. Mr. Cobos has served as president, business representative, and in 2007 elected business manager-financial secretary-treasurer of United Association of Plumbers & Pipefitters Local Union 484, Ventura County. He also has served as president of the Southern California Pipe Trades and the California State Pipe Trades Council. Mr. Cobos' term continues through June 1, 2024. Mr. Cobos joined CSLB as a Public Member.



Miguel Galarza, of Millbrae, was appointed by Governor Gavin Newsom in July 2020. Mr.



Galarza has been founder and president of Yerba Buena Engineering & Construction Inc. since 2002. He was senior program manager at Mendelian Construction from 1993 to 2002 and project manager estimator at Hopkins Heating and Cooling from 1991 to 1993. He also has a decade of experience as a union carpenter at Carpenters Local Union No. 22. He

is a member of the Associated General Contractors of America National Diversity & Inclusion Council and district director for the San Francisco Chapter of Associated General Contractors of California. Mr. Galarza is a member of the United Contractors, and the Society of American Military Engineers. Mr. Galarza joined CSLB as a "B" Contractor Member. His term ends June 1, 2023.



Donald Giarratano, of Palm Desert, was appointed by Governor Newsom on August 12, 2020. Mr. Giarratano has served as the chief executive officer, chief financial officer, and president of DRG Construction Services since 2013. He also has been general manager of the Muir-Chase Plumbing Company's Orange County Office since 2013. Previously, he was

manager for business development at D.K. Mechanical Contractors from 1992 to 2013. He served as general superintendent at Sam P. Wallace from 1982 to 1992, foreman at Quast Plumbing from 1977 to 1982, and as an apprentice at Anaheim Plumbing from 1971 to 1977. Mr. Giarratano served as a lance corporal in the U.S. Marine Corps from 1969 to 1971. He is a member of the California Plumbing and Mechanical Contractors Association. Mr. Giarratano joined CSLB as a "C" Contractor Member. His term continues through June 1, 2021.



Michael Mark, of Stockton, was appointed by Governor Gavin Newsom in September 2020. Mr. Mark has been a business representative covering the San Joaquin County jurisdiction for Sheet Metal Workers' Local Union No. 104 since 2016, and was first elected as a union officer in 2012. He started his career as a union sheet metal worker in 2002, beginning with Sheet Metal Workers' Local Union No. 162 which merged into Sheet Metal

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Workers' Local Union No. 104 in 2012. In 2003, Mr. Mark started his apprenticeship at Champion Industrial Contractors and worked for various sheet metal contractors representing

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multiple facets of the sheet metal industry from 2002 to 2015. He is a member of United Cerebral Palsy of San Joaquin, San Joaquin Central Labor Council, San Joaquin Building Trades, Northern California Valley Sheet Metal Industry Joint Apprenticeship Training Committee, and Leadership Stockton Class of 2014. Mr. Mark joined CSLB as a Public Member. His term continues through June 1, 2024.

To read more about our current board members head to the CSLB website.

Contractors State License Board Reminds Licensees about the Importance of Following Home Improvement Contract Requirements for Solar Jobs



CSLB is reminding licensed contractors that it is critically important to follow California law when it comes to contract requirements for solar projects. The installation of a residential solar system is considered home improvement and any contract for a residential solar system must follow the home improvement contract requirements under the Contractors' State License Law.

For example, <u>Business and Professions Code (BPC) section (§) 7159.5</u> restricts the amount that a contractor can request or receive for a down payment and provides detailed requirements about progress payments. You cannot ask for or take a down payment of more than \$1,000 or 10 percent of the contract price, whichever is less.

Except for the initial down payment, a contractor may not request or accept payment that exceeds the value of the work already performed or materials already delivered. For example, it is unlawful for a solar contractor to request or receive payment for installation of solar panels if those panels have not yet been provided or installed.

Also, the contract price and all subsequent progress payments must be stated in the contract, in dollars and cents. You must list the work or services provided that justify the progress payment being requested.

Violations of the home improvement contracting laws may subject licensees to CSLB administrative disciplinary action and potential referral to a local prosecutor for possible misdemeanor criminal charges for payment violations.

Here some other important reminders about residential solar contract requirements:

- The <u>solar energy system disclosure document</u> must be included on the front page or cover page of the residential solar energy contract (<u>BPC § 7169</u>).
- A home improvement salesperson (HIS) must register with CSLB in order to engage in the business of, or act in the capacity of a home improvement salesperson for a contractor (<u>BPC §7153(a)</u>). The HIS must be registered with the solar contractor or contractors they are selling for (<u>BPC §7154(a)</u>).
- Before any work begins, the contractor must give the buyer a copy of the contract signed and dated by both parties. The buyer's receipt of the copy of the contract initiates their right to cancel within three business days (BPC§ 7159(c)(3)(A)). For any contract entered into on or after January 1, 2021, the buyer's right to cancel a home improvement contract is five business days for buyers 65 years or older (Assembly Bill 2471, Maienschein, Ch.158, Stats. of 2020).
- The contract must include an approximate calendar date of when work will begin and the estimated completion date (<u>BPC § 7159(10)(C)</u>).

Learn more in CSLB's publication, "<u>California Contractors License Law & Reference Book</u>" and on CSLB's <u>"Solar Smart"</u> website page.

Resource: https://www.cslb.ca.gov/Resources/IndustryBulletins/2020/20-22_solar_contracts.pdf



Get Licensed to Build! Online Workshops Available for Those Looking to Apply for a License

Join us on the first Friday of every month at 10:00 a.m. for a live, interactive workshop to learn how to get your California contractor license. This is an excellent opportunity for those looking to get licensed to ask a CSLB staff person any questions they have about the process.

Topics covered during the workshop include:

- Who Needs a License?
- Why Get a License?
- What You'll Need to Get a License Minimum Qualifications
- Types of Business Entities
- CSLB License Classifications
- The Application Process
- Fingerprint Requirements Criminal Background Check
- Demonstrating Your Work Experience
- The Exam Process
- Your New License

Check out our website for upcoming dates:

https://www.cslb.ca.gov/Media_Room/consumer_education/licensing_workshops.aspx

You can sign up to receive an email for the next workshop on CSLB's Email Subscription

Services page and checking that you want to receive emails for Podcasts & Webcasts.

You can also watch videos of previous workshops on CSLB's YouTube Channel.

Please note: Due to the COVID-19 pandemic, CSLB is not currently conducting in-person workshops.

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Online Renewals Available for Licensees and Home Improvement Salespersons



Looking to renew your license or home improvement salesperson registration? Here's what you need to do:

• Renew Sole Owner License without a Responsible Managing Employee

If you renew <u>here</u> you will not need to submit any additional paperwork to CSLB after you complete this process, and your license record will be updated immediately. This option is only available for sole owner licenses without a responsible managing employee.

Renew All Other Licenses

 If you renew <u>here</u> you will need to mail your renewal paperwork to CSLB after you complete the process. For these renewals, the online license record may still show as "expired." However, once we receive and accept all your paperwork, we'll consider the date you make your payment as your renewal date. So, the faster you get us the paperwork, the faster we'll be able to update your license record.

<u>Renew Home Improvement Salesperson Registration</u>

 Once you complete this process you will not need to submit any additional paperwork to CSLB, and your HIS registration will be updated immediately.

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CSLB Processing Times Available Online

The staff at CSLB process thousands of licensing documents daily. These documents are processed in the order of date received. To keep you updated on where your paperwork is in the process, you may check our current processing timelines online, which are updated weekly. Resource: <u>https://www.cslb.ca.gov/OnlineServices/ProcessingTimes/ProcessingTimes.aspx</u>

Looking to Make a Change to Your License? Here's Some Helpful Information



The 2021 *California Contractors License Law* & *Reference Book* is an excellent resource to learn how to make changes to your license. Chapter two has descriptions of license requirements and answers to questions about common license modifications. Here are a few tips to help guide you through some of the most frequent changes.

Changes in Business Name or Address

Report changes to business name or address as soon as possible, but no later than 90 days after the change. You can notify CSLB by submitting the

"Application to Change Business Name and/or Address." Please note the following:

- The form must be signed by a current member of the license personnel: an owner, general partner, officer, member, or manager.
- For corporate or Limited Liability Company (LLC) licenses, you must register the name change with the California Secretary of State.
- The new business name must not conflict with the type of business entity or the classification held.
- CSLB will confirm corporate and LLC registered name changes with the California Secretary of State.

Adding a Classification to an Existing License

If your license status is current, you may fill out a separate "<u>Application for Additional License</u> <u>Classification</u>" for each classification you want to add to your existing license. Here are some informative steps about the process:

- Select a qualifier (who may currently be listed on the license) for the new classification you are applying for.
- Have the qualifier describe, in detail, four years of experience within the last ten years as a journeyperson, foreperson, supervisor, or contractor in the classification for which he or she is to serve as the qualifier.
- Provide a certifier to verify the claimed experience.
- Submit the required application and processing fee.
- Have the qualifier take and pass the trade examination for the new classification.
- File any required bonds; and
- If an RME is qualifying the new classification, any other licenses the RME qualifies on will need to be inactivated.

This information is available in further detail starting on page 34 of the CSLB law book.

Changes in Personnel

Changes in personnel can affect a contractor license. Please keep the following in mind:

- Sole Owner License: A sole owner license may be transferred to a corporation that is qualified by the sole owner; a sole owner license cannot be sold or transferred to another person. If a sole owner contracting business was purchased, the new owner must obtain their own license before operating the business legally.
- **Partnership License:** If a general or qualifying partner leaves the business, the license must be cancelled. A license continuance request will be considered if requested within 90 days of the event that caused the license cancellation. The remaining partners must apply for a new license if they choose to continue contracting.
- Corporate Officers & Limited Liability Company (LLC) Personnel:
 - If any officer or LLC personnel listed on a license leaves, that must be reported to CSLB within 90 days using the "<u>Disassociation Request</u>."

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 To add personnel, you must submit an "<u>Application to Report New Officers of a</u> <u>Corporation</u>" or "<u>Application to Report new Officer of an LLC</u>." Officers, members,

and managers listed on the records of the California Secretary of State must match those individuals listed on the contractor's license, including their titles.

- To report current titles, you must submit an "<u>Application to Report Change of Title</u> for Current Officer or Personnel of Existing Corporate or Limited Liability <u>Company License</u>."
- Disassociation of Qualifier (Responsible Managing Officer, Employee, Member, or Manager): Notify CSLB within 90 days in writing with the following information:
 - Date of disassociation
 - Name of the qualifier who left
 - Name of the business
 - Contractor license number
 - Signature of disassociating individual or current member of license personnel

More detailed information on personnel changes can be found on pages 37-39 in the CSLB law book.

Changes in Business Type

CSLB issues licenses to five types of business entities:

- 1. Sole Owner
- 2. Partnership
- 3. Corporation
- 4. Joint Venture
- 5. Limited Liability Company (LLC)

Whenever the business type changes, an original application for a license must be submitted and new license obtained. For instance, an original application may be submitted to change from a sole owner license to a corporation. If you change your business entity without getting a new license your business will face all the legal risks of being an unlicensed contractor. For more information regarding changing your business type, see page 38 of the CSLB law book. The 2021 edition of the *California Contractors License Law & Reference Book* is now available for purchase or can be viewed online for free. The cost of the 1,100-page book, which includes information you need to become a licensed contractor, maintain your existing license,

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and run a successful contracting business, is \$42.00, plus tax and shipping. The book can only be purchased directly from the publisher.

CSLB Releases Video on What Contractors Can do if they are Unable to Pull a Building Permit Due to COVID-19 Closures



Since the COVID-19 pandemic has caused many public offices to close, this short video explains what you can do if you cannot pull a permit because your local building department is closed.

Watch the nearly 2-minute video here: https://www.youtube.com/watch?v=xZvXN1L1Ec8&feature=youtu.be

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