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**BUSINESS AND PROFESSIONS CODE - BPC**

**DIVISION 3. PROFESSIONS AND VOCATIONS GENERALLY [5000 - 9998.11]** ( *Heading of Division 3 added by Stats. 1939, Ch. 30.*  )

**CHAPTER 9. Contractors [7000 - 7191]** ( *Chapter 9 added by Stats. 1939, Ch. 37.*  )

**ARTICLE 1. Administration [7000 - 7021]** ( *Article 1 added by Stats. 1939, Ch. 37.*  )

**7000.** This chapter constitutes, and may be cited as, the Contractors State License Law.

(Amended by Stats. 2020, Ch. 312, Sec. 46. (SB 1474) Effective January 1, 2021.)

**7000.2.** Nothing in this code shall be interpreted to prohibit cities, counties, and cities and counties from requiring contractors to show proof that they are in compliance with local business tax requirements of the entity prior to issuing any city, county, or city and county permit. Nothing in this code shall be interpreted to prohibit cities, counties, and cities and counties from denying the issuance of a permit to a licensed contractor who is not in compliance with local business tax requirements.

Any business tax required or collected as part of this process shall not exceed the amount of the license tax or license fee authorized by Section 37101 of the Government Code or Section 16000 of the Business and Professions Code.

(Added by Stats. 1992, Ch. 325, Sec. 1. Effective January 1, 1993.)

**7000.5.** (a) There is in the Department of Consumer Affairs a Contractors State License Board, which consists of 15 members.

(b) Notwithstanding any other provision of law, the repeal of this section renders the board subject to review by the appropriate policy committees of the Legislature.

(c) This section shall remain in effect only until January 1, 2029, and as of that date is repealed.

(Amended by Stats. 2024, Ch. 485, Sec. 1. (SB 1455) Effective January 1, 2025. Repealed as of January 1, 2029, by its own provisions.)

**7000.6.** Protection of the public shall be the highest priority for the Contractors State License Board in exercising its licensing, regulatory, and disciplinary functions. Whenever the protection of the public is inconsistent with other interests sought to be promoted, the protection of the public shall be paramount.

(Amended by Stats. 2020, Ch. 312, Sec. 48. (SB 1474) Effective January 1, 2021.)

**7001.** All members of the board, except the public members, shall be contractors actively engaged in the contracting business, have been so engaged for a period of not less than five years preceding the date of their appointment and shall so continue in the contracting business during the term of their office. No one, except a public member, shall be eligible for appointment who does not at the time hold an unexpired license to operate as a contractor.

The public members shall not be licentiates of the board.

(Amended by Stats. 2000, Ch. 1005, Sec. 2. Effective January 1, 2001.)

**7002.** (a) One member of the board shall be a general engineering contractor, two members shall be general building contractors, two members shall be specialty contractors, one member shall be a member of a labor organization representing the building trades, one member shall be an active local building official, and eight members shall be public members, one of whom shall be from a statewide senior citizen organization.

(b) No public member shall be a current or former licensee of the board or a close family member of a licensee or be currently or formerly connected with the construction industry or have any financial interest in the business of a licensee of the board. Each public member shall meet all of the requirements for public membership on a board as set forth in Chapter 6 (commencing with

Section 450) of Division 1. Notwithstanding the provisions of this subdivision and those of Section 450, a representative of a labor organization shall be eligible for appointment to serve as a public member of the board.

(c) Each contractor member of the board shall be of recognized standing in his or her branch of the contracting business and hold an unexpired license to operate as a contractor. In addition, each contractor member shall, as of the date of his or her appointment, be actively engaged in the contracting business and have been so engaged for a period of not less than five years. Each contractor member shall remain actively engaged in the contracting business during the entire term of his or her membership on the board.

(d) Each member of the board shall be at least 30 years of age and of good character. In addition, each member shall have been a citizen and resident of the State of California for at least five years next preceding his or her appointment.

(e) For the purposes of construing this article, the terms "general engineering contractor," "general building contractor," and "specialty contractor" shall have the meanings given in Article 4 (commencing with Section 7055) of this chapter.

*(Amended by Stats. 2000, Ch. 1005, Sec. 3. Effective January 1, 2001.)*

**7003.** Except as otherwise provided, an appointment to fill a vacancy caused by the expiration of the term of office shall be for a term of four years and shall be filled, except for a vacancy in the term of a public member, by a member from the same branch of the contracting business as was the branch of the member whose term has expired. A vacancy in the term of a public member shall be filled by another public member. Each member shall hold office until the appointment and qualification of his or her successor or until the office is deemed to be vacant pursuant to Section 1774 of the Government Code, whichever first occurs.

Vacancies occurring in the membership of the board for any cause shall be filled by appointment for the balance of the unexpired term.

No person shall serve as a member of the board for more than two consecutive terms.

The Governor shall appoint four of the public members, including the public member who is from a statewide senior citizen organization, the local building official, the member of a labor organization representing the building trades, and the five contractor members qualified as provided in Section 7002. The Senate Rules Committee and the Speaker of the Assembly shall each appoint two public members.

*(Amended by Stats. 2000, Ch. 1005, Sec. 4. Effective January 1, 2001.)*

**7005.** The Governor may remove any member of the board for misconduct, incompetency or neglect of duty.

*(Added by Stats. 1939, Ch. 37.)*

**7006.** The board shall meet at least once each calendar quarter for the purpose of transacting business as may properly come before it. The board shall make every effort to make all regularly scheduled quarterly meetings of the board available as a webcast when the appropriate resources are available.

Special meetings of the board may be held at times as the board may provide in its bylaws. Four members of the board may call a special meeting at any time.

*(Amended by Stats. 2019, Ch. 378, Sec. 2. (SB 610) Effective January 1, 2020.)*

**7007.** Eight members constitute a quorum at a board meeting.

Due notice of each meeting and the time and place thereof shall be given each member in the manner provided by the bylaws.

*(Amended by Stats. 2000, Ch. 1005, Sec. 5. Effective January 1, 2001.)*

**7008.** The board may appoint such committees and make such rules and regulations as are reasonably necessary to carry out the provisions of this chapter. Such rules and regulations shall be adopted in accordance with the provisions of the Administrative Procedure Act.

*(Amended by Stats. 1983, Ch. 891, Sec. 1.)*

**7009.** Any member or committee of the board may administer oaths and may take testimony and proofs concerning all matters within the jurisdiction of the board.

*(Added by Stats. 1939, Ch. 37.)*

**7010.** The board is vested with all functions and duties relating to the administration of this chapter, except those functions and duties vested in the director under the provisions of Division I of this code.

*(Added by Stats. 1939, Ch. 37.)*

**7011.** (a) The board, by and with the approval of the director, shall appoint a registrar of contractors and fix the registrar's compensation.

(b) The registrar shall be the executive officer and secretary of the board and shall carry out all of the administrative duties as provided in this chapter and as delegated to the registrar by the board.

(c) For the purpose of administration of this chapter, there may be appointed a deputy registrar, a chief reviewing and hearing officer, and, subject to Section 159.5, other assistants and subordinates as may be necessary.

(d) Appointments shall be made in accordance with the provisions of civil service laws.

(e) This section shall remain in effect only until January 1, 2029, and as of that date is repealed.

*(Amended by Stats. 2024, Ch. 485, Sec. 2. (SB 1455) Effective January 1, 2025. Repealed as of January 1, 2029, by its own provisions.)*

**7011.3.** The registrar shall not assess a civil penalty against a licensed contractor who has been assessed a specified civil penalty by the Labor Commissioner under Section 1020 or 1022 of the Labor Code for the same offense.

*(Added by Stats. 1982, Ch. 327, Sec. 5. Effective June 30, 1982.)*

**7011.4.** (a) Notwithstanding Section 7011, there is in the Contractors State License Board, a separate enforcement division that shall rigorously enforce this chapter prohibiting all forms of unlicensed activity and shall enforce the obligation to secure the payment of valid and current workers' compensation insurance in accordance with Section 3700.5 of the Labor Code.

(b) Persons employed as special investigators of the Contractors State License Board and designated by the Director of Consumer Affairs shall have the authority to issue a written notice to appear in court pursuant to Chapter 5C (commencing with Section 853.5) of Title 3 of Part 2 of the Penal Code. An employee so designated is not a peace officer and does not have the power of arrest.

(c) When participating in the activities of the Joint Enforcement Strike Force on the Underground Economy pursuant to Section 329 of the Unemployment Insurance Code, the enforcement division shall have free access to all places of labor.

*(Amended by Stats. 2021, Ch. 188, Sec. 6. (SB 826) Effective January 1, 2022.)*

**7011.5.** Persons employed as investigators of the Special Investigations Unit of the Contractors State License Board and designated by the Director of Consumer Affairs have the authority of peace officers while engaged in exercising the powers granted or performing the duties imposed upon them in investigating the laws administered by the Contractors State License Board or commencing directly or indirectly any criminal prosecution arising from any investigation conducted under these laws. All persons herein referred to shall be deemed to be acting within the scope of employment with respect to all acts and matters in this section set forth.

*(Amended by Stats. 2020, Ch. 312, Sec. 50. (SB 1474) Effective January 1, 2021.)*

**7011.7.** (a) The registrar shall review and investigate complaints filed in a manner consistent with this chapter and the Budget Act. It is the intent of the Legislature that complaints be reviewed and investigated as promptly as resources allow.

(b) The board shall set as a goal the improvement of its disciplinary system so that an average of no more than six months elapses from the receipt of a complaint to the completion of an investigation.

(c) Notwithstanding subdivision (a), the goal for completing the review and investigation of complaints that, in the opinion of the board, involve complex fraud issues or complex contractual arrangements, should be no more than one year.

*(Amended by Stats. 2000, Ch. 1005, Sec. 6. Effective January 1, 2001.)*

**7011.8.** (a) Any person subject to licensure under this chapter who reports to, or causes a complaint to be filed with, the Contractors State License Board that a person licensed by that entity has engaged in professional misconduct, knowing the report or complaint to be false, may be issued a citation by the registrar.

(b) The board may notify the appropriate district attorney or city attorney that a person subject to licensure under this chapter has made or filed what the entity believes to be a false report or complaint against a licensee.

*(Amended by Stats. 2020, Ch. 312, Sec. 51. (SB 1474) Effective January 1, 2021.)*

**7012.** The registrar, with the approval of the board and the director, may, when funds are available, cooperate in the enforcement of governmental legislation relating to the construction industry, and, except as provided by Section 159.5, shall appoint such assistants as may be necessary therefor.

*(Amended by Stats. 1971, Ch. 716.)*

**7013.** The board may in its discretion review and sustain or reverse by a majority vote any action or decision of the registrar.

This section shall apply to any action, decision, order, or proceeding of the registrar conducted in accordance with the provisions of Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code.

*(Amended by Stats. 1979, Ch. 410.)*

**7013.5.** In all application, citation, or disciplinary proceedings pursuant to this chapter and conducted in accordance with the provisions of Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code, the testimony of a witness given in any contested civil or criminal action or special proceeding, in any state or before any governmental body or agency, to which the licensee or person complained against is a party, or in whose behalf the action or proceeding is prosecuted or defended, may be received in evidence, so far as relevant and material to the issues in the proceedings, by means of a duly authenticated transcript of that testimony and without proof of the unavailability of the witness; provided that the registrar may order the production of and testimony by that witness, in lieu of or in addition to receiving a transcript of his or her testimony and may decline to receive in evidence the transcript of testimony, in whole or in part, when it appears that the testimony was given under circumstances that did not require or allow an opportunity for full cross-examination.

*(Added by Stats. 2003, Ch. 607, Sec. 30. Effective January 1, 2004.)*

**7014.** The board may procure equipment and records necessary to carry out the provisions of this chapter.

*(Added by Stats. 1939, Ch. 37.)*

**7015.** The board shall adopt a seal for its own use. The seal shall have the words "Contractors State License Board, State of California, Department of Consumer Affairs," and the care and custody thereof shall be in the hands of the registrar.

*(Amended by Stats. 2020, Ch. 312, Sec. 52. (SB 1474) Effective January 1, 2021.)*

**7016.** Each member of the board shall receive a per diem and expenses as provided in Section 103.

*(Repealed and added by Stats. 1959, Ch. 1645.)*

**7017.3.** The Contractors State License Board shall report annually to the Legislature, not later than October 1 of each year, the following statistical information for the prior fiscal year. The following data shall be reported on complaints filed with the board against licensed contractors, registered home improvement salespersons, and unlicensed persons acting as licensees or registrants:

(a) The number of complaints received by the board categorized by source, such as public, trade, profession, government agency, or board-initiated, and by type of complaint, such as licensee or nonlicensee.

(b) The number of complaints closed prior to referral for field investigation, categorized by the reason for the closure, such as settled, referred for mandatory arbitration, or referred for voluntary arbitration.

(c) The number of complaints referred for field investigation categorized by the type of complaint, such as licensee or nonlicensee.

(d) The number of complaints closed after referral for field investigation categorized by the reason for the closure, such as settled, referred for mandatory arbitration, or referred for voluntary arbitration.

(e) For the board's Intake/Mediation Center and the board's Investigation Center closures, respectively, the total number of complaints closed prior to a field investigation per consumer services representative, and the total number of complaints closed after referral for a field investigation per investigator and special investigator. Additionally, the board shall report the total number of complaints closed by other board staff during the year.

(f) The number of complaints pending at the end of the fiscal year grouped in 90-day increments, and the percentage of total complaints pending, represented by the number of complaints in each grouping.

(g) The number of citations issued to licensees categorized by the type of citation such as order of correction only or order of correction and fine, and the number of citations issued to licensees that were vacated or withdrawn.

(h) The number of citations issued to nonlicensees and the number of these citations that were vacated or withdrawn.

(i) The number of complaints referred to a local prosecutor for criminal investigation or prosecution, the number of complaints referred to the Attorney General for the filing of an accusation, and the number of complaints referred to both a local prosecutor and the Attorney General, categorized by type of complaint, such as licensee and nonlicensee.

(j) Actions taken by the board, including, but not limited to, the following:

(1) The number of disciplinary actions categorized by type, such as revocations or suspensions, categorized by whether the disciplinary action resulted from an accusation, failure to comply with a citation, or failure to comply with an arbitration award.

(2) The number of accusations dismissed or withdrawn.

(k) For subdivisions (g) and (j), the number of cases containing violations of Sections 7121 and 7121.5, and paragraph (5) of subdivision (a) of Section 7159.5, categorized by section.

(l) The number of interim suspension orders sought, the number of interim suspension orders granted, the number of temporary restraining orders sought, and the number of temporary restraining orders granted.

(m) The amount of cost recovery ordered and the amount collected.

(n) Case aging data, including data for each major stage of the enforcement process, including the following:

(1) The average number of days from the filing of a complaint to its closure by the board's Intake/Mediation Center prior to the referral for an investigation categorized by the type of complaint, such as licensee or nonlicensee.

(2) The average number of days from the referral of a complaint for an investigation to its closure by the Investigation Center categorized by the type of complaint, such as licensee or nonlicensee.

(3) The average number of days from the filing of a complaint to the referral of the completed investigation to the Attorney General.

(4) The average number of days from the referral of a completed investigation to the Attorney General to the filing of an accusation by the Attorney General.

(5) The average number of days from the filing of an accusation to the first hearing date or date of a stipulated settlement.

(6) The average number of days from the receipt of the administrative law judge's proposed decision to the registrar's final decision.

*(Amended by Stats. 2021, Ch. 188, Sec. 7. (SB 826) Effective January 1, 2022.)*

**7017.5.** By the close of the first business day of each week, the board shall post the following home improvement salesperson registration information on its Web site:

(a) The earliest enrolled date of the unprocessed applications on file at the close of the prior business day.

(b) The earliest enrolled date of an application for which a registration number has been issued at the time of the posting required by this section.

*(Added by Stats. 2002, Ch. 372, Sec. 1. Effective January 1, 2003.)*

**7018.** The board shall maintain the current contractor license check search function on their internet website that permits consumers to search for a licensed contractor by either ZIP Code or geographic location.

*(Amended by Stats. 2019, Ch. 378, Sec. 4. (SB 610) Effective January 1, 2020.)*

**7019.** (a) If funding is made available for that purpose, the board may contract with licensed professionals, as appropriate, for the site investigation of consumer complaints.

(b) The board may contract with other professionals, including, but not limited to, interpreters and manufacturer's representatives, whose skills or expertise are required to aid in the investigation or prosecution of a licensee, registrant, applicant for a license or registration, or those subject to licensure or registration by the board.

(c) The registrar shall determine the rate of reimbursement for those individuals providing assistance to the board pursuant to this section. All reports shall be completed on a form prescribed by the registrar.

(d) As used in this section, "licensed professionals" means, but is not limited to, engineers, architects, landscape architects, geologists, and accountants licensed, certificated, or registered pursuant to this division.

*(Amended by Stats. 2002, Ch. 1013, Sec. 59. Effective January 1, 2003.)*

**7020.** The board shall maintain a computerized enforcement tracking system for consumer complaints.

*(Amended by Stats. 1991, Ch. 1160, Sec. 5.)*

**7021.** The board may enter into an interagency agreement with any other state or local agency the board deems to be in possession of any information relevant to its priority to protect the public described in Section 7000.6.

*(Added by Stats. 2016, Ch. 372, Sec. 1. (SB 465) Effective January 1, 2017.)*