



CONTRACTORS STATE LICENSE BOARD

**CALIFORNIA LICENSED CONTRACTOR**

Spring 2013 | Stephen P. Sands, Registrar | Edmund G. Brown Jr., Governor

---

## Message From the Board Chair

If your business is anything like mine in the past couple of months, you're beginning to see an increase in the number of project orders and contracts. When I brought up this topic at the February 26, 2013, Board meeting in Sacramento, several other Board members (who also are contractors or involved in the construction industry) agreed.

As I explained in the meeting, business increases seem to be occurring in high-costs sectors, both for construction work and high-end materials. Historically, this means the middle and lower-cost projects soon will follow that up-trend. What I've noticed at my offices is that the order volume is nearing 2007 levels, and making me wonder if we have enough manpower to meet the demand. These are all welcomed signs of encouragement that our industry may be returning to a solid growth cycle.

Regardless of whether you, too, are ramping up your operations or managing the status quo, be sure to read the information in this edition of the *California Licensed Contractor* newsletter. You'll find important reminders about your license, regulations, industry safety, and more. CSLB also is looking for **industry experts** in several specialty classifications. If you're interested in participating, details can be found [here](#).

CSLB is continuing its aggressive efforts to help level the playing field through multiple partnerships with both state and local authorities. Targeted construction site inspections and undercover sting operations continue to be conducted throughout the state each week. Remember that CSLB has an online **complaint form** that can be submitted if you become aware of illegal contracting activity in your region.

Respectfully,  
Paul Schifino



## **Arrest Made in Scam Targeting CSLB Applicants, Licensees**

### *Second suspect added to CSLB's Most Wanted list*

One arrest has been made and another is pending after a comprehensive investigation into a scam that targeted licensed contractors and those attempting to become licensed.

Luis Manuel Flores, 50, was arrested in February while crossing the border into the United States and remains jailed without bail (**Penal Code section 1275**) at the Rio Cosumnes Correctional Center in Sacramento County. Flores is charged with one count of Conspiracy to Cheat/Defraud another person of property (**Penal Code section 182(a)(4)**).

An arrest warrant has been issued for a second suspect, Maico Merdinand Dimla, 41, who is believed to be in the Tijuana, Mexico, area. Dimla has been added to CSLB's Most Wanted list.

The multi-faceted investigation began last summer after a number of license applicants told investigators that they were conned by people falsely representing themselves as CSLB employees. Applicants were told they needed testing study guides, while licensees seeking an additional classification were told they needed continuing education credits or licensing exams, and needed to pay with a credit card over the telephone.

CSLB issued an industry bulletin and an alert on the CSLB website to warn contractors and encourage them to provide investigators with leads. The warnings dramatically cut the number of people being victimized.

Investigators believe Flores and Dimla created a fraudulent business and website with names similar to CSLB. While in the Tijuana area, it is believed that the two contacted CSLB applicants and licensees, using phone numbers that appeared to the victims as originating from the 916 area code (Sacramento area). At this time, at least 50 people have been defrauded in amounts ranging from \$98 to \$250 each. The number of victims could increase once people realize they've been conned.

Remember that license fees are only payable through the mail or at CSLB Headquarters in Sacramento.

Anyone with information on Maico Merdinand Dimla's whereabouts should contact their local law enforcement agency.



CONTRACTORS STATE LICENSE BOARD

**CALIFORNIA LICENSED CONTRACTOR**

Spring 2013 | Stephen P. Sands, Registrar | Edmund G. Brown Jr., Governor

---

## CSLB Spring Blitz Catches Nearly 80

Dozens of unlicensed operators face criminal charges after being caught in simultaneous statewide undercover sting operations conducted by CSLB on March 13 and 14, 2013. Among those arrested during the spring California Blitz were a registered sex offender, a suspect with a prior conviction for statutory rape, an individual with an active arrest warrant for corporal punishment of a minor child, one on federal probation for bribery, and several caught using contractor license numbers not belonging to them.

CSLB's Statewide Investigative Fraud Team (SWIFT) investigators conducted stings in Orange (Orange County), Lawndale (Los Angeles County), San Bernardino (San Bernardino County), Chico (Butte County), Oakdale (Stanislaus County), and Bakersfield (Kern County). SWIFT investigators posed as homeowners seeking bids for various home improvements.

A total of 78 individuals were arrested on misdemeanor charges of contracting without a license (**Business and Professions Code section 7028**). Fifty-seven of the individuals also are accused of illegal advertising (**Business and Professions Code section 7027.1**). Twenty-four others may be charged with requesting an excessive down payment (**Business and Professions Code section 7159.5**), while 17 of the phony contractors were issued Stop Orders (**Business and Professions Code section 7127**). CSLB investigators can halt job site activity when any person with or without a contractor license does not have workers' compensation insurance coverage for employees. Fourteen suspects were detained by the Department of Homeland Security / U.S. Immigration and Customs Enforcement (ICE) for identification and/or deportation.

A majority of those caught were identified through advertisements on [craigslist.org](http://craigslist.org).



## CSLB Backs Three Bills to Curb Underground Economy

A trio of bills intended to attack the underground economy and put legitimate contractors in a position to fairly compete for work was introduced in the 2013-2014 legislative session. These bills are sponsored by CSLB.

The most significant of the three is **Senate Bill 263**, which would strengthen and clarify two Business and Professional Code (B&P) sections, 7028 and 7031. The amendment to Section 7028 would allow a criminal misdemeanor charge to be filed against contractors who agree to a construction contract when their license is under suspension for failing to pay a tax or civil liability. Violators still would be subject to CSLB administrative actions.

The second part of the bill pertains to those who are properly licensed when contracting for work, B&P Code section 7031. It would amend existing language to allow contractors who, during the course of a project, work briefly out of their classification or who let their license lapse, to still be paid for the work they had legally performed. Recent court rulings using current statutes have rendered interpretations that are punitive to contractors, forcing forfeiture or reimbursement of the entire contract amount. The revision would clarify the law and address an unfair situation that has been exploited by some looking to evade payment for work done by a contractor while his or her license was still valid.

**Senate Bill 262** would revise B&P Code section 7068.1 to enable CSLB to take administrative action when investigations uncover an absentee qualifier. The bill would provide for criminal charges to be filed against a qualifier who fails to exercise direct supervision and control of a firm's construction operations that result in a criminal violation. The bill was drafted in response to illegal business practices that have been uncovered in which some contractors who are retiring or unable to work are being paid for continuing to serve as the license qualifier even though they are not actively involved in the business.

CSLB's Enforcement division recently uncovered an egregious case of license misuse in Southern California, where three persons are facing criminal charges in a "boiler room" operation where fraudulent contracting schemes were marketed to homeowners with the use of "rented" valid licenses from contractors for a monthly fee.

**Senate Bill 261** addresses cases where suspended contractors have altered a license to make it appear legitimate. Such cases now are referred to local prosecutors. The proposed new B&P Code section, 7114.2, would give the CSLB Registrar authority to impose discipline for misrepresentation of the license status.

A fourth CSLB-backed bill, **Assembly Bill 993**, would amend B&P Code section 7085.5 to more clearly spell out the board's arbitration process, including the role of the arbitrator.



## Recertifying Workers' Comp Exemption is Mandatory at Renewal

The new law requiring licensees to recertify their workers' compensation (WC) insurance exemption at renewal was recently implemented. Notification began with an insert reminder in renewal applications for licenses that expire on March 31, 2013. With the addition of **Business and Professions (B&P) Code §7125.5**, all active licensees with a WC exemption on file with CSLB, at the time of renewal, must recertify the exemption by completing a recertification statement on the license renewal form or provide a current and valid Certificate of Workers' Compensation Insurance or Certificate of Self-Insurance.

If the renewal application received by CSLB does not include a completed recertification or a valid Certificate of Workers' Compensation Insurance or Certificate of Self-Insurance, the license will not be renewed. However, if acceptable documentation is received within 30 days of the CSLB renewal rejection, the Registrar will grant a retroactive renewal (**B&P Code §7141.5**).

**C-39 Roofing** contractors still must provide workers' compensation coverage even if they have no employees, as required by B&P Code §7125. Also, all contractors with a Responsible Managing Employee as a qualifier must provide workers' compensation insurance. In either case, an exemption from workers' compensation insurance will not be accepted.

About 60 percent of active CSLB licensees claim a workers' compensation insurance exemption, declaring they have no employees. If this status changes, it is the licensee's responsibility to obtain the appropriate level of insurance and submit that information to CSLB. Remember that there can be no break in workers' compensation insurance coverage; no work can be performed if a license is suspended, and those who continue are considered to be unlicensed and subject to disciplinary action by CSLB within 90 days.



CONTRACTORS STATE LICENSE BOARD

**CALIFORNIA LICENSED CONTRACTOR**

Spring 2013 | Stephen P. Sands, Registrar | Edmund G. Brown Jr., Governor

---

## **CSLB Social Media Sites Provide Information Scoops for Contractors**

Social media sites provide much more than socializing when it comes to CSLB's discussion threads with its 1,225 fans, or "likes," on Facebook and 1,131 "followers" on Twitter. Building dynamic, well-liked social media pages is just another way CSLB is able to conduct real-time conversations with licensees and other friends about board or industry news, changing laws, enforcement activity, and more. It's like having a direct line to what's happening inside CSLB.

Since the average Facebook subscriber has 262 friends, if a single CSLB news item is shared with just one person's newsfeed, it has the potential to reach thousands. Even with 1,225 fans, a typical CSLB post has the potential to be read by nearly 300,000 people. Facebook allows followers to ask questions and receive quick responses in a unique way. Questions can be asked and answered in a semi-private forum that allows our followers to benefit from the conversation without having to pick up the phone or write a letter.

Following CSLB on Twitter is a bit different. Every message on Twitter is limited to 140 characters, so messages from "@CSLB" will be brief, and usually include other links to help complete discussions.

We encourage you to join the conversations by "liking" CSLB on **Facebook**, and "following" us on **Twitter**.



## **2013 Contractors License Law & Reference Book Now Available**

This year's edition of the Contractors State License Board (CSLB) *California Contractors License Law & Reference Book* is now available for purchase or for free viewing online. The updated publication, totaling just over 1,000 pages, provides easy reference to new and amended construction laws that took effect January 1, 2013.

The book's convenient, all-in-one format continues to provide CSLB's history and mission, and specialized sections about becoming a licensed contractor; home improvement; business management; construction standards and safety regulations; California's Business and Professions Code and other construction-related state codes; and complete California Contractors License Law rules and regulations.

"This book is designed as a quick-reference tool to help our state's 300,000 licensees keep up with continual changes in state contracting law," said CSLB Registrar Steve Sands. "It's also a great resource for anyone trying to get their state contractor license."

The 2013 law book can only be purchased from the publisher, LexisNexis, and is not available at any CSLB office. This year's law book includes a convenient CD and costs \$25 plus tax, and \$9.49 for shipping and handling. To order online, visit the [LexisNexis website](#).

---

## **Cash Payments to CSLB Must Be Exact Amount**

Be sure to bring the exact cash amount when paying your license or registration fees at CSLB's Sacramento headquarters. Public counter staff is unable to make change, but can accept an exact cash amount, as well as major credit cards, checks, or money orders.

Payments are not accepted over the telephone. Payments by mail can only be made by check or money order.



CONTRACTORS STATE LICENSE BOARD

**CALIFORNIA LICENSED CONTRACTOR**

Spring 2013 | Stephen P. Sands, Registrar | Edmund G. Brown Jr., Governor

---

## Remember Building Permits to Avoid License Penalties

As you know, failure to pull building permits for your construction projects can result in disciplinary action by CSLB, including suspension or revocation of your license (**Business & Professions Code section 7090**). Pulling permits is especially important for C-20 Warm-Air Heating, Ventilating and Air-Conditioning (HVAC) contractors whose work also must meet Home Energy Rating System (HERS) tests and verification requirements to comply with state Building Energy Efficiency standards.

CSLB has reminded HVAC contractors about permitting requirements through direct mail letters and news article reminders. Yet, CSLB investigators still are finding that many HVAC installations are being performed without permits or the accompanying inspections or testing to ensure the entire heating/cooling system is safe and working to capacity.

Because of this, CSLB now is working with the **California Energy Commission (CEC)** to ensure compliance through enhanced enforcement efforts to assure contractors are following state contracting laws and for public protection. HVAC contractors may be targeted during undercover stings or other enforcement operations. Always ask your local building department about any unique building permit requirements in your area.

You can download educational resources, including a Standards Tool Kit, from the CEC: [www.energy.ca.gov/title24/toolkit/](http://www.energy.ca.gov/title24/toolkit/).



CONTRACTORS STATE LICENSE BOARD

**CALIFORNIA LICENSED CONTRACTOR**

Spring 2013 | Stephen P. Sands, Registrar | Edmund G. Brown Jr., Governor

---

## **Crunching the Numbers: A Snapshot of CSLB License Holders**

The total number of state-licensed contractors fell slightly between 2011 and 2012. As of December 31, 2012, there were 295,065 contractor licenses in California, a dip of about 2.7 percent from the same time in 2011. Of the current licensees, 228,019 (77 percent) were "active," while 67,046 (23 percent) were registered as inactive (those who opted not to practice as a contractor or submit bids for work).

More than 30 percent of those holding an active license are "B" General Building contractors, with 105,654 professionals in that classification. The C-10 Electrical contractor classification is the next most widely held with 25,035 licensees, followed by C-33 Painting and Decorating licensees, with 15,872 licensees at the beginning of 2013.

Most classifications have declined from 2008, when a record 315,324 individuals held CSLB-issued contractor licenses.

Of CSLB's top 25 license classifications at the beginning of 2013, two categories posted increases during the past year: C-61/D-35 pool and spa maintenance saw a 1.2 percent rise from 1,606 to 1,626; and C-61/D-49 Tree Service increased from 2,119 to 2,164 licensees in that period, a 2.1 percent gain.

For the top classifications that rely on service and repair work, the numbers have changed little from year to year or even compared with five years ago. The ranks of active licensed C-10 contractors decreased just 2.2 percent since 2008, from 25,888 in January of that year to 25,035 at the start of 2013. C-36 Plumbing classification tallies only dropped 1 percent from 2008, when 15,194 licenses were issued, while HVAC contractors posted a 1.3 percent gain from five years ago, from 11,292 licensees to 11,439 in 2013.

The slight increase somewhat offset overall declines in other categories, such as the "B" classification, which fell from 118,081 license holders in 2008 to 105,654 five years later, a 10.5 percent drop.



## Prevent Complaints Against Your License

Many of the contractor complaints received by CSLB are avoidable, according to CSLB's Intake and Mediation Center (IMC) staff. One of the most common problems is contractors who fail to renew their license, yet still contract for work. If a complaint is lodged against you and your license is suspended, you run the risk of penalties or disciplinary action—just as you would be penalized for being caught driving without a valid driver license.

Remember: You are working illegally if your license is suspended. CSLB mails renewal notices at least 60 days in advance of the license's expiration month to provide adequate time to submit the necessary paperwork and fees.

In addition to disciplinary action, you expose yourself to serious financial risk if working on a suspended license. A precedent-setting case a few years ago resulted in an appellate court ruling that a contractor whose license had lapsed had no right to collect money owed him for a project and, in fact, could be forced to repay all previous funds paid to him because of his unlicensed status, based on an interpretation of **Business and Professions Code section 7031**.

IMC staff continue to see a steady stream of complaints from subcontractors and material suppliers who claim they've not been paid for their part of a prime contractor's project. Some of those conflicts can be avoided by subcontractors or material suppliers keeping current written records of their participation in a project. Always make sure that change orders or other arrangements are in writing. If you're a subcontractor, be diligent about filing the Preliminary Notices to homeowners at the start of the 20-day period informing them that a lien may be filed if you're not paid for your part of the improvement project.

Another trend IMC staff is seeing deals with homeowners who are complaining about work done on a home they purchased when it was in the hands of an earlier owner—sometimes two or three owners removed. This is a more recent occurrence, with the advent of fast-changing ownership because of investor flipping, short sales, or foreclosures. CSLB has limited power in these cases. Restitution is not available, and the four-year statute of limitations prevents CSLB from accepting some cases. Nevertheless, IMC makes every effort to identify and contact the original contractor to correct a deficiency.



## **CSLB Outreach Programs Stress Importance of Hiring Licensed Contractors, Avoiding Scams**

CSLB's outreach programs help licensees by emphasizing the importance of only hiring state-licensed contractors while providing consumer tips on how to avoid becoming defrauded by unlicensed operators who work in the underground economy.

Since 1999, CSLB has held Senior Scam Stopper<sup>SM</sup> seminars in cooperation with sponsoring legislators throughout the state. The two-hour seminars feature a panel of experts who talk about scams commonly used against seniors that range from auto repair to insurance and Medicare fraud. CSLB's representatives cover the subjects of home repair fraud and the importance of hiring licensed contractors.

To expand this successful outreach effort, CSLB launched the Consumer Scam Stopper<sup>SM</sup> program in September 2012. These workshops are designed for people of all ages and, similar to the senior events, a CSLB representative discusses home repair fraud and best practices when hiring a licensed contractor. Other types of fraud are addressed, as well.

Click on the Senior Scam Stopper<sup>SM</sup> banner on CSLB's website to learn more about upcoming events. The Consumer Scam Stopper<sup>SM</sup> website is coming soon. Contact CSLB's outreach coordinator at (916) 255-3273 or email [jane.kreidler@cslb.ca.gov](mailto:jane.kreidler@cslb.ca.gov) if your association or organization is interested in scheduling a CSLB presentation.

---

## **Help CSLB Sting Illegal Contractors**

One of the best ways you can help CSLB catch phony contractors in the act is by providing properties where an undercover sting operation can be conducted. Whether occupied or not, a commercial or residential property that investigators can use to seek property improvement bids is valuable to CSLB's enforcement efforts.

Properties most often are needed for two-day stings. The owner or agent simply signs a release form authorizing CSLB to use the property. The process is confidential.

Contact one of CSLB's Statewide Investigative Fraud Team (SWIFT) offices if you have or know someone who has a home or commercial property that can be used to help catch unlicensed operators.

Northern SWIFT: (916) 255-2924  
Central SWIFT: (559) 490-0580  
Southern SWIFT: (562) 345-7600



CONTRACTORS STATE LICENSE BOARD

**CALIFORNIA LICENSED CONTRACTOR**

Spring 2013 | Stephen P. Sands, Registrar | Edmund G. Brown Jr., Governor

---

## **CSLB Interactive Phone System Provides Answers, Supports Call Center**

Your first contact when calling CSLB's toll-free automated line is with its Interactive Voice Response (IVR) system, a comprehensive series of computerized options designed to answer your questions about applications, licenses, and general CSLB information.

Even though working with a computer is not everyone's first choice, the system was able to assist about 444,000 callers in 2012. That's about 37,000 calls per month and about three times the volume of CSLB's Licensing Information Center (LIC), or call center. LIC manages about 125,000 calls from contractors and consumers each year, about 30,000 calls per month.

The IVR system has been operating for about 10 years and has been consistently upgraded and refined. Without it, the volume of CSLB's incoming calls would be overwhelming and result in extremely long waiting times for callers.

During the first month of 2013, the most-asked question through IVR was on how to become a contractor or a common question about contracting. In January, almost 20,000 contractor-related calls were taken; the second most-asked question (12,600 calls) was about maintaining or changing a license, followed by inquiries about individual contractor licenses (10,500 calls).

The IVR system also can fax information to callers, make a request that is converted to an email for forms or applications, or direct a call to an LIC agent at CSLB's Sacramento headquarters or main Southern California office in Norwalk if their question is more detailed or is outside the realm of the IVR options.

Even though the IVR system cannot take the place of a "live" agent, it has proven valuable in providing hundreds of thousands of CSLB queries each year.



CONTRACTORS STATE LICENSE BOARD

**CALIFORNIA LICENSED CONTRACTOR**

Spring 2013 | Stephen P. Sands, Registrar | Edmund G. Brown Jr., Governor

---

## **Best Time to Call CSLB's Licensing Information Center**

CSLB's Licensing Information Center, or call center, is staffed Monday through Friday from 8 a.m.-5 p.m., except holidays. "Wait times" to speak with a representative vary, but the shortest wait times tend to be on Wednesday, Thursday or Friday from 9:30 a.m. to 11:30 a.m., or 2 p.m. to 4 p.m.

The longest wait times are on Monday and Tuesday mornings, or on the first day after a holiday. Wait times also can be a bit longer between 11:30 a.m. and 1:30 p.m., and the end of the day, between 4:30 p.m. and 5 p.m. Other busy times are on rainy days and when there are "hot" issues that affect a lot of licensees.

When you call, be prepared to provide your license number and have a paper and pen ready to take notes. If the call center agent is unable to immediately answer your question, rest assured your name and call-back number will be taken and a follow-up call made once the topic has been researched.



## Interested in Becoming a CSLB Industry Expert?

The Contractors State License Board (CSLB) is looking for licensees in specific classifications for its Industry Expert (IE) program. IEs provide a valuable service to CSLB by independently reviewing projects and submitting recommendations that help maintain the integrity of California's construction industry. More than 500 contractors now participate in the IE program around the state.

CSLB currently has a sufficient number of "B" General Building contractors serving in the IE program, but needs the following classifications to work with CSLB's various Investigative Centers:

- Fresno – C-20 Warm-Air Heating, Ventilating and Air-Conditioning (HVAC); C-27 Landscaping; C-47 General Manufactured Housing
- Norwalk – C-16 Fire Protection; C-20 HVAC; C-35 Lathing and Plastering
- Sacramento – C-17 Glazing
- San Bernardino – C-16 Fire Protection; C-17 Glazing
- San Diego – C-16 Fire Protection; C-17 Glazing
- San Francisco – C-27 Landscaping; C-47 General Manufactured Housing; C-53 Swimming Pool
- Valencia – C-20 HVAC; C-27 Landscaping; C-47 General Manufactured Housing
- West Covina – C-16 Fire Protection, C-17 Glazing

IEs most often assist the Enforcement division during the investigation of consumer complaints by providing their professional, unbiased opinion on the quality of work rendered on a particular project, whether it meets industry standards, has been performed according to specifications, and lives up to contract terms and agreements. IEs also testify in criminal hearings, arbitration proceedings, and administrative hearings, and also submit written testimony for reports.

This 20-year-old program has been an effective peer review tool and an opportunity for CSLB-industry collaboration. IEs also are compensated for their time, depending on the service rendered.

To participate, you must have held a current contractor license for at least five years, free of licensing or disciplinary actions, and must be knowledgeable about modern, accepted trade practices in your field of expertise.

Contact CSLB's Enforcement division at 916.255.4027 or click [here](#) for more information. You can email your qualifications and preferred work location to: [IndustryExpert@cslb.ca.gov](mailto:IndustryExpert@cslb.ca.gov).



## **2013 Utility Rebates for HVAC Products Need Contractor Sign-Off**

Licensed C-20 Warm-Air Heating, Ventilating and Air-Conditioning (HVAC) contractors are reminded that they need to sign certification forms to validate business and multifamily customer rebate and incentive applications that are offered by the state's major investor-owned utilities.

Customers and/or the recipient of an HVAC rebate or incentive must certify that they have used a licensed contractor, and have followed permitting requirements for the installation. This certification applies to all work or installation that requires a building permit.

Pacific Gas & Electric Company (PG&E) recently updated its rebate and incentive applications, adding language and required fields for name, company name, signature, permit number, and a check box indicating compliance with the requirement(s). The contractor must fill in these required fields for the rebate or incentive to be valid and processed. PG&E rebate and incentive applications are available at [www.pge.com](http://www.pge.com).

Southern California Gas Company (SoCalGas) and San Diego Gas & Electric (SDGE) have similar rebate programs for 2013. Go to [www.socalgas.com/](http://www.socalgas.com/) or [www.sdge.com/](http://www.sdge.com/) for more information.



## Free HVAC Evening Classes Teach Newest Industry Trends

Free training classes for C-20 Warm-Air Heating, Ventilation and Air-Conditioning (HVAC) contractors, service technicians, and installers are being held statewide by the **Institute of Heating and Air Conditioning Industries, Inc. (IHACI)** and the state's major investor-owned utilities. This training offers new trade-specific techniques and technology, as well as the unique requirements of California's Title 24 energy efficiency regulations.

The classes include training materials and are offered in the evening to accommodate working HVAC professionals. IHACI members are eligible for continuing credits to maintain their **North American Technician Excellence (NATE)** certification; members who attend all training in a given series receive a certificate of attendance.

Participants can enroll in either classes for NATE training, or for the California Quality Installation, Quality Maintenance and Quality Service (CAQI/QM/QS) program. NATE has approved the IHACI classes for continuing education credits. CAQI/QM/QS was initiated by IHACI for the purpose of bringing professionals into compliance with California's unique HVAC standards and laws, such as Title 24.

The co-sponsoring utilities are **Southern California Edison (SCE)**, **Southern California Gas Company (SoCalGas)**, **San Diego Gas & Electric (SDGE)**, and **Pacific Gas and Electric Company (PG&E)**. Classes are held at utility company facilities.

A 2013 class schedule has been set for Southern California sites and for one series in Tulare. The roster of classes for PG&E's Stockton training center is still being finalized. Class registration is available at [www.ihaci.org](http://www.ihaci.org) under the training link.



CONTRACTORS STATE LICENSE BOARD

**CALIFORNIA LICENSED CONTRACTOR**

Spring 2013 | Stephen P. Sands, Registrar | Edmund G. Brown Jr., Governor

---

## Don't Hit the Gas When Aiming for the Sewer Line

Clearing a blockage from an outside sewer line should be treated with extra caution according to major natural gas providers. In addition to landscaping or tree roots, some blockages can occur if a natural gas pipeline was installed through the line using trenchless construction methods prior to the sewer line being put in use, according to both **Southern California Gas Company (SoCalGas)** and **Pacific Gas and Electric (PG&E)**.

Sending an auger tool down the sewer line to clear the obstruction could damage a smaller gas pipeline, which may result in a gas leak. Licensees who use mechanical equipment to clear blockages from exterior sewer lines should check with the utility company to make sure the problem isn't an adjacent natural gas pipeline.

Both SoCalGas and PG&E will investigate, at no charge, if there is a pipeline conflict with the sewer line within their service territories. PG&E recommends that contractors call the utility's 24-hour service line at 800.743.5000 to arrange for a professional inspection. More information about PG&E's Crossbore Inspection Program or safe sewer cleanouts can be found at [www.pge.com/myhome/edusafety/gaselectricsafety/sewercleaningsafety/](http://www.pge.com/myhome/edusafety/gaselectricsafety/sewercleaningsafety/). PG&E said 12,300 sewer inspections were performed during the pilot year of its video inspection program last year, and expects to conduct 20,000-50,000 inspections per year for the next few years. Those working in SoCalGas's service area should call 800.427.2200 or visit [socialgas.com/safety/gas-warning.shtml](http://socialgas.com/safety/gas-warning.shtml) for more information about its program.



## Protect Yourself from Dangerous Paint Stripper

A widely available solvent that's been blamed for 13 worker deaths since 2000, including two in California, should be avoided if possible, or used only under the strictest safeguards, according to the **California Department of Public Health's (CDPH) Occupational Health Branch**.

Methylene chloride, also known as MeCl, is an ingredient found in many paint stripping products that are available at hardware and home improvement stores. It's also used in various industries for the production of polymer foams and as a degreaser.

But methylene chloride is a cancer-causing chemical that has caused death and serious illness among workers and consumers working in enclosed spaces, according to CDPH's Occupational Health Branch, which has investigated two worker deaths from overexposure to MeCl in the state since 2010. A 62-year-old paint maker died while cleaning a paint tank in 2011; a second worker was nearly killed attempting to rescue him. In 2010, a maintenance worker, age 24, died while paint-stripping a church baptismal font using a product that contained methylene chloride.

An investigation concluded the two men who died were overcome by vapors while working in confined spaces.

If workers must use toxic chemicals, such as methylene chloride, employers must provide training in confined space entry and following OSHA regulations during an entry. That includes property ventilation, supplied air respiratory protection, air monitoring, communications, and means of rescue and retrieval.

For information about confined space safety, go to: [www.dir.ca.gov/dosh/dosh\\_publications/confspa.pdf](http://www.dir.ca.gov/dosh/dosh_publications/confspa.pdf).



## Call 811 Before You Begin Excavation Projects

There are several reasons to make sure you call 811 before you begin an excavation project—safety risks and potential fines are at the top of the list, not to mention the possibility of losing your contractor license.

A recent example of how dangerous an unauthorized dig can be came March 15 in north-east Fresno. A company digging in one of the city's busiest thoroughfares struck a natural gas pipeline owned by Pacific Gas and Electric Company, causing a leak that forced a major intersection and nearby businesses to be shut down. The company had not obtained the needed identification number before digging at the site, an official said, and now faces fines and repair costs that could reach more than \$300,000.

Anytime you plan to disturb a ground surface—whether by digging, drilling, boring, etc.—you must call 811 and coordinate with either the Northern or Southern California regional notification center at least two working days (but not more than 14 calendar days) before beginning your project.

The center will issue an inquiry identification number to you as confirmation of the call, and an Underground Service Alert (USA) excavation ticket number, which is only valid for 28 days. Every contractor excavating at a job site must have his or her own USA identification (ticket) number for the excavation work he or she is performing. An excavation permit is not valid without the identification number.

The regional notification center call is free when you dial 8-1-1. If you fail to register, your excavation will be considered unauthorized digging and you may be subject to a fine up to \$50,000, held responsible for any repair costs, and potentially lose your contractor license (**Government Code section 4216-4216.9**).

The regional notification center websites provide information about permit exemptions and other state laws and requirements. Both Northern and Southern California centers also offer an online procedure to start the approval process for excavations at a single site only.

Unauthorized digging can damage telephone cables and disrupt service, or cut a fiber optic cable carrying millions of calls and resulting in costly repairs. The biggest safety hazard is the possibility of an explosion from hitting a gas line or electrocution from an electric line.

*Continued on next page*



CONTRACTORS STATE LICENSE BOARD  
**CALIFORNIA LICENSED CONTRACTOR**

Spring 2013 | Stephen P. Sands, Registrar | Edmund G. Brown Jr., Governor

The Northern California regional notification center ([www.usanorth.org](http://www.usanorth.org)) serves the entire state of Nevada and the following California counties, Monday through Friday, 6 a.m. to 7 p.m., excluding holidays:

Alameda	Marin	Santa Clara
Alpine	Mariposa	Santa Cruz
Amador	Mendocino	Shasta
Butte	Merced	Sierra
Calaveras	Modoc	Siskiyou
Colusa	Mono	Solano
Contra Costa	Monterey	Stanislaus
Del Norte	Napa	Sonoma
El Dorado	Nevada	Sutter
Fresno	Placer	Tehama
Glenn	Plumas	Trinity
Humboldt	Sacramento	Tulare
Kern	San Benito	Tuolumne
Kings	San Francisco	Yolo
Lake	San Joaquin	Yuba
Lassen	San Luis Obispo	
Madera	San Mateo	

The Southern California Underground Service Alert ([www.digalert.org](http://www.digalert.org)) center serves the following counties Monday through Friday, 6 a.m. to 7 p.m., excluding holidays:

Imperial	Orange	San Diego
Inyo	Riverside	Santa Barbara
Los Angeles	San Bernardino	Ventura



## Assessments for Lumber, Paint Sales Help Environmental Programs

As reported in the previous CLC newsletter, fees are now being collected from contractors and the public who buy paint or lumber/engineered wood products, the result of legislation to fund programs that contribute to the safety of California residents.

Retailers and construction contractors who sell lumber and engineered wood products on a retail level began charging a 1 percent tax on all purchases on January 1, 2013, as a result of **Assembly Bill 1492**. The new law requires the **Board of Equalization** to collect the assessment for various agencies, including the **Department of Forestry and Fire Protection (CalFire)** for fire suppression and timber restoration programs.

The assessment for the lumber products must be broken out separately on a bill or receipt, according to the law. The fee applies to a wide array of lumber products, including posts, fencing, particle board, veneer, roofing shakes and wood shingles, and fiberboard. Wood products that are not manufactured, assembled, processed or produced from primary wood products are not subject to the assessment. That includes furniture, paneling, cabinets, mill-work, firewood or paper products.

The **California Paint Stewardship Program** was created by **AB 1343** in 2010 to deal with the millions of gallons of paint left over each year in the state. It's a free disposal program intended for both painting contractors and the public, and provides drop-off sites around the state to prevent used paint from collecting in residential garages or warehouses, or being disposed of illegally.

Before the new law was passed, the only way for residents to properly throw away their left-over paint was through local, taxpayer-funded household hazardous waste programs, according to program organizers. Although relatively few used this service, paint represented almost one-third of the material collected through local household waste programs and cost local government millions of dollars to manage.

Since October 2012, those buying paint in the state have paid an assessment to fund the Paint Stewardship Program, which is overseen by CalRecycle. Thirty-five cents is added to the purchase of can of paint from a half-pint in size to less than one gallon. Those buying a gallon pay an extra 75 cents, and the fee is \$1.60 for purchase of one to five gallons.

*Continued on next page*



### *Assessments for Lumber, Paint Sales Help Environmental Programs*

The tax funds a nonprofit group, **PaintCare**, established by a leading industry group that establishes drop-off locations statewide. More than 350 drop-off sites had been established as of last November; most of them are retail paint stores that accept at least five gallons—some can take up to 20 gallons of unused paint. Local drop-off sites, which are listed on the website, should be contacted about their limits before bringing paint.

The sites will collect latex, enamel, or oil-based paints, primers, sealers, deck coatings, shellacs, varnishes or urethanes, and waterproofing concrete, masonry or wood sealers. Not accepted are paint thinners, aerosol paints in spray cans, auto and marine paints, paint additives or caulks, and industrial coatings. See the program's trade painter website, [www.paintcare.org/docs/ca\\_tradepainters\\_factsheet.pdf](http://www.paintcare.org/docs/ca_tradepainters_factsheet.pdf), for the full list.

For businesses with large quantities of post-consumer paint, a direct pick-up service was scheduled to start in 2013. Minimum volumes were to be required; arrangements are to be made through PaintCare.

Fees for the paint disposal program are not required to be listed separately on a customer's receipt, but PaintCare officials are encouraging retailers to do so as an aid in consumer education and for transparency.



## Use Only Water-based Flux When Soldering Copper Pipe

To reduce the amount of copper pollution that enters our waterways and wastewater, the **Bay Area Pollution Prevention Group** and **Copper Development Association (CDA)** are reminding plumbers and related trades people who work within the Uniform Plumbing Code (UPC) guidelines to use ASTM B813 flux (a water-flushable flux) when installing potable water lines. (ASTM, or ASTM International, represents the American Society for Testing and Materials, and is a globally recognized leader in the development and delivery of international voluntary consensus standards.)

Studies have found that petrolatum-based, non-ASTM fluxes can increase pipe corrosion long after the joint has been soldered. Not only can this cause pipe failure, but it also can increase the copper concentration in drinking water above the national water quality standards, which may cause gastrointestinal upset and affect taste and odor.

CDA completed a comparison of the six top-selling B813 fluxes against three top-selling non-B813 fluxes in the U.S. market. The results showed that solder joints made with three of the B813 fluxes were indistinguishable compared to the non-B813 fluxes, and were of better quality. If the flux is B813-compliant, the compliance statement is typically prominent on the front of the label. If it is not B813-compliant, there is simply no statement about the ASTM standard on the label.

B813 fluxes are affected by water and moisture as well as heat; therefore, it is recommended that flux containers remain closed when not in use so rainwater, water on the job site, or water absorbed from humidity does not dilute the flux and reduce its effectiveness. Also, joints that are cleaned and fluxed one day should be soldered that same day. Proper soldering techniques are outlined in ASTM B828 **"Standard Practice for Making Capillary Joints by Soldering of Copper and Copper Alloy Tube and Fittings"** and are designed to help provide consistent, high-quality, leak-free joints. Installation practices includes thoroughly flushing newly soldered pipe and sink parts at a robust velocity for at least 30 minutes.

More information is available through BAPPG or the Internet links above.