

News Release

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CSLB Catches Felons, Sex Offenders, Other Known Criminals in Statewide Undercover Sting Operations

California Blitz highlights serious risks consumers take when hiring unlicensed contractors

SACRAMENTO – Ninety-seven people, including 22 in the northern California region, may face criminal charges after being caught in simultaneous undercover sting operations conducted this week (July 15-16) in eight locations throughout the state by the [Contractors State License Board](#) (CSLB).

Among those arrested during CSLB's summer California Blitz were 11 repeat offenders, four sex offenders, four suspects with active arrest warrants, four suspects on probation, two former CSLB licensees, and a woman who received widespread media attention last year as a so-called "Sweetheart Swindler." Three suspects were taken to jail.

Investigators from CSLB's [Statewide Investigative Fraud Team \(SWIFT\)](#) partnered with a variety of local law enforcement agencies to conduct the operations at homes in Apple Valley (San Bernardino County), Artesia (Los Angeles County), Atascadero (San Luis Obispo County), Bakersfield (Kern County), Corona (Riverside County), Los Banos (Merced County), Rocklin (Placer County), and South Lake Tahoe (El Dorado County).

SWIFT investigators posed as homeowners seeking bids for home improvements such as painting, landscaping, decking, electrical, cabinet, countertop, flooring, drywall, fencing, masonry, concrete, and tree removal work.

One of those caught is Samantha Pham, who is on probation. Last year, Pham, of Elk Grove, pleaded guilty to various felonies including theft from an elder and an allegation of aggravated white collar crime. Pham swindled an older man out of a luxury car, \$200,000, and his Bay Area home. Her sentence includes three years of supervised probation ([News Release](#)).

Pham was arrested this week at the Rocklin sting for contracting without a license through a local business she runs, called Bella's Kitchen & Bath. She faces a number of new charges that include contracting without a license, fraudulent use of a CSLB license number, and requesting an excessive down payment.

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Three convicted sex offenders also showed up at the Rocklin sting. One suspect and his worker had met at a recovery facility. At the South Lake Tahoe sting, two repeat offenders (for unlicensed contracting) were caught, including one who was cited just three months ago.

“It’s particularly disturbing how many of the suspects we targeted turned out to be convicted criminals, many with a history of violent crimes and drugs,” said CSLB Registrar Steve Sands. “If you knew their backgrounds, you’d never allow them in your home.” All of the suspects who turned out to have serious criminal backgrounds were targeted because of ads they posted on craigslist.org.

Of the 97 individuals arrested, 94 may face misdemeanor charges for contracting without a license ([Business and Professions Code section 7028](#)). The penalty for a conviction is up to six months in jail and/or a fine of up to \$5,000.

Eighty-two suspects also may be charged with illegal advertising ([Business and Professions Code section 7027.1](#)). State law requires contractors to place their license number in all print, broadcast, and online advertisements. Those without a license can advertise to perform jobs valued at less than \$500, but the ad must state that they are not a licensed contractor. The penalty is a fine of \$700 to \$1,000.

Ten others may be charged with requesting an excessive down payment ([Business and Professions Code section 7159.5](#)). In California, a home improvement project down payment cannot exceed 10 percent of the contract total or \$1,000, whichever is less. This misdemeanor charge carries a maximum penalty of six months in jail and/or up to a \$5,000 fine.

Two of the phony contractors also 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. Failure to comply with a Stop Order can result in misdemeanor charges and penalties, including 60 days in jail and/or up to \$10,000 in fines.

Blitz totals may increase as some suspects are expected to provide their bids to undercover investigators via text, email or fax at a later date.

STING NOTES

Apple Valley (San Bernardino County)

- *Most suspects were targeted from ads on craigslist.org and PennySaverUSA.com.*
- *A few targets were scared away after a suspect parked outside the sting property, drawing attention to the operation.*

News Release *(continued)***Artesia (Los Angeles County)**

- *A repeat offender who was given an administrative citation a few weeks ago again was caught contracting without a license.*
- *One suspect unsuccessfully tried to flee the scene but was caught.*

Atascadero (San Luis Obispo County)

- *One suspect had an arrest warrant from Imperial County.*
- *Two repeat offenders were caught; one was issued a Notice to Appear in 2009, the other in 2010.*
- *One suspect was a previously licensed contractor. His license expired four years ago, and he was warned in 2012 not to contract without a license.*
- *One suspect offered to build a deck for free – with materials he'd find on craigslist.org for free – if he'd be allowed to live in a camper that was on the property.*

Bakersfield (Kern County)

- *Three suspects had arrest warrants, including one for felony possession of narcotics and paraphernalia, as well as making criminal threats.*
- *One repeat offender from 2012 was caught – a suspect who pleaded guilty, served five days in jail, paid an almost \$1,000 fine, and is still on probation.*

Corona (Riverside County)

- *A number of suspects were targeted because of consumer complaints filed against them with CSLB.*
- *One suspect had an arrest warrant for felony forgery charges. She was taken to jail.*
- *Two of the suspects had complaints against them for allegedly abandoning jobs, one after receiving almost \$11,000 in payments.*
- *One suspect was caught in a CSLB sting just three months ago.*

Los Banos (Merced County)

- *One suspect, a former CSLB licensee, is a registered sex offender. His license was suspended after \$380,000 in judgments were filed against him.*
- *Two repeat offenders were caught; one who was arrested in a sting last year, the other who received a CSLB citation.*
- *One suspect told investigators he has a license that he uses “when one is needed.”*
- *Los Baños Police issued 11 citations for not having a business license ([Los Banos Municipal Code 3-1.101](#)).*

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Rocklin (Placer County)

- Three registered sex offenders were arrested.
- Two suspects were on probation, one for arson and making terrorist threats.
- Known “Sweetheart Swindler” Samantha Pham (as noted above) was arrested.

South Lake Tahoe (El Dorado County)

- Two repeat offenders were caught, including one who was cited just three months ago.
- A sweep of local construction sites also was conducted. The operation resulted in identifying an unlicensed contractor from Arizona who had entered into contracts with two CSLB licensees, leading to multiple citations against all involved.

Partnering agencies are noted below.

Location	Notices to Appear	Partner Agencies
Apple Valley <i>San Bernardino County</i> <i>July 15-16</i>	11	DCA Division of Investigation – Ontario Field Office
Artesia <i>Los Angeles County</i> <i>July 15-16</i>	12	Los Angeles County District Attorney’s Office DCA Division of Investigation – Lakewood Field Office
Atascadero <i>San Luis Obispo County</i> <i>July 15-16</i>	12	San Luis Obispo County District Attorney’s Office California Highway Patrol – Coastal Division San Luis Obispo County Sheriff’s Department Atascadero Police Department
Bakersfield <i>Kern County</i> <i>July 16</i>	10	Kern County District Attorney’s Office California Department of Insurance
Corona <i>Riverside County</i> <i>July 15-16</i>	19	Riverside County District Attorney’s Office Corona Police Department
Los Banos <i>Merced County</i> <i>July 15-16</i>	11	Merced County District Attorney’s Office California Highway Patrol – Fresno Division Los Baños Police Department CA Department of Industrial Relations
Rocklin <i>Placer County</i> <i>July 15-16</i>	14	Placer County District Attorney’s Office Amador County District Attorney’s Office Rocklin Police Department
South Lake Tahoe <i>El Dorado County</i> <i>July 15</i>	7	El Dorado County District Attorney’s Office

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CSLB encourages consumers to always “Check the License First” by visiting www.cslb.ca.gov or calling CSLB’s toll-free automated line 800.321.CSLB (2757). Also, visit CSLB’s website for [tips](#) about how to hire a contractor and to sign up for [CSLB email alerts](#).

The California Contractors State License Board operates under the umbrella of the Department of Consumer Affairs. CSLB licenses and regulates California’s 300,000 contractors, and is regarded as one of the leading consumer protection agencies in the United States. In fiscal year 2013-14, CSLB helped recover nearly \$51 million in ordered restitution for consumers.

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Google Drive Video Link:

<https://drive.google.com/file/d/0B6a4finjvd2oZjFYRFJEMHY3enM/edit?usp=sharing>

Flickr Link to Downloadable Still Photos:

<https://www.flickr.com/photos/cslb/sets/72157645753772405/>

YouTube Video Link:

<http://youtu.be/DKsyDEHtyao>