

Introduced by Senator Mountjoy

February 7, 1997

An act to amend Sections 7070 and 7090 of the Business and Professions Code, and to amend Section 19825 of the Health and Safety Code, relating to contractors.

LEGISLATIVE COUNSEL'S DIGEST

SB 299, as introduced, Mountjoy. Contractors.

(1) Existing law requires an applicant for a contractor's license to show that there has never been a refusal of licensure or a revocation for reasons that would preclude the granting of the license applied for.

This bill would provide that where the Contractors' State License Board has denied an application it shall inform the applicant of the earliest date upon which he or she may reapply for licensure, which shall be one year from a specified date, unless the board prescribes an earlier date, as specified.

(2) Existing law requires the Registrar of Contractors upon the finding that any licensed or registered contractor has willfully and deliberately violated any state or local law relating to the issuance of building permits, as specified, to suspend or revoke licensure.

This bill would instead require the registrar to take disciplinary action against the contractor's license.

(3) Existing law requires the board to semiannually compile and distribute to city, county, and city and county building departments a list of all contractors who did not secure payment of workers' compensation during any period

for which workers were employed during the preceding 6 months.

This bill would instead require the board to semiannually compile and make available to city, county, and city and county building departments a list of all contractors that did not have proof of workers' compensation insurance or exemption therefrom on the computer records of the board at the time the list was printed.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 7070 of the Business and
2 Professions Code is amended to read:

3 7070. An applicant shall show that he *or she* has never
4 been refused a license or had a license revoked for reasons
5 that would preclude the granting of the license applied
6 for. *Where the board has denied an application for license*
7 *under this chapter or Chapter 1 (commencing with*
8 *Section 475) of Division 1.5, it shall, in its decision, or in*
9 *its notice under subdivision (b) of Section 485, inform the*
10 *applicant of the earliest date that the applicant may*
11 *reapply for a license, which shall be one year from the*
12 *effective date of the decision or service of notice under*
13 *subdivision (b) of Section 485, unless the board prescribes*
14 *an earlier date.*

15 SEC. 2. Section 7090 of the Business and Professions
16 Code is amended to read:

17 7090. The registrar may upon his or her own motion
18 and shall upon the verified complaint in writing of any
19 person, investigate the actions of any applicant,
20 contractor, or home improvement salesperson within the
21 state and may deny the licensure or the renewal of
22 licensure of, or cite, temporarily suspend, or permanently
23 revoke any license or registration if the applicant,
24 licensee, or registrant, is guilty of or commits any one or
25 more of the acts or omissions constituting causes for
26 disciplinary action.



1 The registrar may proceed to take disciplinary action
2 as in this article provided against an applicant or a person
3 licensed or registered under the provisions of this chapter
4 even though the grounds or cause for such disciplinary
5 action arose upon projects or while the applicant,
6 licensee, or registrant was acting in a capacity or under
7 circumstances or facts which, under the provisions of
8 Sections 7044, 7045, 7046, and 7048, would otherwise
9 exempt the person or his or her operations from the
10 provisions of this chapter.

11 Notwithstanding any provision of this chapter, if the
12 registrar finds that any contractor licensed or registered
13 under the provisions of this chapter has willfully and
14 deliberately violated any state or local law relating to the
15 issuance of building permits, other than failure to obtain
16 a county or city permit for repair, maintenance, and
17 adjustment of equipment where such repair,
18 maintenance, or adjustment is valued at less than five
19 hundred dollars (\$500) for labor or materials, or where
20 the repair of a part or component part of mechanical
21 equipment consists of replacing such part or component
22 part of mechanical equipment in need of repair with the
23 identical part or component part, the registrar shall
24 ~~suspend or revoke~~ *take disciplinary action against* the
25 contractor's license *in accordance with this chapter*.

26 For the purpose of this section, there shall be a
27 rebuttable presumption affecting the burden of proof
28 that construction performed without a permit is a willful
29 and deliberate violation.

30 SEC. 3. Section 19825 of the Health and Safety Code
31 is amended to read:

32 19825. (a) Every city or county that requires the
33 issuance of a permit as a condition precedent to the
34 construction, alteration, improvement, demolition, or
35 repair of any building or structure shall, in addition to any
36 other requirements, require the following declarations in
37 substantially the following form upon the issuance of any
38 building permit:
39



BUILDING PROJECT IDENTIFICATION

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3 Applicant's Mailing Address _____
4 _____
5

6 Address of Building _____
7 _____

8 Owner's Name if known _____
9 Telephone No. _____

10

11 Contractor's Name _____
12 Contractor's Mailing Address _____
13 _____
14 Lic. No. _____

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16 Architect or Engineer _____
17 Architect's or Engineer's Address _____
18 Lic. No. _____
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20 In addition the city or county may require that there be included
21 in the building project identification portion of a building permit,
22 the following:
23

24 Assessor's Parcel Number* _____
25 Permit date _____
26 Permit number _____
27 Description of work _____
28 Building permit valuation _____
29

30 *To be entered by issuing agency.

LICENSED CONTRACTORS DECLARATION

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34 I hereby affirm under penalty of perjury that I am licensed under
35 provisions of Chapter 9 (commencing with Section 7000) of
36 Division 3 of the Business and Professions Code, and my license is
37 in full force and effect.
38 License Class _____ Lic. No. _____



1 Date _____ Contractor _____

2
3 OWNER-BUILDER DECLARATION
4

5 I hereby affirm under penalty of perjury that I am exempt from
6 the Contractors License Law for the following reason (Sec. 7031.5,
7 Business and Professions Code: Any city or county which requires
8 a permit to construct, alter, improve, demolish, or repair any struc-
9 ture, prior to its issuance, also requires the applicant for such permit
10 to file a signed statement that he or she is licensed pursuant to the
11 provisions of the Contractors License Law (Chapter 9 (commenc-
12 ing with Section 7000) of Division 3 of the Business and Professions
13 Code) or that he or she is exempt therefrom and the basis for the
14 alleged exemption. Any violation of Section 7031.5 by any applicant
15 for a permit subjects the applicant to a civil penalty of not more
16 than five hundred dollars (\$500.):

17 I, as owner of the property, or my employees with wages as
18 their sole compensation, will do the work, and the structure is not
19 intended or offered for sale (Sec. 7044, Business and Professions
20 Code: The Contractors License Law does not apply to an owner
21 of property who builds or improves thereon, and who does such
22 work himself or herself or through his or her own employees, pro-
23 vided that such improvements are not intended or offered for sale.
24 If, however, the building or improvement is sold within one year
25 of completion, the owner-builder will have the burden of proving
26 that he or she did not build or improve for the purpose of sale.)

27 I, as owner of the property, am exclusively contracting with
28 licensed contractors to construct the project (Sec. 7044, Business
29 and Professions Code: The Contractors License Law does not apply
30 to an owner of property who builds or improves thereon, and who
31 contracts for such projects with a contractor(s) licensed pursuant
32 to the Contractors License Law.)

33 I am exempt under Sec. ____, B.&P.C. for this reason

34 _____
35 Date _____ Owner _____
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1 WORKERS' COMPENSATION DECLARATION

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I hereby affirm under penalty of perjury one of the following declarations:

_____ I have and will maintain a certificate of consent to self-insure for workers' compensation, as provided for by Section 3700 of the Labor Code, for the performance of the work for which this permit is issued.

_____ I have and will maintain workers' compensation insurance, as required by Section 3700 of the Labor Code, for the performance of the work for which this permit is issued. My workers' compensation insurance carrier and policy number are:

Carrier _____

Policy Number _____

(This section need not be completed if the permit is for one hundred dollars (\$100) or less).

_____ I certify that in the performance of the work for which this permit is issued, I shall not employ any person in any manner so as to become subject to the workers' compensation laws of California, and agree that if I should become subject to the workers' compensation provisions of Section 3700 of the Labor Code, I shall forthwith comply with those provisions.

Date: _____ Applicant: _____

WARNING: FAILURE TO SECURE WORKERS' COMPENSATION COVERAGE IS UNLAWFUL, AND SHALL SUBJECT AN EMPLOYER TO CRIMINAL PENALTIES AND CIVIL FINES UP TO ONE HUNDRED THOUSAND DOLLARS (\$100,000), IN ADDITION TO THE COST OF COMPENSATION, DAMAGES AS PROVIDED FOR IN SECTION 3706 OF THE LABOR CODE, INTEREST, AND ATTORNEY'S FEES.

CONSTRUCTION LENDING AGENCY



