

Major Changes To California's Contractor Laws Go Into Effect January 1, 2005

The start of 2005 means a series of new laws affecting California contractors take effect. The following is a brief synopsis of some of those major new laws. You can find a complete listing of all new laws for 2005 on the Contractors State License Board (CSLB) West site at www.cslb.gov.

Business and Professions Code Changes

Section 7028.1

Clarifies that all contractors, whether licensed or not, are subject to discipline for asbestos related violations.

Section 7048

Changes the law that required unlicensed contractors to provide a written "Unlicensed Disclosure" notice for works of improvement under \$500. As of January 1, 2005, this notice requirement is eliminated.

Section 7068

Changes the law that kept an applicant for licensure convicted of a violation of Section 7028 (contracting without a license) from applying for a license for one year from the date of the conviction. As of January 1, 2005, this prohibition is eliminated.

Section 7069.1

As part of the CSLB's new fingerprint program, CSLB will be notified when a licensee or registrant has been arrested. Under this new section, the CSLB may request proof of the disposition of the arrest. The licensee or registrant is required to provide this proof within 90 days of the disposition and is subject to disciplinary action for failing to comply.

Section 7085

This change in law expands the type of cases that are eligible for the arbitration program by including all works of improvement, not just home improvements as defined under Section 7151.

Section 7090.01

This change in law reduces the reinstatement period for suspended licenses who have failed to comply with the terms of a citation. The reduction is from one year to 90 days. After the 90-day suspension period, the license is revoked by operation of law.

Section 7137

This change in law eliminates the delinquent fee grace period for licensees who fail to renew their license timely. All contractors whose license expires on or after January 31, 2005 will be subject to the delinquent fee upon expiration of the license.

Government Code Changes

Section 4216

Anyone planning to excavate in California is required to contact the appropriate regional notification center at least two working days before beginning to excavate. Amendments have been made to Section 4216. Four changes are highlighted here: 1) A utility is required only to mark its own facilities. 2) Changes have been made to the list of persons exempt from the notification requirements. 3) The steps for compliance have been clarified: each contractor should have his or her own individual USA ticket. 4) Under existing law, and identification (ticket) number issued by the regional center is valid for 14 days. Under the new law, the ticket is valid for 28 days.

Penal Code Change

Section 802

This change in law expands the statute of limitations for specified violations of the Contractors License Law, including the Home Improvement provisions.

For further information on the new Contractor related laws for 2005, contact Crawford & Bangs at 626-915-1641 (ext. 203) or by e-mail to Ttate@builderslaw.com.