



CALIFORNIA • LICENSED • CONTRACTOR

STEPHEN P. SANDS, REGISTRAR

SUMMER 2005

ARNOLD SCHWARZENEGGER, GOVERNOR

Contractors Board Teams up with Other Agencies to Target Underground Economy



Chairman's Column

By Larry Booth,
Outgoing Board Chair

This past year has been an interesting and challenging one for the Contractors State License Board (CSLB). Some highlights include:

- Reducing the time it takes to process our record number of exam applications. After averaging nearly 20 weeks to process an application two years ago, in 2004-05, that average dropped to less than five weeks;
- Increasing the number of calls answered in our Licensing Information Center nearly 30 percent and decreasing the wait time for those who get through to the center by one-third;
- Reducing the number of complaints more than one year old to 92 in May 2005;
- Implementing a new fingerprinting law that required license applicants be fingerprinted and screened for criminal convictions; and
- Awarding the first grant checks from the Construction Management Education Sponsorship Act. This terrific program allows all of us in the construction industry to help prepare tomorrow's industry leaders. (See story at right.)

Through other articles in this newsletter you'll see how the Board's enforcement program is expanding its efforts in battling unlicensed activity and the underground economy.

Plans for the future include expanding test sites to shorten wait times to take licensing exams; providing new tools on our Web site; and expanding our communications and education efforts.

I'd like to thank the Board and especially the staff for a very productive year serving the construction community. The staff has been able to maintain high service levels and in many areas increase service despite a growing workload and shrinking resources. It has been an honor to serve as Chair in the last year and witness the continuing accomplishments of a very dedicated group.

Editor's Note: On June 30, 2005, Larry Booth completed his term as Board Chair. Mr. Booth served as chair previously during 2002-03. His term runs through June 1, 2007.

It's estimated that California loses between \$60 and \$140 billion a year in revenue due to its ever-growing underground economy.

In fact, the Economic Round Table, a nonprofit research organization in the Los Angeles area has determined that as many as 28 percent of Los Angeles County businesses operate underground. Some of those companies violate the law because of ignorance, while others consciously undercut their legitimate competition by avoiding certain overhead expenses like payroll taxes and workers' compensation insurance. Many do not even get necessary business licenses.

"Many law-abiding contractors are being put out of business because they can't compete with the illegal ones," said CSLB Registrar Steve Sands. "Without enforcement of the laws, the only winners are those breaking them."

No single agency has the resources or information to tackle this enforcement challenge alone. "That's why local, state and federal agencies with overlapping jurisdiction in labor law have joined forces to make a concerted, consistent and effective dent in California's underground economy," said CSLB Enforcement Chief David Fogt.

To fully tackle the issue statewide, CSLB and its Statewide Investigative Fraud Team (SWIFT) participate in several multi-agency enforcement efforts.

Triple E Coalition

The Economic and Employment Enforcement Coalition (Triple E Coalition) is a joint effort of the CSLB, Department of Industrial Relations (DIR) and Employment Development Department (EDD). The Coalition is coordinating its efforts to go after those people and companies that are breaking the law.

"Many law-abiding contractors are being put out of business because they can't compete with the illegal ones."

Steve Sands, CSLB Registrar

In June, the Coalition conducted a conference to cross-train staff and develop closer working relationships. To improve the effort, 65 new positions have been proposed for the Triple E Coalition-related tasks—11 of those are designated for the CSLB. Hiring and recruitment efforts are already under way.

EDD Partnership

In April, CSLB established a Memorandum of Understanding with EDD identifying information and statistics to be shared between the two agencies, as well as joint partnering efforts, resource allocation and multi-agency task force sweeps.

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CSLB Begins Awarding Construction Management Grants

Industry urged to donate to fund that helps educate tomorrow's leaders

For the first time since its creation in 1991, the CSLB has begun presenting grant awards to help educate tomorrow's construction industry leaders. The \$228,000 in grants to be awarded this year couldn't come too soon as California universities rush to meet the increasing demand for new managers.

Construction Management graduates are trained in everything from bid preparation to overseeing subcontractors, cost-control and federal labor laws. They can be responsible for guiding a building project from conception to completion.

The grants come from the Construction Management Education Sponsorship Act of 1991 (CMESA). The CMESA was created to help meet the demand for highly educated



CSLB Chair Larry Booth, right, presents a grant check to Tom Heustis, Chair of Chico State's Department of Construction Management.

and trained construction managers. All of the money in the education fund comes directly from contractors.

"We applaud the people in the industry who recognize the importance of investing

Continued on page 4

BOARD BRIEFS

Board Members Elect New Officers

The Board members elected new officers at their meeting in Sacramento on June 29. Larry Booth stepped down from his second yearlong term as Board Chair, while Bert Sandman and John Hall also ended their respective terms as Vice Chair and Secretary and took on new roles. The new officers will maintain their posts for one year.



Bert Sandman

Bert Sandman will serve as CSLB's Chair for the next year. He was appointed to the Board by Governor Gray Davis in May 2000 and reappointed in 2002 as an "A" contractor. His current term continues until June 2006. Mr. Sandman worked for A. Teichert and Son for more than 30 years before accepting the role of President and Chief Operating Officer of ARB Incorporated in Lake Forrest, California. He is also the National Director of Associated General Contractors of America, a member of the California AGC and is a past Chairman of Transportation California, the state's infrastructure advocacy group.



John Hall

The Board's new Vice Chair, John Hall, was first appointed to CSLB as a public member in November 2000 by former Assembly Speaker Robert Hertzberg. He was reappointed to the Board in May 2004 and will remain on the Board until June 2008. Mr. Hall is the Business Manager for the Plumbers Local Union Number 78—a post he's had for approximately 11 years. Prior to his current position, he served as the local officer for 15 years. He's also been an active member of the Joint Apprenticeship and the Joint Labor Management and Training Committees for 20 years.

Matthew Kelly accepted the position of Board Secretary. He joined CSLB in 2003 as a public member appointed by the Senate Rules Committee. He is Executive Secretary Treasurer of the Sacramento-Sierras Building and Construction Trades Council. His construction industry career started 18 years ago as an apprentice carpenter. Mr. Kelly has since worked on a variety of commercial and residential projects and has been in construction management for a large general contractor.



Matthew Kelly

Gene Hale's Term as Board Member Ends

Gene Hale's term as a member of the Contractors State License Board ended in June after three years of dedicated service. Mr. Hale had been a Board member since March 2002 when former Governor Gray Davis appointed him as a contractor member. Mr. Hale brought unique qualifications and insight to the service he provided contractors and the public through his work for the Board.



Gene Hale

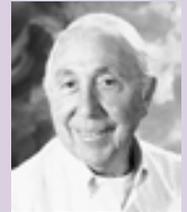
A firm believer in community involvement, Mr. Hale has worked with several public service groups, some of which include the Department of Transportation's Small Businesses Resource Board, the Los Angeles Sports and Entertainment Commission and the Children's Hospital of Los Angeles.

Mr. Hale has also been devoted to encouraging minority business development and entrepreneurship through his work for the Black Business Association of Los Angeles and the Minority Business Associations.

He is the president of Gence Construction Company and the president and founder of G&C Equipment Corporation.

CSLB Thanks Joe Tavaglione for Eight Years of Service

After eight years of dedicated service to the CSLB, contractors and the public, Board Member Joe Tavaglione's term has come to an end. Mr. Tavaglione was first appointed in September 1997 by former Governor Pete Wilson as a contractor member. He was reappointed in 2001 by former Governor Gray Davis.



Joe Tavaglione

Joe Tavaglione has been in the construction business since 1947 when he began work with the Hansen-Gully Lumber Company in Riverside, after serving his country in the United States Air Force as a flight engineer from December 1943 to April 1946. In 1960 Mr. Tavaglione and his brother founded Tavaglione Construction Development Incorporated, a family operation that has since grown to include Mr. Tavaglione's two sons and two nephews. The company holds contracting licenses in eight states and works on commercial projects.

Mr. Tavaglione's distinguished career isn't limited to the construction field however. In 2004, the Riverside Metro Chamber of Commerce named him Citizen of the Year, and he is the current Chair of the California Transportation Commission. In 2002 he was the President of the National Association of State Contractors' Licensing Agencies and in 1999 and 2000, Chair of the Contractors State License Board.

Anthony Elmo's Service to Board Hailed as Second Term Expires

Anthony J. Elmo's five years of dedicated service to CSLB came to an end in June when his term expired.



Anthony Elmo

Mr. Elmo, of Riverside, was first appointed to the Board by former Governor Davis in May 2000, as an active local building official representative.

Mr. Elmo is the Director of Building and Safety for the City of Temecula,

a position he has held since 1990. He has served as a building official/building inspector for various cities since 1977.

A certified building official, Mr. Elmo is also a member and past President of the California Building Officials. He is also a member of the International Code Council and the International Conference of Building Officials.



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- Charlene Zettel—Director, Department of Consumer Affairs
- Stephen P. Sands—Registrar of Contractors

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Test Center Expansion to Speed Licensing Process

It's probably no surprise for you to hear that California's construction industry is booming! Not only is the number of licensed contractors the CSLB regulates at an all-time high, but there has also been a huge jump in the number of exam applications we've received since the first of the year. That has resulted in a temporary increase in the time you'll wait to take a licensing exam. Although we believe the surge is temporary, the CSLB is working hard to decrease these wait times.

What We're Doing

- We've increased the number of exam sessions at our busiest test center (San Bernardino) from three to four per day;
- We're expanding two existing test sites and have opened a temporary test site in Norwalk. Our San Jose test center will be almost quadrupled by early 2006.

And plans are in the works to double the capacity of our San Bernardino test site.

- We've requested funding for a new permanent test center in Orange County, which, if approved, will open in late 2007.

What You Can Do

- Consider taking your exam at test centers with the shortest wait times, as opposed to the one closest to you.
- Consider dropping in at any test center after being notified that you qualify for an exam. We find that about 15 percent of applicants miss their scheduled exam times. We can't guarantee drop-ins an open seat but there's a good chance that if you show up, there will be a spot for you.

Once all test center plans are in place, we expect the wait times for exams to be at or very near CSLB's statewide goal of three weeks.

Training & Resource Roundup

CSLB Investigators Benefit from Industry Training

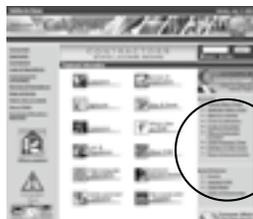
In April, CSLB investigators throughout the state took advantage of a daylong training event on swimming pool and spa construction standards and terminology. The training was the first in what will become a series of such events designed to prepare enforcement staff for complaint investigations. The classes were held at CSLB's northern and southern California offices in cooperation with the National Spa and Pool Institute and conducted by Bruce Dunn, President of Mission Pools.

The CSLB plans to offer its investigators the same type of training about every six months. Each event will cover a different construction-related topic and will be taught by industry professionals. The next two are planned to cover roofing and concrete.

Home Improvement Certification No Longer Required

The CSLB's Home Improvement Certification (HIC) Program and its requirements ended on January 1, 2004 pursuant to the legislation that created it. Therefore, CSLB no longer offers the certification, and contractors do not need it to enter into home improvement contracts. The now defunct program is no longer necessary because the content of the HIC exam has been incorporated into the law portion of the Contractors License Exam.

The License Status Check screen on the Board's Web site has been updated to explain the conclusion of the program and it specifically explains that HIC may or may not appear on the Contractor's pocket license, but is not required.



Did You Know?

As part of its daily workload, CSLB staff processes thousands of documents ranging from exam applications and renewals to

certificates and license changes. How long will it take to process your paperwork?

You can see the current processing times for each licensing function by logging on to www.cslb.ca.gov and clicking on "CSLB Processing Times" on the right hand side of the home page.

NASCLA Directory Now Available

The National Association of State Contractors Licensing Agencies' 2005 directory identifies more than 170 state agencies that regulate the construction industry. The directory summarizes the pre-qualification, licensing, examination, and bonding requirements and also includes information regarding reciprocity, license classifications, incorporating, and fees. To order your copy, visit www.nascla.org, call (480) 948-6883, fax (480) 948-4117 or email nascla@aol.com.

CSLB's Strategic Plan is Online

The CSLB's Strategic Plan for 2005 is now available online. Among other things, the document details the Board's program priorities, mission, vision, values, goals, and action plans. Visit www.cslb.ca.gov and click on "Services & Publications," then "Reports."



CSLB Phone & Fax Updates

Norwalk's New Numbers

Some of the Board's Norwalk office phone numbers have recently changed. Believe it or not, the change was necessary because the Board's old phone system needed repair and no replacement parts were available. A new phone system has just been installed.

CSLB expects changes to the Statewide Investigative Fraud Team (SWIFT) and complaint disclosures phone numbers to affect the most callers.

NEW! PLEASE NOTE:

Complaint Disclosure.... (562) 345-7656

SWIFT Hot Leads..... (562) 345-7600

Anyone dialing the old phone numbers through next January will get a recording that refers them to the new number.

UNCHANGED:

SWIFT Fax (562) 366-6074

CSLB's Automated Phone System... (800) 321-CSLB (2752)

Workers' Comp Certs No Longer Accepted by Fax

The Workers' Compensation Unit will no longer accept Workers' Compensation certificates via fax, due to the large volume of duplicate and/or illegible certificates received. Certificates should be mailed to:

CSLB Workers' Comp Unit
P.O. Box 26000
Sacramento, CA 95826

Certificates will be processed in the order they are received. If you have any questions, call (800) 321-CSLB (2752) or (916) 255-3900.

New Fax Number for Licensing Information

The CSLB's Licensing Division has a new fax number: (916) 255-4535. Applicable licensing documents and general inquiries for licensing information should now be faxed to (916) 255-4535 instead of the previously-used (916) 366-9130.



LEGISLATION

Legislature Delays Home Improvement Contract Law Changes

SB-30 implementation postponed until January 1, 2006

Major revisions to the laws regarding home improvement contracts enacted last year under Senate Bill 30 have been postponed until January 1, 2006. The delay is the result of SB 1113.

SB 30 was intended to establish a separate contract and dollar threshold for the Service and Repair industry, and to make home improvement contracts easier to draft and understand. Despite making good progress, some refinements are still needed before SB 30 can be implemented. Therefore, CSLB will make no changes to the enforcement of the home improvement laws under its jurisdiction during 2005, pending the outcome of the legislative action.

All contracts written for home improvements during 2005, including those regarding service and repair, must comply with the existing home improvement contract laws that fall under Article 10 of the Business and Professions Code, beginning with section 7150.

Check the Board's Web site (www.cslb.ca.gov) for updates.

CSLB Revokes License of Statewide Repair Company

As the result of a complex investigation, CSLB has taken action against a company that performed thousands of electrical, plumbing and general repair calls each year in California. Cal Repair Services Inc., based in Glendale, at times did business under the name "Pick Red."

The Final Order from the Registrar of Contractors to revoke the license (#797241) for five years follows a ruling by Administrative Law Judge Eric Sawyer. In that ruling, the judge determined that Cal Repair Services and CEO/President Zohrab Mkhitarian:

- Forged signatures on two different license application forms;
- Omitted or misrepresented material facts on three license applications forms;
- Failed to get necessary permits and inspections for work;
- Failed to identify and correct problems for a price stated on their contract;
- Departed from trade standards and billed customers for unnecessary repairs;

- Failed to complete projects and failed to repair damage caused by their work;
- Failed to provide a written description of work done prior to signing contract; and
- Failed to provide information to owner on Mechanic's Lien Law.

Under the order, Cal Repair Services and the license of Mkhitarian and Responsible Managing Employee Jessie Kangho Young were revoked. In addition, Cal Repair Services and Mkhitarian were also ordered to pay \$46,446 to the CSLB for the cost of its investigation and prosecution. Of that amount, Young was ordered to pay \$4,004.

"This was a very complex case that included a six-week-long administrative hearing where Cal Repair Services had the opportunity to defend their actions," said David Fogt, CSLB's Chief of Enforcement. "We're pleased that Judge Sawyer agreed with the state's position that Cal Repair Services should lose its contracting license."

Unlicensed Contractor Arrested and Charged with Extortion

The CSLB's Statewide Investigative Fraud Team (SWIFT) played an important role in the June 20 arrest of an unlicensed contractor suspected of illegally filing liens against homeowners in the Visalia area. Wayne Tyson Girard, who operated under the name "Household Handyman," was arrested by the Tulare County District Attorney's Office. Charged with a number of crimes, including extortion, filing a false document, possession of a loaded handgun and contracting without a license, he is in Tulare County Jail on \$500,000 bail.

The case began after complaints by local residents claiming Girard was filing

mechanics' liens against their property after they refused to pay him service call fees.

CSLB's SWIFT was called in to assist in the investigation, which led to the serving of a search warrant on Girard's house in Exeter. Inside investigators seized two computers and numerous contracts and other business records. Investigators also found a loaded and stolen 9mm handgun—Girard is a convicted felon and not allowed to have a gun. Outside, investigators seized Girard's pickup truck, along with a 44-foot enclosed trailer filled with supplies that investigators referred to as a "rolling hardware store."

CSLB Begins Awarding Construction Management Grants

Continued from page 1

in their future," said CSLB Registrar Steve Sands. "With the construction industry booming, there's a real need for new managers." The Bureau of Labor Statistics expects the demand to be there at least through 2012.

When the fund first started in 1991 contributions were limited to \$25. In 2003, that limit was removed. Now, anyone can contribute any amount they choose.

To date, two award checks have been presented. The first, for \$67,000, was given to the Department of Construction Management at California State University, Chico. The second, for \$22,000, was presented to the Construction Management Program at California State University, Sacramento. The university's number of Construction Management graduates determines the award

amount. The grants come at an important time for the universities. The construction industry is booming and there's a real need for new construction managers. It's estimated that the industry will be looking to hire triple the number of construction management graduates than are currently enrolled.

Other award checks will soon be presented in the following amounts:

- California Polytechnic State University San Luis Obispo, \$48,000
- California State University Fresno, \$40,000
- California State University Long Beach, \$31,000
- California State Polytechnic University Pomona, \$20,000

Now that the first grants have been given, CSLB is focusing attention on making sure the money doesn't run out. "We've only got

enough money to give education grants this year and next," said Mike Brown, CSLB's Education Grant Program

Coordinator. "To continue after that, we need the industry to increase its commitment to making donations." Making donations has never been easier. Just go to the CSLB Web site (www.cslb.ca.gov) and click on the CMESA logo. You can fill out a form online, print it out, and mail it along with your donation check.

The CSLB is also encouraging industry associations and groups to donate to the fund. "We hope that more people will contribute to this fund as a way of insuring that tomorrow's construction managers are well prepared and of the highest quality," said CSLB Chair Larry Booth.



CSLB & California Energy Commission Partner to Provide Code Information to Contractors

New Energy Code requirements will become effective October 1, 2005

The Contractors State License Board and the California Energy Commission have teamed up to help contractors comply with the California Energy Code (also referred to as the Building Energy Efficiency Standards, Title 24, Part 6) as required and to provide information on new Code requirements that will become effective on October 1, 2005.

The new requirements will apply when space-conditioning equipment is replaced in existing low-rise residential and some commercial buildings, and will ensure that new systems are not connected to existing, leaky ductwork that allows heated or cooled air to wastefully escape before reaching its intended destinations. These requirements take advantage of the opportunity for contractors to seal the duct system when space conditioning equipment is replaced and include mandatory third-party quality control inspections to assure the work is done correctly.

The requirements apply to inland climate zones where there is substantial air conditioning or heating (zones 2, 9, 10, 11, 12, 13, 14, 15 and 16 as defined by the Commission) but do not apply to mild climate coastal regions.

Ductwork verification will be done independently of the system installation before the building department approves the work. The contractor will install the equipment, measure duct leakage, contract with a certified Home Energy Rating System (HERS) rater to conduct the verification, and inform the rater when the job is complete. The installing

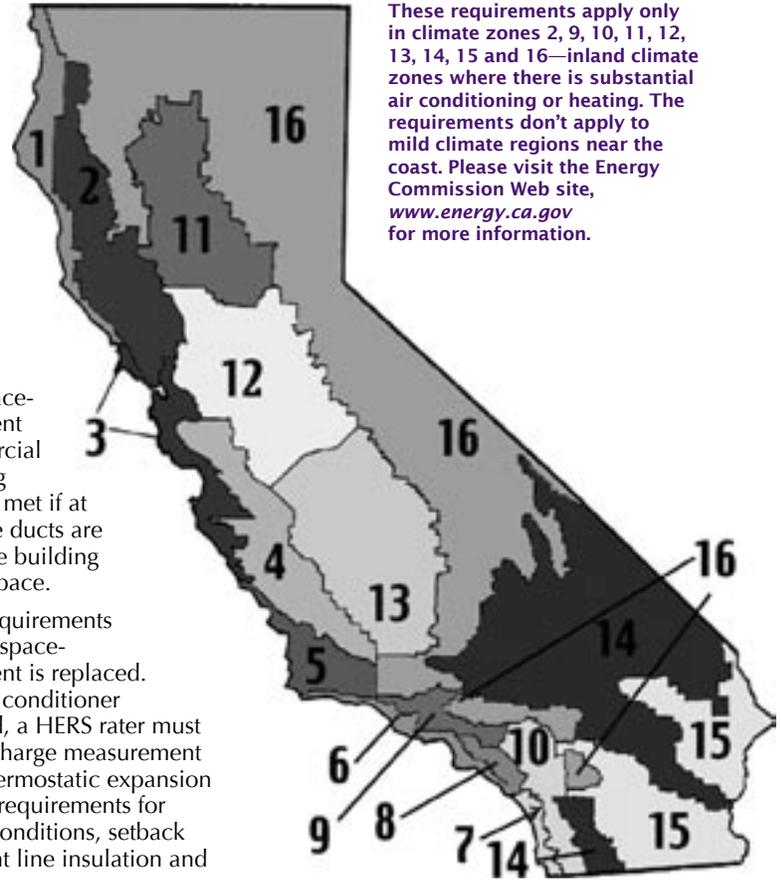
contractor must also determine that every system meets one of the four criteria established in the Standards. The rater, who must be independent of the installing contractor to avoid a conflict-of-interest, will then verify that the ducts have been properly sealed.

When single zone space-conditioning equipment is replaced in commercial buildings, duct sealing requirements must be met if at least 25 percent of the ducts are installed outside of the building or in unconditioned space.

Other Energy Code requirements may also apply when space-conditioning equipment is replaced. When split system air conditioner equipment is replaced, a HERS rater must verify the refrigerant charge measurement (or installation of a thermostatic expansion valve). There are also requirements for design methods and conditions, setback thermostats, refrigerant line insulation and duct insulation.

For more information, see the 2005 Residential Energy Standards Compliance Manual, available online at www.energy.ca.gov/title24/2005standards/index.html.

Training opportunities will be announced



These requirements apply only in climate zones 2, 9, 10, 11, 12, 13, 14, 15 and 16—inland climate zones where there is substantial air conditioning or heating. The requirements don't apply to mild climate regions near the coast. Please visit the Energy Commission Web site, www.energy.ca.gov for more information.

in the Energy Commission's quarterly newsletter, *the Blueprint*. To request the publication, or for other questions, call their hotline at either (916) 654-5106 or (800) 772-3300.

Effective Tailgate Trainings Don't Just Happen by Accident

Cal/OSHA requires tailgate trainings be conducted every 10 working days

Contractors who conduct effective tailgate trainings every 10 days as required by Cal/OSHA know it can be a powerful tool for jobsite safety. But others often do not conduct the training regularly because of concerns over effectiveness, language barriers with employees, lack of training materials, or because of busy schedules.

If this describes your situation, the Department of Health Services' Occupational Health Branch (OHB) has free materials that can help. Developed as part of the BuildSafe California project, they are available by visiting the Department's Web site at www.dhs.ca.gov/ohb/buildsafe.

Under the BuildSafe California project, OHB, the State Compensation Insurance Fund and Cal/OSHA joined forces to conduct 24 half-day training sessions

throughout the state called "Conducting Effective Tailgate Trainings."

From Eureka to San Diego, more than 1400 contractors, foremen, safety coordinators and union representatives learned to become more effective tailgate trainers by focusing on four key questions when preparing for and/or assessing their tailgate trainings.

The key training approaches include:

- Make training relevant by talking about hazards the crew is facing, or will face, on that job;
- Get the crew to participate with questions, ideas, observations, stories and solutions;
- Whenever possible, have crew members show and demonstrate tools, equipment, or procedures; and

- Follow up on good ideas that come from the training. Focus on concrete changes in the way the job is set up or run.

OHB found that as a result, seminar participants bought into the value of the program and their subsequent tailgate trainings resulted in greater safety awareness among their employees.

If you missed the seminars but would like to improve the quality, effectiveness and regularity of your tailgate trainings, OHB has free materials to help you. To get *Conducting Effective Tailgate Training Safety Break* cards in English and Spanish, and a list of construction health and safety resources, visit www.dhs.ca.gov/ohb/buildsafe.

Disciplinary Actions

January-April 2005

Business & Professions Code Sections

The following B&P Codes may be referenced in the list of revocations:

490	Relationship of conviction of a crime to licensed activity
7018.5	Failing to provide notice to owner regarding lien provisions
7026.7	Advertising as a contractor without a license
7028	Acting in the capacity of a contractor without license
7029	Contracting as a joint venture without the required license
7029.5	Failing, as a plumbing, electrical sign or well drilling contractor, to display identification on business vehicles
7030	Failing to include in a contract the notice that contractors are licensed by the Contractors State License Board
7030.5	Failing to fulfill the requirement that the contractor's license number be placed on all contracts, subcontracts, calls for bid, and other forms of advertising
7071.11	Judgment or admitted claim against bond
7083	Failing to report a change of address, namestyle, or personnel within 90 days
7085.6	Failing to comply with an arbitration award
7090.1	Failing to comply with civil penalty or "order to correct" in Registrar's citation
7097	Suspension of additional licenses
7098	Revocation of additional licenses
7099.6	Non-compliance with a final citation
7107	Abandonment of a project without legal excuse
7108	Diverted funds or property received for a specific job to other purposes
7109	Willful disregard of plans and specifications, or failing to complete the job in a good and workmanlike manner
7109.5	Violation of Safety Laws resulting in death or serious injury
7110	Willful disregard and violation of building laws
7110.1	Violating Section 206.5 of the Labor Code
7111	Failing to keep records and to make them available to a representative of the Registrar
7111.1	Refusing to or failing to cooperate with deputy in investigation
7112	Misrepresentation of a material fact on an application
7113	Failing to complete a project for the price stated in the contract
7113.5	Avoiding or settling for less than lawful obligations as a contractor through the various bankruptcy proceedings
7114	Aiding and abetting an unlicensed person
7115	Failing to comply with the Contractors' Law
7116	Committing a willful or fraudulent act as a contractor
7117	Acting as a contractor out of namestyle
7117.5	Contracting with inactive license
7118	Contracting with unlicensed person
7119	Failing to prosecute a job with diligence
7120	Failing to pay for materials or services
7121	Prohibition against associating with suspended or revoked license
7122	Participation of license in violating Contractors Law
7122.5	Responsibility of Qualifying Person for acts committed by his/her principal
7123	Conviction of a Felony in connection with construction activities
7124	A plea of nolo contendere is considered a conviction
7154	Employment of unregistered home improvement salesman
7155	Participation in violation by a home improvement salesman
7157	Model Home kickback prohibition
7159	Failing to comply with contract requirements
7161(b)	False advertising

License Revocations

NAME	CITY	LICENSE NO.	DATE	SECTIONS VIOLATED
A - 10 ROOFING CO	SACRAMENTO	754651	04/19/2005	7090.1
A L ENTERPRISES	LAKEWOOD	733046	02/17/2005	7109(A,B), 7110, 7113, 7114, 7115, 7159, 7097, 7098, 7121(5)
A NEW LEAF LANDSCAPING	PITTSBURG	787593	01/12/2005	7030(A,B), 7109.A, 7110, 7113, 7159(D,E), 7115, 7121.5, 7097, 7098
AAP GENERAL CONTRACTOR	ENCINO	791136	04/05/2005	7085.6
ABBOTT PLASTERING	MODESTO	732043	04/19/2005	7090.1
ADVANCED LANDSCAPE & MAINTENANCE SVC	PLACENTIA	320286	01/21/2005	7107, 7109.A, 7113, 7117.6
ADVANCED METAL ROOFING INC	VENTURA	787582	02/07/2005	7107, 7113, 7164, 7115
ALFA PLUMBING	CONCORD	434391	04/19/2005	7090.1
ALL AIR MECHANICAL COMPANY INC	SO SAN FRANCISCO	692876	01/12/2005	7123, 7097, 7098, 7121(5)
ALL AMERICAN HOME REMODELING	ROSEVILLE	711777	01/11/2005	7090.1
ALPHA REMODELING	VAN NUYS	701496	04/05/2005	7090.1
ALPHA REMODELING INC	SHERMAN OAKS	779845	04/05/2005	7090.1
AMERICAN REMODELING	PITTSBURG	716989	02/23/2005	7107, 7108, 7116, 7117(A,6), 7018.5, 7110, 7030
ARAM CONSTRUCTION	CHULA VISTA	582881	02/23/2005	7107, 7030(A,B), 7111.1, 7113, 7115, 7159(E,K), 7154, 7110
ARROW MARBLE	SUN VALLEY	732187	02/08/2005	7090.1
ATA CONCRETE	OAKLAND	772525	04/19/2005	7090.1
AURELIO J L HVAC SERVICES	GLENORA	700215	02/17/2005	7085.6
BARNETT & COMPANY INC	ST HELENA	674585	04/19/2005	7090.1
BELL CONSTRUCTION	RESEDA	799497	02/21/2005	7114, 7097, 7098, 7121(5)
BELL'S QUALITY HARDWOOD FLOORING	COOL	659772	04/19/2005	7090.1
BINECKI CHET C III GENERAL CONTRACTOR	SAN DIEGO	787053	02/10/2005	7090.1
BRAD CLIFF COATING INC				
DBA: BRAD - CLIFF CONSTRUCTION	ENCINO	449496	02/24/2005	7030, 7109.A, 7113, 7068.1, 7117.B, 7154, 7115, 7159.D, 7116
BUILD 4 LESS	RESEDA	785334	02/21/2005	7097, 7098, 7121(5)
BURBANK CONSTRUCTION	SHERMAN OAKS	379130	02/22/2005	7090.1
C & C INDUSTRIES INC	HAYWARD	490347	01/12/2005	7107, 7108, 7113, 7115, 7116, 7159(D,E)
C A CONSTRUCTION CO	LOS ANGELES	603823	02/02/2005	7085.6
C C C A	WESTMINSTER	779344	03/17/2005	7107, 7109.A, 7110(A), 7113, 7117.A, 7159
C Q B LANDSCAPE	SUN CITY	513649	01/19/2005	7090.1
CAPITAL REMODELING INC	NORTH HOLLYWOOD	779162	04/05/2005	7090.1
CHERRYTREE CONSTRUCTION	HANFORD	773340	01/05/2005	7107, 7117.5, 7113, 7116, 7030, 7159(A,B,C,D,F,G,J,K,L)
CLONTS ROOFING	FOUNTAIN VALLEY	728774	04/05/2005	7090.1
COOK JONATHAN CONSTRUCTION	LAGUNA BEACH	648975	02/02/2005	7085.6
CREACH CONSTRUCTION	NAPA	541646	04/19/2005	7090.1
CREASON HEATING AND AIR CONDITIONING	ST HELENA	762136	04/19/2005	7090.1
D & N DEVELOPMENT	SHERMAN OAKS	649853	04/26/2005	7090.1
DAY DOUGLAS PAINTING	VENTURA	517525	03/24/2005	7090.1
DE COSTER REMODELING	ROLLING HILLS ESTATES	708217	01/20/2005	7090.1
DIFIORE'S DEVELOPMENT & CONSTRUCTION	REDONDO BEACH	627306	04/28/2005	7090.1
DOWER LAND	GRANITE BAY	791371	02/23/2005	7030, 7083, 7107, 7109(A,B), 7113, 7159(B,D,F,G,J,K,L), 7117.6, 7110
EMERALD POOLS & SPAS	QUARTZ HILL	761359	02/09/2005	7090.1
EMERALD POOLS & SPAS	QUARTZ HILL	761359	02/18/2005	7107, 7113, 7159.E
EMERALD POOLS AND SPAS	QUARTZ HILL	635369	02/08/2005	7090.1
EMERALD POOLS AND SPAS	QUARTZ HILL	635369	02/18/2005	7107, 7113, 7159.E
EMPIRE POOLS AND SPAS INC	ALTA LOMA	559386	04/28/2005	7090.1
ENERGY EFFICIENT HOME IMPROVEMENTS	RANCHO CUCAMONGA	317537	01/20/2005	7090.1
FLORES CONSTRUCTION	LOS ANGELES	765348	01/17/2005	7107, 7109.A, 7113, 7159, 7097, 7098, 7121(5), 7115
FORTRESS CONSTRUCTION	RIVERSIDE	355832	04/05/2005	7085.6
FORTRESS CONSTRUCTION INC	RIVERSIDE	774711	04/05/2005	7085.6
GARDENSCAPES INC	SANTA ROSA	787467	02/18/2005	7018.5, 7071.11, 7107, 7109.A, 7113, 7115, 7030(A,B), 7159, 7117.A, 7097, 7098, 7121(5)
GUENTER STEEL FABRICATION INC	SALINAS	769343	04/26/2005	7090.1
HIGHLANDS CONSTRUCTION	ROSEVILLE	689950	04/19/2005	7090.1
IL SIN GENERAL CONSTRUCTION	LOS ANGELES	630161	02/22/2005	7109.A, 7110, 7111.1, 7071.11, 7083, 7159(B,D,F,J)
IN & OUT DESIGNS INC	SAN RAMON	799552	01/20/2005	7071.13, 7107, 7108, 7113, 7114, 7115, 7030, 7159, 7116, 7117.B, 7120, 7154, 7097, 7098, 7121(5)
IN & OUT ROOFING	BAY POINT	777727	02/09/2005	490, 7112, 7123, 7097, 7098, 7121(5)
INFINITY DEVELOPMENT	SAN DIEGO	794620	04/13/2005	7090.1
INNOVATIVE CONSTRUCTION EXCHANGE INC	MISSION VIEJO	769214	04/18/2005	7107, 7083, 7109.A, 7113, 7115.B, 7159, 7116, 7071.11, 7117(A,6), 7097, 7098, 7121(5)
INTERSPACE CLOSETS UNLIMITED	SAN CARLOS	607702	04/19/2005	7090.1
J & L BUILDING	MERCED	662170	01/11/2005	7090.1
J C ROBBINS CONSTRUCTION INC	REDONDO BEACH	669919	02/23/2005	7109.A, 7113, 7097, 7098, 7121.5
J P M CONSTRUCTION INC	DANA POINT	737270	04/18/2005	7112, 7123, 7097, 7098, 7121(5)
KAMOR AIR CONDITIONING INC	DUARTE	613647	04/07/2005	7090.1
KIM K I HAN DBA: SHAKESPEARE ROOFING	BELLFLOWER	774380	04/05/2005	7090.1
KING'S MECHANICAL A PARTNERSHIP	SAN MARCOS	777754	04/05/2005	7090.1
LA COSTA HOME DEPO	SAN DIEGO	521585	02/03/2005	7018.5, 7030(A,B), 7107, 7109.B, 7113, 7115, 7159(B,E,F,G,H,K,L), 7120, 7083.1, 7111.1, 7116, 7099.6
LEECH PHILIP ROOFING	EL SOBRANTE	556659	01/20/2005	7097, 7098, 7121(5)
LEGACY POOLS & SPAS	MORGAN HILL	530254	01/11/2005	7090.1
LEVY PLUMBING	NORTH HOLLYWOOD	740396	02/21/2005	7097, 7098, 7121(5)
LITBERG BRADLEY B ENTERPRISES INC				
DBA: LITBERG & SONS CONSTRUCTIO	MOORPARK	712610	02/04/2005	7109.A, 7113, 7115, 7159, 7120, 7097, 7098, 7121(5)
LUCHESSA BUILDERS INC				
A CALIFORNIA CORPORATION	REDONDO BEACH	749384	02/23/2005	7109.A, 7113, 7097, 7098, 7121.5
M AND A CONSTRUCTION COMPANY INC.	BENICIA	545029	01/13/2005	7109.A, 7113, 7097, 7098, 7121(5)
M J M CONSTRUCTION	QUARTZ HILL	788056	04/18/2005	7109.A, 7030(A,B), 7110, 7113, 7159(B,D,E,F,G,K,L), 7111.1, 7115, 7107
M W M	PISMO BEACH	391692	01/18/2005	7090.1
MAJERUS & ASSOCIATES	ALTADENA	695661	01/28/2005	7109.A, 7113, 7115, 7159, 7097, 7098, 7121(5)
MARBLE & GRANITE IMPORT	MISSION VIEJO	547321	02/07/2005	7085.6
MAY DAVID	LAGUNA NIGUEL	749752	01/19/2005	7107, 7090.5, 7113, 7071(11,13), 7117(5B,A,6), 7110, 7159(D,E,F,G,J,K,L), 7083
MAYBEE MARK O GENERAL CONTRACTOR	FOREST RANCH	721911	04/19/2005	7090.1
MC CARTHY ROOFING SERVICES	SAN JOSE	768376	03/16/2005	7109(A,B), 7113, 7154, 7107, 7117(5B,A), 7121(5), 7097, 7098
MC CARTHY ROOFING SERVICES	SAN JOSE	768376	04/19/2005	7090.1
MC DANIEL ROOFING SPECIALISTS	MORENO VALLEY	353446	01/12/2005	7085.6
MC GEE CONSTRUCTION	EAST PALO ALTO	626416	04/19/2005	7090.1
MCCARTHY INDUSTRIES INC	SAN JOSE	751191	03/15/2005	7097, 7098, 7121(5), 7122
MORRIS GARY L	CHATSWORTH	221369	01/28/2005	490, 7123, 7097, 7098, 7121(5)
NADEAU STEVEN	ORANGEVALE	786061	04/19/2005	7090.1
NEW WORLD CONSTRUCTION	SAN GABRIEL	788655	02/08/2005	7090.1
NEW WORLD CONSTRUCTION	TEMPLE CITY	696592	02/08/2005	7090.1
NEWPORT HERITAGE CONSTRUCTION CO.	RIVERSIDE	806012	04/20/2005	7085.6
NOR - CAL ASSOCIATES	FAIRFIELD	785913	02/22/2005	7090.1
NOR - CAL CONSTRUCTION	SUISUN CITY	726595	02/22/2005	7090.1
OMNI ELECTRIC	WILDOMAR	753270	01/20/2005	7090.1
OTT CONSTRUCTION	CITRUS HEIGHTS	765565	04/19/2005	7090.1

Underground Economy

Continued from page 1

Riverside County Workers' Compensation Fraud Team

Also in April, CSLB staff met with members of the Riverside County Workers' Compensation Fraud Team to strategize and implement an even more aggressive approach to handling employer insurance and tax fraud. This joint task force includes participants from the EDD, Department of Insurance, DIR/Division of Labor Standards Enforcement (DLSE), Internal Revenue Service, and the Franchise Tax Board.

SWIFT Stings & Sweeps Help Level Playing Field for Contractors

CSLB's enforcement efforts aren't just talk. Here are the results of some recent operations:

"PROJECT FAIR CHANCE" TARGETS WORKERS' COMP CHEATERS IN BUTTE COUNTY

In April, CSLB and the Butte County District Attorney's Office (DA) together sent a strong message warning contractors that they must carry workers' compensation insurance on their employees. In Project Fair Chance, investigators from both organizations swept through more than 50 construction sites in Paradise, Chico, Magalia and Oroville, nabbing 11 contractors without proper workers' compensation insurance on their employees and another five lacking contractor's licenses. CSLB investigators also used the occasion to remind licensees about CSLB laws, rules and regulations.

Contractors who fail to maintain workers' compensation insurance for their employees can face automatic license suspension and could even have their licenses revoked. The 11 contractors caught in the sweep were also fined a total of \$7,250 in civil penalties.

The five individuals caught contracting without a valid State Contractor's License were issued Notices to Appear (NTA) in Butte

County Superior Court. First-time violators face a maximum of six months in jail or a \$1,000 fine for the first offense. A second violation carries a mandatory 90-day jail sentence.

Because of this operation's success, CSLB and the Butte County DA conducted a follow up sweep in June—this one with the added benefit of a helicopter to help scope out construction sites.

NORTHERN CALIFORNIA'S UNDERGROUND ECONOMY TASK FORCE CITES DOZENS

In March, CSLB's Statewide Investigative Fraud Team (SWIFT) spearheaded a Northern California Underground Economy Task Force operation conducted in Santa Clara County. Eighty-seven people were caught in a two-day web that included undercover stings and construction site sweeps.

Task Force participants included the CSLB, EDD, DLSE, Department of Insurance Fraud Division, and the Santa Clara County DA.

In addition to the sting, compliance check sweeps were performed at various construction projects in the San Jose area. The DIR/DLSE fined contractors almost \$42,000 for failure to maintain workers' compensation insurance on their employees and for paying workers in cash to avoid payroll taxes. The Santa Clara County DA also cited six others for workers' compensation violations.

In May, the Task Force conducted an undercover sting in cooperation with the Santa Cruz County DA and Department of Insurance where SWIFT investigators posed as homeowners to solicit bids from those suspected of operating as contractors without a license or with a license that had been suspended or revoked. Leads came from complaints, advertisements, referrals from local law enforcement agencies and complaints from the Santa Cruz County Building Department.

Fourteen people were stung—thirteen for working without a license or with a revoked license—and given *Notices to Appear* before a Santa Cruz County Superior Court judge to answer misdemeanor charges.

The CSLB urges you to help us in our fight to level the playing field for all contractors.

Seven were also given *Non-Licensed Citations* for having illegal advertisements in phonebooks. They were ordered to disconnect their phones and pay a civil penalty of at least \$200. One was given a *Licensee Citation* for working with a suspended license.

Undercover stings are held weekly throughout the state. Some of the places recent stings were held include: Bass Lake, Norwalk, Rancho Mirage, San Diego, San Luis Obispo and Visalia. "You never know where or when we're going to be undercover," said Fogt.

Sting & Sweep Results

Since July 1, 2004, sting operations have resulted in 256 Notices to Appear (NTAs) before a Superior Court judge to answer "contracting without a license" charges. Sixty-two Administrative Citations have also been issued. Sweeps have also given the CSLB's partnering agencies the opportunity to open their own investigations.

You Can Help

The CSLB urges you to help us in our fight to level the playing field for all contractors. We want you to tip us about unlicensed operators, companies that may be paying workers under the table and those who may not be carrying proper workers' compensation insurance. Download a Hot Lead Tip Sheet from the CSLB Web site: www.cslb.ca.gov—click on "Report Unlicensed Activity."

License Revocations, continued

NAME	CITY	LICENSE NO.	DATE	SECTIONS VIOLATED
PACIFIC UNION FLOORING CONTRACTORS INC	SAN FRANCISCO	786016	01/11/2005	7090.1
PAGLIARO STEVEN JOHN	SANTA BARBARA	746310	04/19/2005	7090.1
PARAGON BUILDERS	CITRUS HEIGHTS	354511	02/23/2005	7107, 7109(A,B), 7113, 7111.1, 7159(B,D,F,G,H,J,K), 7154
PARKS DAN	ANAHEIM	331198	02/08/2005	7090.1
PATTON CONSTRUCTION	SACRAMENTO	782195	04/19/2005	7090.1
PAVING STONE COMPANY OF CALIFORNIA INC	POMPAÑO BEACH	792033	01/27/2005	7109(A,B), 7113, 7115, 7159, 7097, 7098, 7121(5)
PENNINGTON C F LAND DEVELOPMENT	GRANADA HILLS	704510	01/20/2005	7090.1
PRESIDIO GARAGE DOORS COMPANY	SAN FRANCISCO	806319	01/03/2005	7090.1
PRICE / KEVEN CONSTRUCTION CO	CONCORD	725933	04/19/2005	7090.1
PROTECH CONSTRUCTION	BYRON	517486	04/25/2005	7090.1
PURCELL CONCRETE	CLOVIS	753356	01/03/2005	7090.1
R B L CONSTRUCTION CO	GALT	706597	01/15/2005	7090.1
REANO WINDOWS INC	VALLEJO	790498	01/20/2005	7090.1
REANO'S WINDOW & SCREENS	VALLEJO	557216	02/08/2005	7090.1
RECONSTRUCTION RESTORATION EXPERTS CONSTRUCTION	SAN DIEGO	736347	03/10/2005	7109(A,B), 7107, 7113, 7097, 7098, 7121(5)
RICHTER GROUP INC THE	ARCADIA	809941	03/21/2005	7030, 7107, 7109, 7110, 7111, 7113, 7114, 7115, 7030, 7159, 7159, 7159, 7159, 7159, 7159, 7117
ROCKY'S CONCRETE	OCEANSIDE	689011	04/29/2005	7107, 7109.A, 7113, 7115, 7030(A,B), 7159, 7117.6, 7018.5, 7097, 7098, 7121(5)
ROCKY'S CUSTOM POOLS & SPAS	SAN CLEMENTE	438591	02/07/2005	7107, 7113, 7114, 7068.1, 7120, 7109.B, 7154, 7097, 7098, 7121(5)
RON'S FAMOUS PLUMBING	RESEDA	734694	02/21/2005	7097, 7098, 7121(5)

NAME	CITY	LICENSE NO.	DATE	SECTIONS VIOLATED
SAM & SONS CONSTRUCTION	WOODLAND HILLS	807695	02/21/2005	7097, 7098, 7121(5)
SEDCON ENGINEERS CONTRACTORS INC	ARCADIA	640038	01/17/2005	490, 7123, 7097, 7098, 7121(5)
SHORT GREG W DBA: G W S PRECAST & STONE INSTALLATION	GARDEN GROVE	761846	03/10/2005	7085.6
SMITH ROBERT D	CANOGA PARK	570153	02/04/2005	7097, 7098, 7121(5)
SONLIGHT ELECTRIC	PALO CEDRO	754415	02/09/2005	7110, 7116
SOROUR SAMIR ABO EL-FOTOH	AGOURA HILLS	767472	03/16/2005	7107, 7109(A,B), 7113, 7117.A, 7159(E,F,G,J,K), 7071.11
SOUTHERN POOLS & SPAS INCORPORATED DBA: SOUTHWEST POOL SYSTEMS	SANTEE	783235	02/25/2005	7085.6
SOUTHWEST POOL SYSTEMS	EL CAJON	788822	02/24/2005	7085.6
SPARTAN DEVELOPMENT INC	HAYWARD	637663	01/12/2005	7107, 7108, 7113, 7115, 7116, 7159(D,E)
STANLEY TOM ASPHALT MAINTENANCE	PITTSBURG	569813	02/18/2005	7109(A,B), 7113, 7115, 7159, 7097, 7098, 7121(5)
SUDER JOSEPH JAY	NOVATO	353768	02/23/2005	7108, 7116, 7117.6, 7090, 7097, 7098, 7121(5)
SYCAMORE POOLS	SANTA BARBARA	711730	01/20/2005	7090.1
TAYLOR DAVID G	BENICIA	710565	03/22/2005	7085.6
TREETOP PROPERTY MAINTENANCE	TEMECULA	707849	01/24/2005	7107, 7109.A, 7113, 7018.5, 7030(A,B), 7159(E,F,G,K,L), 7119, 7115, 7117.6, 7111.1
UTILITY PROGRAM SERVICES INC	RANCHO CUCAMONGA	775165	01/20/2005	7090.1
WEST COAST CONSTRUCTION CO	VALLEY VILLAGE	702812	04/05/2005	7090.1
WINGO CONSTRUCTION COMPANY	SACRAMENTO	780674	04/25/2005	7090.1
WOLD JEFF	STOCKTON	388483	03/02/2005	7085.6
YUKON FENCE COMPANY	LA MESA	782094	01/20/2005	7090.1
2ND SHIELD IRON WORKS	COMPTON	786334	01/20/2005	7090.1



CSLB Urges Industry Input on Diesel-Fueled Equipment Controls

The California Air Resources Board (ARB) is conducting a survey to better understand business practices for off-road mobile diesel equipment. This includes equipment turnaround time, frequency of engine rebuilds, and leasing and idling practices. The survey results will help in developing a control measure for off-road mobile equipment. The CSLB encourages owners and operators of off-road mobile equipment to participate in this survey. It's available online at www.arb.ca.gov/msprog/ordiesel/orsurvey/intro.htm. Printed copies of the survey are also available by contacting Jackie Johnson at (916) 323-2750 or jjohnson@arb.ca.gov.

The survey is one step in the ARB's development of a control measure to reduce diesel emissions from off-road mobile equipment used in construction, mining, and industrial operations. The control measure is part of ARB's Diesel Risk Reduction Plan, which seeks a 75 percent reduction of public exposure to harmful diesel exhaust emissions by 2010.

The CSLB also encourages owners and operators of mobile off-road diesel equipment to get involved in the control measure process. Your help is key to developing a control measure that is flexible, feasible, and reduces exposure to diesel emissions. For more information about the measure, visit the Web site at www.arb.ca.gov/msprog/ordiesel/ordiesel.htm where you can also sign up for information on future meetings, workshops and other notices; or contact Kim Heroy-Rogalski at (916) 327-2200 or kheroyro@arb.ca.gov.

Have a Sun-Safe Summer



Summer is heating up and with the warm weather comes dangerous sun exposure for many contractors. The California Department of Health Services' Skin Cancer Prevention Program has free sun safety kits available for use at construction sites or offices. Each kit will serve an entire work site and includes fact sheets, posters, brochures, UV-count charts, video, notepads and stickers. To order a free kit, contact Andrew Manthe

at (916) 449-5393 or by email at amanthe@dhs.ca.gov.

More than one million people—many of them contractors—will be diagnosed with skin cancer this year. Exposure to the sun's dangerous rays is one of the main causes of skin cancer. Protect yourself with the following safety tips.

- Lather on sunscreen with an SPF 15 or higher whenever you'll be outside, even on hazy or overcast days;
- Wear a wide-brimmed hat and wear protective clothing that covers as much skin as possible when in the sun;
- Wear sunglasses that block at least 99 percent of the sun's UV rays; and
- Spend lunchtime and other breaks in the shade whenever possible.

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