



Fast Facts

The Contractors State License Board, which operates under the umbrella of the California Department of Consumer Affairs, licenses and regulates California's 285,000 contractors, and is regarded as one of the leading consumer protection agencies in the United States.

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CheckTheLicenseFirst.com

Consumer Guide to Using Small Claims Court

What is a small claims court?

Small claims court is a local court where disputes are resolved quickly and inexpensively, without the need for attorney representation. In small claims court, the rules are simplified, and the hearing is informal. Attorneys are generally not allowed. Also, you don't need to be a United States citizen to file or defend a case in small claims court.

Why consider small claims court?

CSLB investigates complaints against contractors and addresses violations of contractors state license law. CSLB may take disciplinary action against a license if the charges are proven by clear and convincing evidence, but that does not guarantee restitution to those who filed a complaint.

If you are an individual considering legal action to recover damages of \$12,500 or less, you may want to file in small claims court. If your damages are more than \$12,500, you may wish to consult an attorney.

How to name defendants

For a small claims court judgment to be enforced, you must correctly name all the defendants (those being sued). If a defendant is improperly identified in a judgment, you can request a corrected judgment. Each named defendant must be properly served or notified of the lawsuit.

Use the [Check the License](#) feature on CSLB's website to locate the contractor's name and license number. Also, note the business name, a DBA (doing business as) name if there is one, and any personnel listed for each license. Identify the type of business entity under which your contractor holds a license – sole owner, partnership, corporation, limited liability company, or joint venture.

Others you can name as defendants

You can also name other individuals as defendants who were associated with the project when the damage occurred, including:

- Those who are no longer part of the business
- Home improvement salespersons
- Construction site supervisors
- The surety company that carries the contractor's license bond

If you include the surety company in your claim, you must prove that you have a right to file against the bond (Business and Professions Code section 7071.5). If you are a homeowner, you must prove that you are the homeowner contracting for home improvements made to your personal

family residence, the damages you are claiming, and the damages claimed arose out of violations of contractors state license law. The court can order the surety to pay up to \$8,125 relative to all claims against the defendant (Code of Civil Procedure section 116.220(c)).

Enforcement of a small claims court judgment

CSLB's Judgment Unit can provide services to help you enforce a small claims court judgment if it is a final money judgment and substantially related to the construction activities of the licensed contractor. The unit cannot collect a judgment for you or force a contractor to pay, but it can suspend the contractor's license until the judgment has been satisfied. A contractor cannot legally work with a suspended license.

If CSLB receives satisfactory proof of an unsatisfied final judgment within 90 days of the date it became final, CSLB will notify the contractor that they have 90 days from that date to pay the judgment. After 90 days, CSLB will suspend the license until the judgment is satisfied. If CSLB receives proof of an unsatisfied final judgment that is 91 days or older, the license will be immediately suspended.

CSLB may be prevented from acting if the contractor files bankruptcy or obtains a discharge of debts from the bankruptcy court. In that case, collecting from the contractor's surety company may be your only recourse. You may wish to consult with an attorney to ensure you have explored all legally available methods of enforcing your judgment.

To notify CSLB of an unpaid final money judgment, complete CSLB's [Judgment Suspension Request Form](#) and send it with all requested documentation to: Contractors State License Board Judgment Unit, P.O. Box 26000, Sacramento, CA 95826.

Additional Information

California Courts: <http://www.courts.ca.gov/1256.htm>