

Rebuilding Together:

Rebuilding with a
Licensed Contractor

September 13, 2025



Agenda & Introductions

Speakers:

- **Ciara Barnett**, LA County Public Works
- **Natalie Rosenberger**, Contractors State License Board (CSLB)
- **Janet Godoy**, LA County Department of Consumer & Business Affairs (DCBA)
- **Steve Medellin**, Neighborhood Housing Services of LA County (NHS)

Agenda:

- Why licensing matters
- Benefits of working with a licensed contractor
- What to look for in a contractor
- How to verify a contractor's license
- What to look for in a construction contract
- How to avoid price gouging
- How to file a complaint/report unlawful construction
- Rights to cancel/cancellation periods
- Payment schedules and start/completion dates
- Understanding your finance options

Contractors State License Board (CSLB)



**Before hiring
anyone for repairs
or rebuilding,
make sure they are
licensed and in
good standing with
CSLB.**



Why Licensing Matters

- **Health & Safety:** Assures a contractor's understanding of local building codes and other safety requirements
- **Quality Assurance:** Certifies a contractor's experience, technical knowledge and quality of work
- **Avenues for Recourse:** Ensures accountability and government oversight in the case of a problem or need for recourse
- **Consumer Protections:** Prevents homeowners from being taken advantage of or assuming undue legal/financial liability

Finding a Licensed Contractor: What to Look for

- **License number** – Contractors must include their license number on business cards, contracts, and advertisements.
- **Workers' compensation insurance** – Required if the contractor has employees and for specific classifications.
- **Classifications** – *B - General Building* is the classification for new home construction while they may subcontract with other specialty trades as needed for other projects in the home.

License Classifications for Rebuilding

- “A” – General Engineering: Infrastructure, utilities, grading.
- “B” – General Building: Residential and home rebuilding.
- C-Classifications: Specialized trades like roofing or plumbing.



Who Needs To Be Licensed?

- Projects of \$1,000 or more require a CSLB license.
- Contractor must have an active license in good standing.
- License number must be on contracts, ads, and business cards.
- Handshake agreements are not legally binding.
- Performing construction in a declared natural disaster area without an active license can result in felony charges—with penalties up to 16 months in state prison and fines of up to \$10,000



Before You Hire a Contractor

- **Make sure they are licensed** – Check their license at www.cslb.ca.gov.
- Get at least three bids – Compare prices and services before deciding.
- Ask for references – Talk to past clients and look at completed projects.
- Read everything carefully – Don't rush into a contract before reviewing all the terms.



Get Multiple Bids and Check References

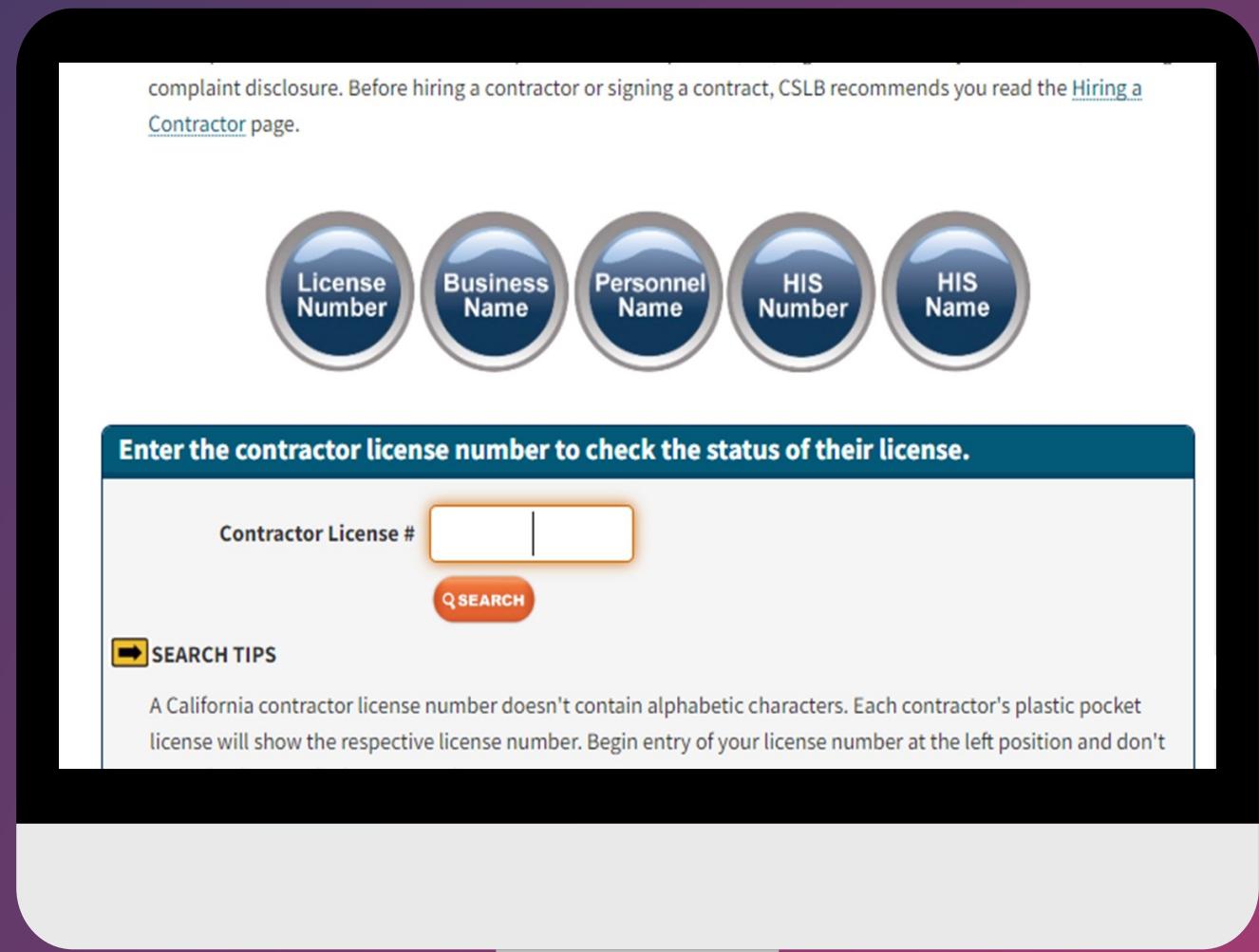
- Collect at least three written bids to compare pricing, scope, and timelines.
- Very low bids may mean hidden costs or poor-quality work.
- Ask for at least three client references and call them.
- Visit completed projects or request project photos to see workmanship.
- Review CSLB complaint history before deciding.



How to Check a License

Look up a license by using any one of the following:

- License Number
- Business Name
- Personnel Name
- Home Improvement Salesperson (HIS) Number
- HIS Name



How to Check a License

License Profiles Include:

- Business Contact
- License Status
- Classifications
- Bond Information
- Workers' Compensation Information

[Consumers](#)[Licensees](#)[Applicants](#)[On](#)

Business Information

Business Name
Address
Phone Number

Entity: Corporation
Issue Date: 11/13/2014
Expire Date: 11/30/2016

License Status

This license is expired and not able to contract at this time.

Classifications

C46 - SOLAR

Bonding Information

Contractor's Bond
This license filed a Contractor's Bond with AMERICAN CONTRACTORS INDEMNITY COMPANY.

Bond Number: 100259779

Bond Amount: \$12,500

Effective Date: 10/09/2014

Cancellation Date: 11/08/2015

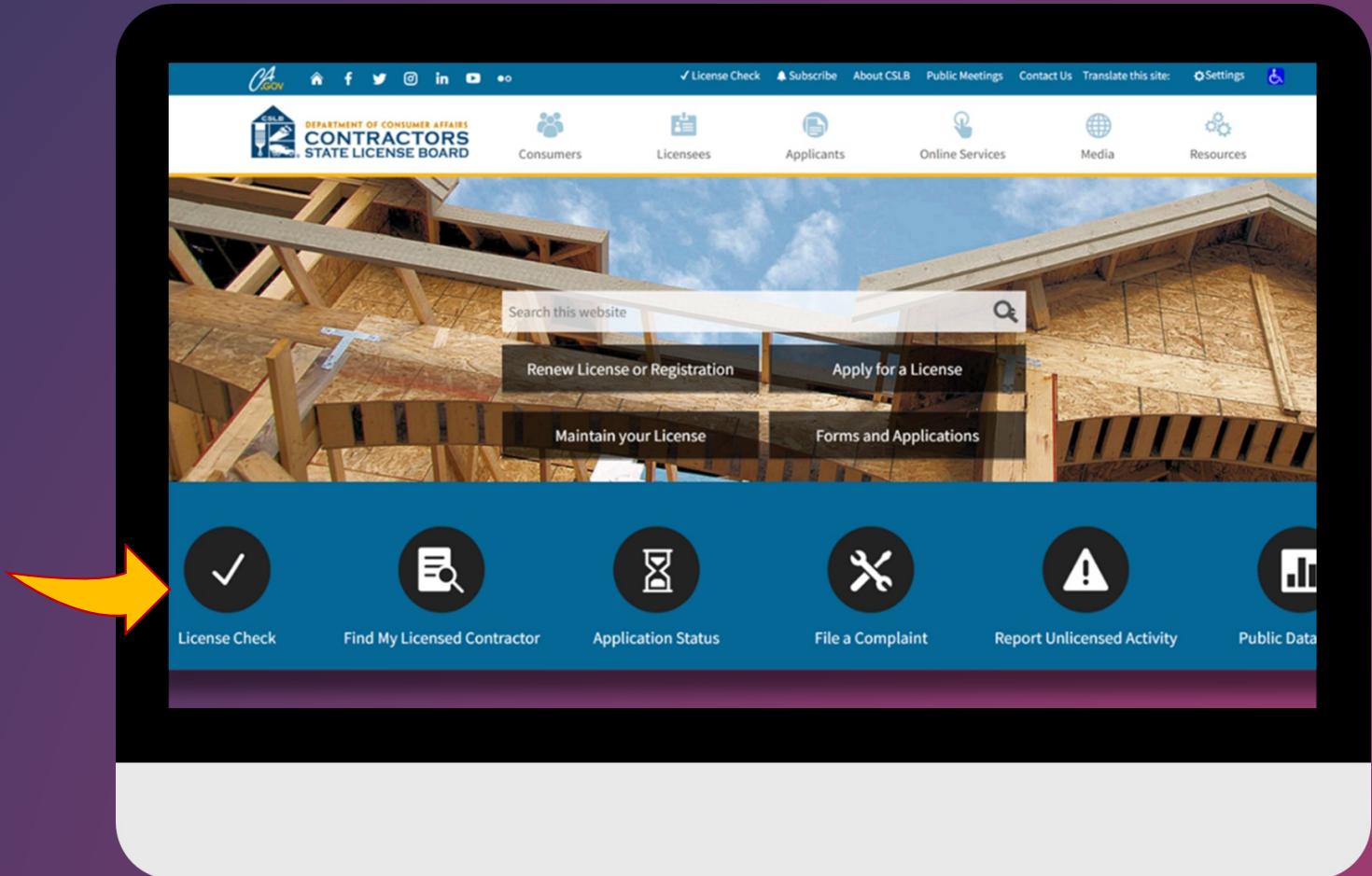
Bond of Qualifying Individual

The qualifying individual John Doe certified that he/she owns 10 percent or more of the voting stock/membership interest of this company; therefore, the Bond of Qualifying Individual is not required.

Effective Date: 11/13/2014

Workers' Compensation

How to Check a License



WWW.CSLB.CA.GOV/LICENSECHECK



Construction Contracts

A detailed *written* contract protects you from unexpected costs, and poor workmanship. Before any work begins, make sure your contract includes key details discussed in the sales pitch. Reminder: a “handshake” is not binding.

SAMPLE HOME IMPROVEMENT CONTRACT:



HOME IMPROVEMENT CONTRACT

[Business Name of Licensed Contractor]

The Notice of Cancellation may be mailed to the contractor at the address noted on the contract.

[Contractor business address, city, state, zip code, telephone number]

Contractor's License No. []

This Agreement signed by the owner and dated _____ is between [Contractor Name] (“Contractor”) and _____ ("Owner")

Owner's Address or address where work is performed: _____

Substantial commencement of work under this contract is described as _____

Approximate Start Date: _____ **Approximate Completion Date:** _____

Contract Price: Owner agrees to pay Contractor a total cash price, in dollars and cents of \$ _____.

Finance Charge: In dollars and cents (if any, if not applicable, put “none”) \$ _____.

Downpayment: (if any, if not applicable, put “none”) \$ _____.

THE DOWNPAYMENT MAY NOT EXCEED \$1,000 OR 10 PERCENT OF THE CONTRACT PRICE, WHICHEVER IS LESS.

Description of the Project and Description of the Significant Materials to be Used and Equipment to be Installed
[describe the project and significant materials to be used and equipment to be installed]

If payment (other than a downpayment) is not due until completion, check here: There will be no schedule of progress payments. Otherwise, include the **Schedule of Progress Payments**. The schedule of progress payments must specifically describe each phase of work, including the type and amount of work or services scheduled to be supplied in each phase, along with the amount of each proposed progress payment.

IT IS AGAINST THE LAW FOR A CONTRACTOR TO COLLECT PAYMENT FOR WORK NOT YET COMPLETED, OR FOR MATERIALS NOT YET DELIVERED. HOWEVER, A CONTRACTOR MAY REQUIRE A DOWNPAYMENT.

Schedule of Progress Payments

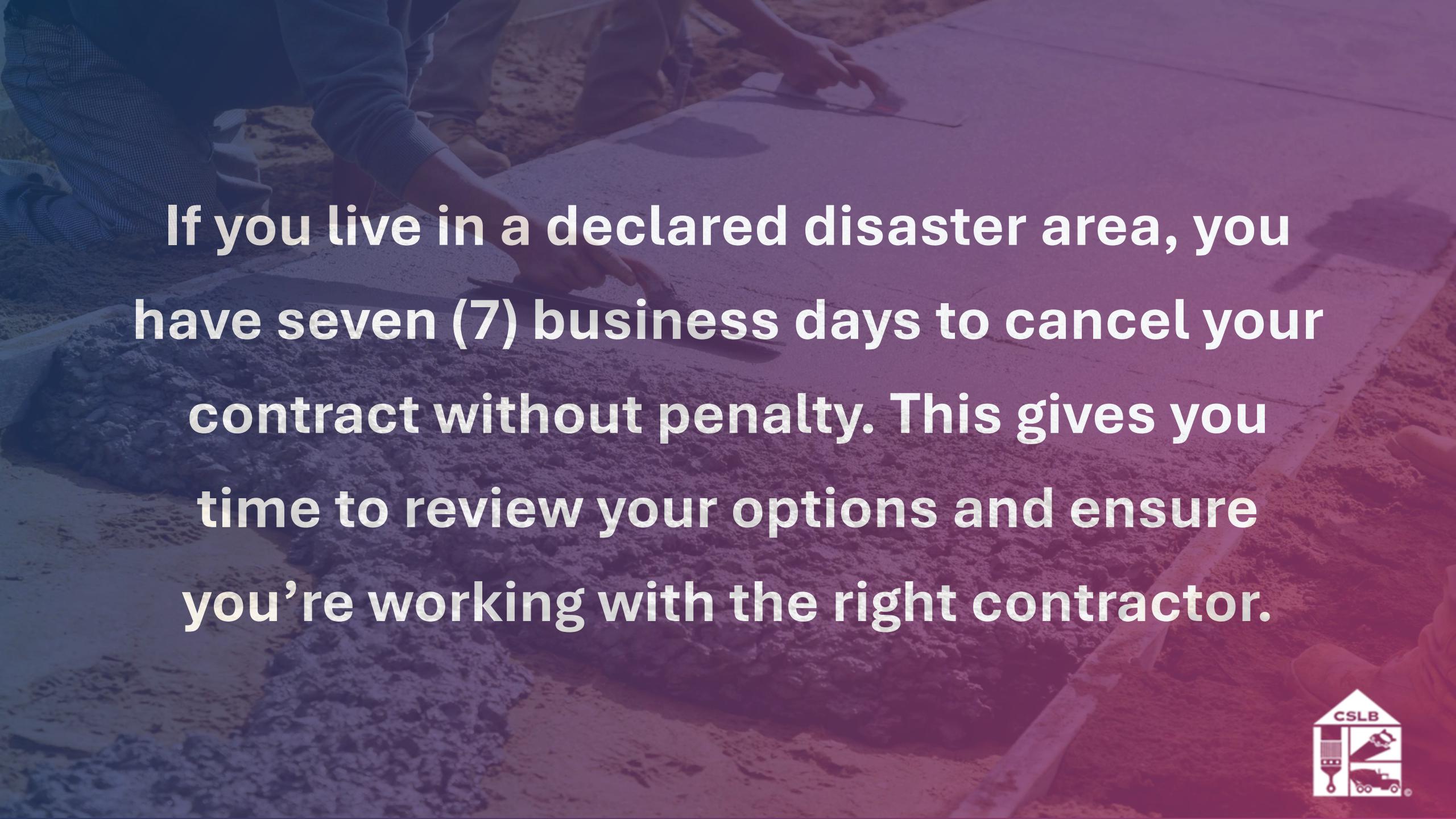
AMOUNT (in dollars and cents) EVENT (specifically reference the amount of work performed and services, materials, and equipment supplied)

\$ _____

\$ _____

Core Contract Elements

- ✓ Verify the Contractor's License Number
- ✓ Read Entire Contract Carefully
- ✓ Clear Project Start and Completion Dates
- ✓ Confirm Total Contract Price
- ✓ Payment Schedule That Follows Payment Restrictions
- ✓ Ensure the Scope of Work is Detailed



If you live in a declared disaster area, you have seven (7) business days to cancel your contract without penalty. This gives you time to review your options and ensure you're working with the right contractor.



Payment Rules and Protections

- ✓ Down Payment Limited to 10% or \$1,000 (whichever is less)
- ✓ Keep Copies of All Receipts and Payments
- ✓ Review Change Order Policy
- ✓ Payments Must Match Progress of Work Completed or Supplies Delivered
- ✓ Never Pay in Cash; Use Check or Credit Card
- ✓ Include a Schedule of Progress Payments

Permits, Inspections, Change Orders

- ✓ Contractor Must Obtain Required Permits
- ✓ Permits Ensure Work is Safe and Code-Compliant
- ✓ Change Orders Must Be in Writing and Signed
- ✓ Contract Should Include: Insurance, Bonding, and Cancellation Rights

After a disaster, some businesses may overcharge for material and labor. Although CSLB does not regulate pricing, protect yourself by knowing fair prices before signing a contract.



Avoid Price Gouging

- In disaster areas, raising prices by more than 10 percent is illegal.
- Report price gouging to your local district attorney, CSLB, or your county office dedicated to rebuilding.
- Research material costs before buying.
- Beware of low bids – they may hide extra costs or poor-quality work.

Report Unlawful Construction in a Disaster Zone

- Be alert for unlicensed contractors offering repair or rebuilding services.
- Check the license: Always verify a contractor's license at www.cslb.ca.gov or by calling 800-321-CSLB (2752).
- Gather details: Note the person or company name, vehicle info, location, dates, and type of work being done.

Report Unlawful Construction in a Disaster Zone

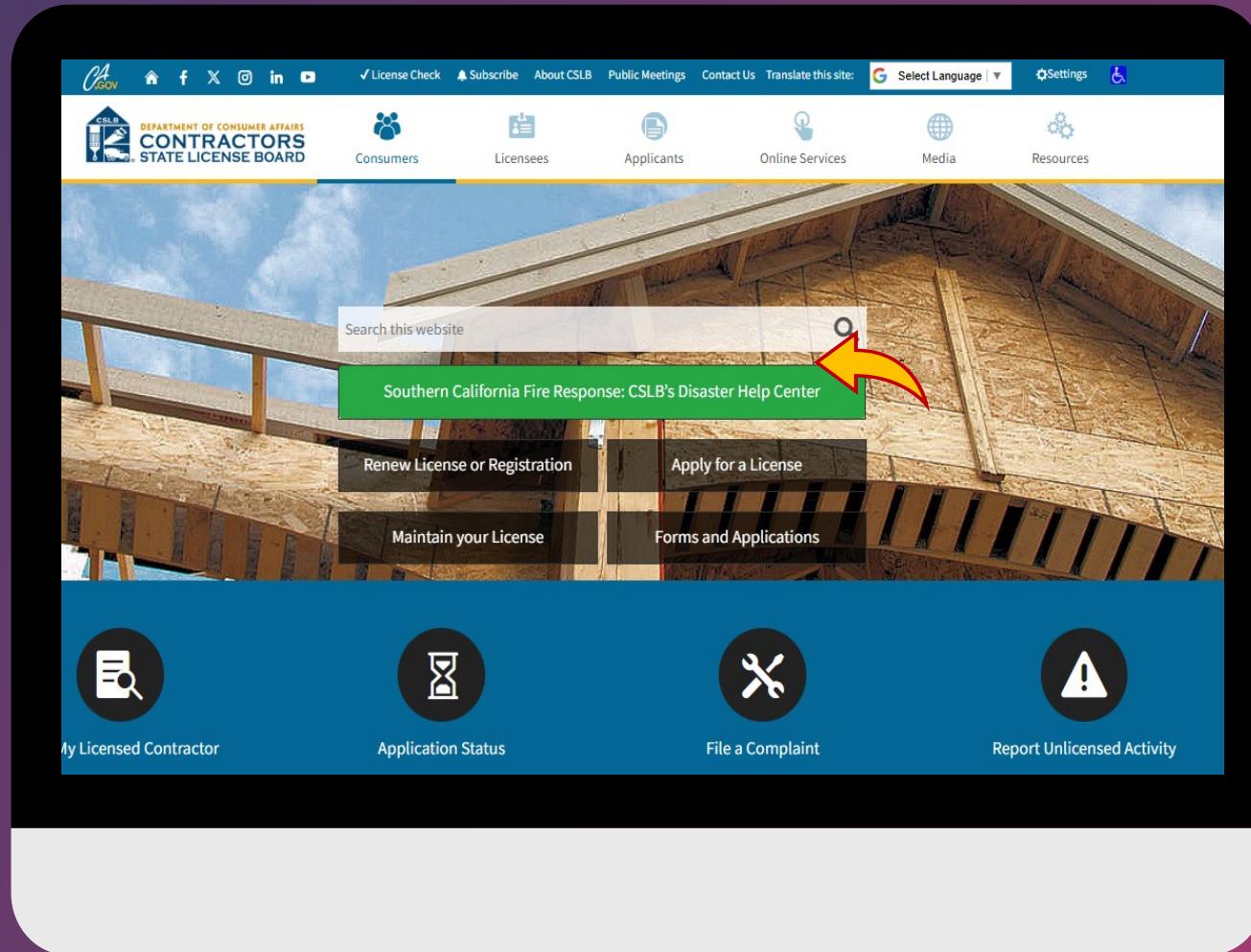
- Take photos or videos (if safe) to document the work and individuals involved.
- Submit a complaint to CSLB online or by mail—use the “Fraudulent or Unlicensed Activity” complaint form at www.cslb.ca.gov.
- Report immediately: Timely reporting helps CSLB dispatch its Statewide Investigative Fraud Team (SWIFT) to investigate and stop illegal activity.



How to File a Complaint

- **Visit CSLB's complaint page:** www.cslb.ca.gov/consumers
- **Choose your complaint type:** Unlicensed activity, poor workmanship, contract violations, and more.
- **Submit online:** Use CSLB's secure e-Complaint form or download a paper form to mail.
- **Be specific:** Include names, license numbers (if available), dates, addresses, and photos or documents that support your complaint.
- **Track progress:** CSLB may contact you for follow-up details or investigation updates.

Visit CSLB's Disaster Help Center for Resources



www.cslb.ca.gov/disaster



GET IN TOUCH

Scan this code
for additional
CSLB contact
information



CONNECT



 (800) 321-CSLB (2752)

 cslbinfo@cslb.ca.gov

 www.cslb.ca.gov



LA County Department of Consumer Business Affairs (DCBA)

About DCBA

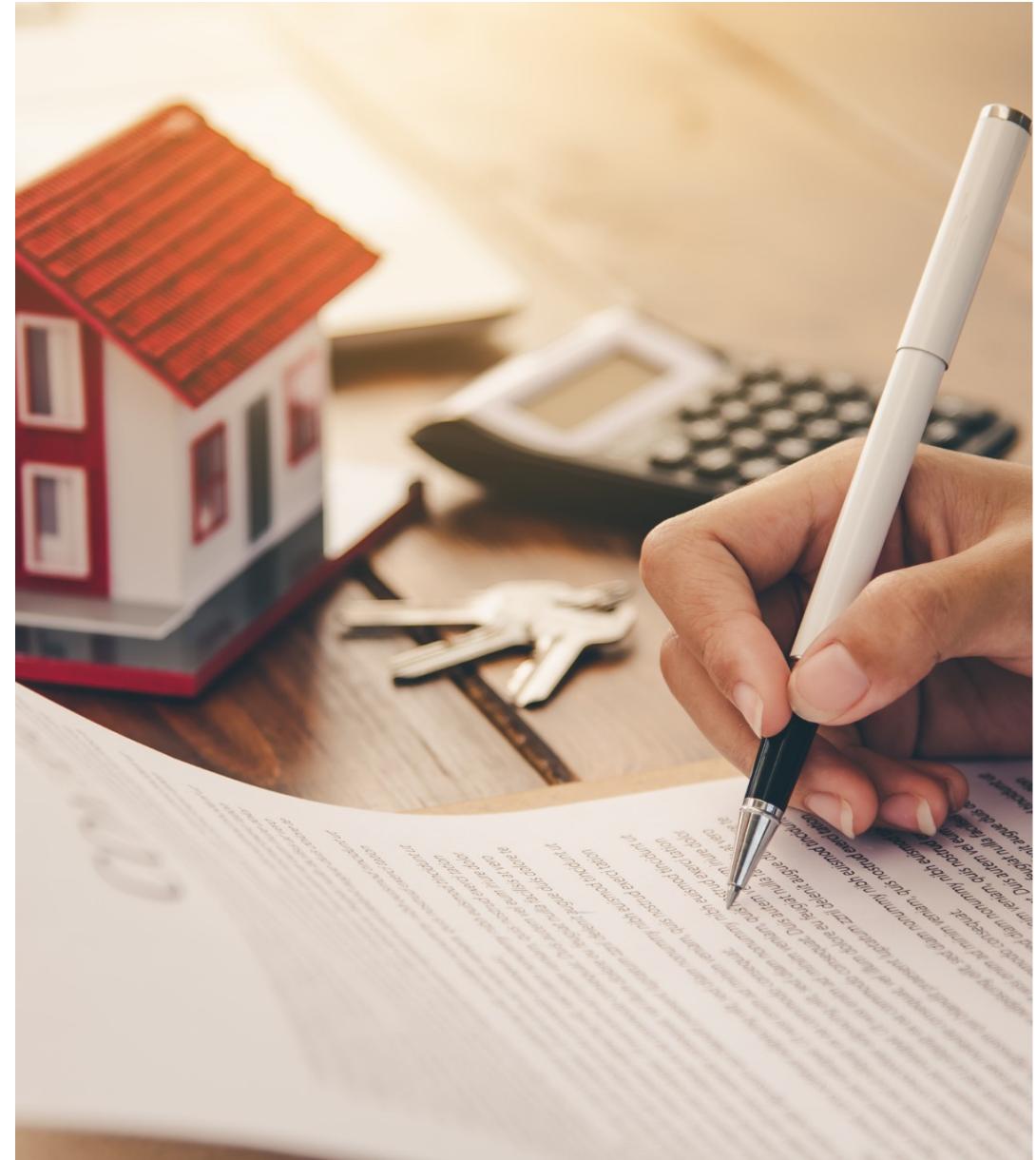
- **Free, local help:** LA County's local consumer protection agency. For homeowners, landlords, tenants, workers, and consumers.
- **One-on-one support:** We answer questions, respond to complaints, and explain your rights
- **Empowering consumers:** We seek remedies from businesses that take advantage of consumers, including disaster survivors
- **Website:** dcba.lacounty.gov
- **Phone:** (800) 593-8222

After a disaster...

- **Damage to your home and urgent repairs**
- **Contractors knocking on your door offering help**
- **Pressure to sign contracts quickly**
- **Confusion about your rights and how to stay safe**

Get Everything In Writing

- A written contract should include:
 - What work will be done
 - How much it will cost
 - Start and end dates
- Don't sign anything you're not comfortable with
- Never pay everything upfront
- **No contract = no protection.**



Know Your Right to Cancel

- **7 days:** In a declared disaster area
- **5 days:** Door-to-door sales, at your home or temporary residence
- **3 days:** Away from a seller's usual place of business (e.g. fairs, trade shows, temporary offices)

- Contractor must provide a written notice explaining **your right to cancel**
- To cancel, send a **written cancellation notice** within the applicable time frame
- You **do not need to give a reason** to cancel



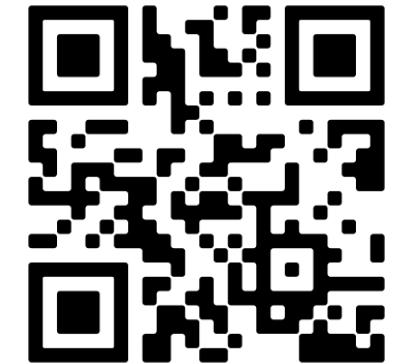
Watch Out for Price Gouging

Illegal to raise prices more than 10% during an emergency, including:

- Construction and repair services
- Materials
- Rentals and hotel rooms

Overcharged? Call DCBA

- Visit dcba.lacounty.gov/pricegouging or call (800) 593-8222
- DCBA can investigate and **take action**
- LA County Board of Supervisors approved stronger enforcement tools



Understand Mechanics Liens

- A **mechanics lien** is a legal claim against your property if someone working on your home, like a subcontractor or supplier isn't paid.

Why it matters:

- Shows up on your property records and affects your credit
- Blocks you from selling or refinancing your home
- May lead to foreclosure if unpaid



How Mechanics Liens Work

Steps subcontractors or suppliers must take to file a lien

1. Preliminary Notice (within 20 days of starting work)

- They notify you they are working on your home and may file a lien if unpaid.

2. Filing Claim of Lien (within 90 days after work ends)

- A public record is created against your property for the amount owed.

3. Serving You the Lien

- You must be officially notified about the lien.

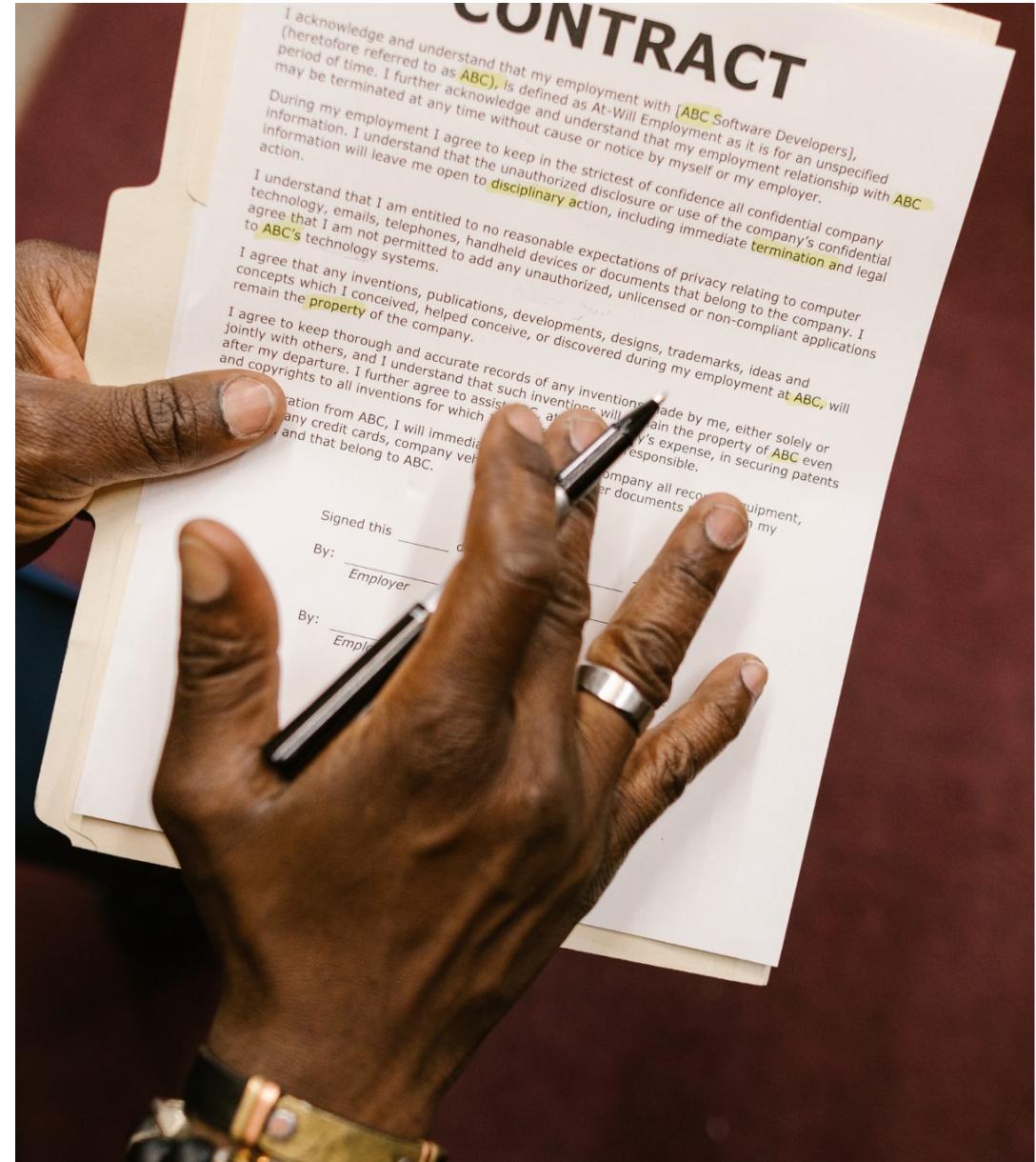
4. Filing a Lawsuit (within 90 days of filing lien)

- If they don't sue within 90 days, the lien expires. If they sue and win, they can force the sale of your home.



How to Protect Yourself From a Lien

- Ask your contractor for a **list of subcontractors and suppliers**
- Request copies of **Preliminary Notices**
- Make payments by **joint checks** to contractor and subcontractors
- Always get **Lien Waivers** when you pay
- Don't make your **final payment** until the work is done and all lien waivers are signed



Remember...

- **Don't rush — take time to review contracts**
- **Get everything in writing**
- **Know your cancellation rights**
- **Watch for price gouging or shady contractors**
- **Protect your home with lien waivers & payment safeguards**

File a Complaint

LA County Department of Consumer and Business Affairs (DCBA)

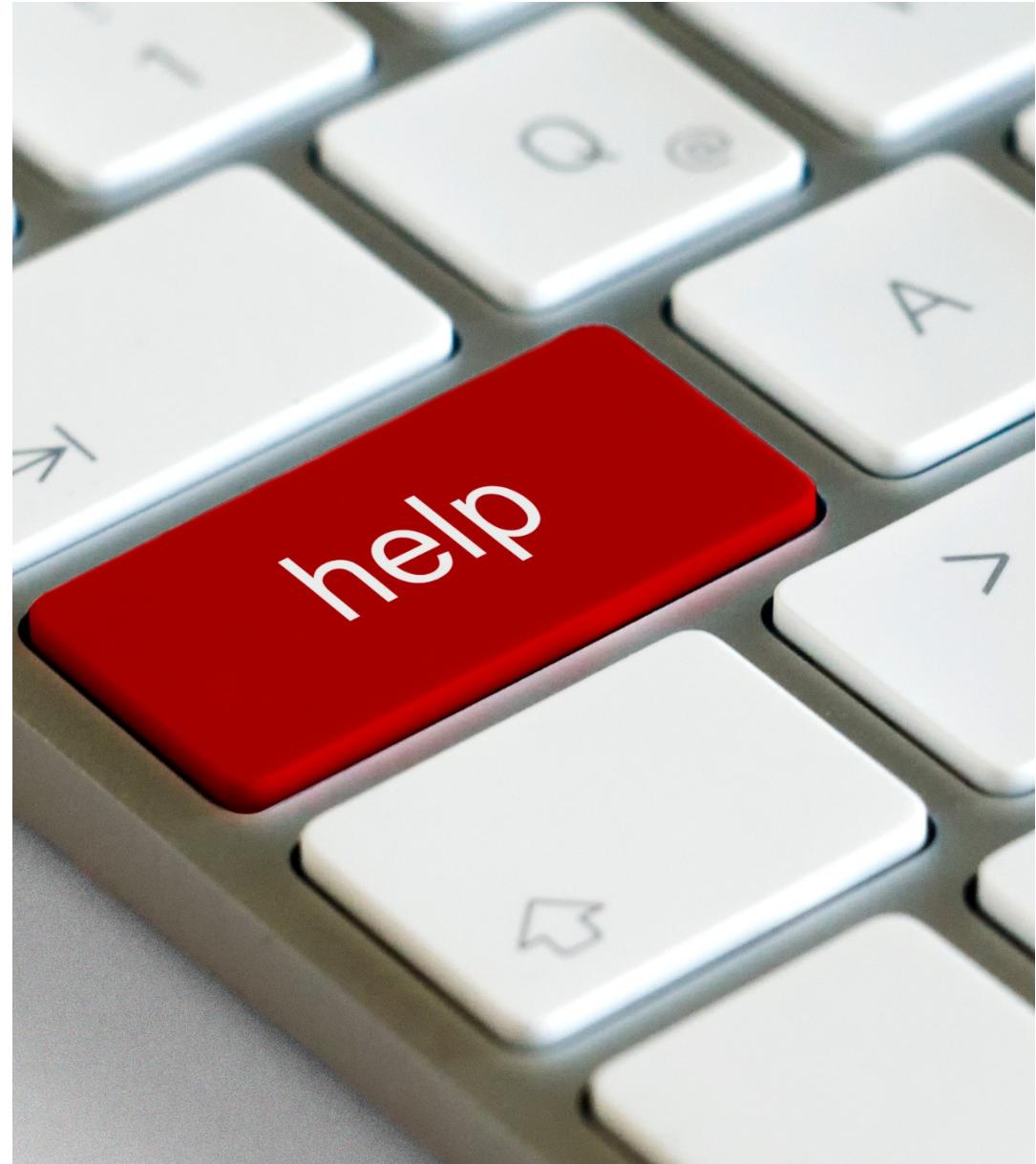
For price gouging, contract disputes, or help understanding your rights

- **(800) 593-8222**
- dcba.lacounty.gov

California Contractors State License Board (CSLB)

For contractor fraud, bad work, or license problems

- **800-321-CSLB (2752)**
- www.cslb.ca.gov



We're Here When You Need Us

- DCBA's Offices
 - Altadena Community Center
 - Downtown LA
 - East LA
 - Lancaster
 - South Whittier



Neighborhood Housing Services of LA County (NHS)

Understanding Your Financing Options

- Insurance
- Savings
- Grants
- Financing/Loans
- Knowing your financing options will determine your limitations
- Knowing your financial capacity is essential when selecting a contractor

Benefits of Working with a Licensed Contractor

- Expert knowledge of local building codes
- Single point of contact
- Manager of construction flow/progress
- Liability insurance



Contractor's Checklist

- Verify the license
- Confirm insurance
- Contact references
- Check for complaints
- Scrutinize sub-contractors
- Evaluate professionalism and communication
- Consider their specialization
- Judge their project management skills
- Inspect their previous work
- Analyze the bid and contract
- Get multiple bids
- Beware of low bids
- Demand a comprehensive contract
- Understand payment terms
- Look for red flags
 - Requests full or excessive upfront payment
 - Refuses a written contract
 - High-pressure sales tactics
 - Operates without a physical address
 - Poor or inconsistent communication

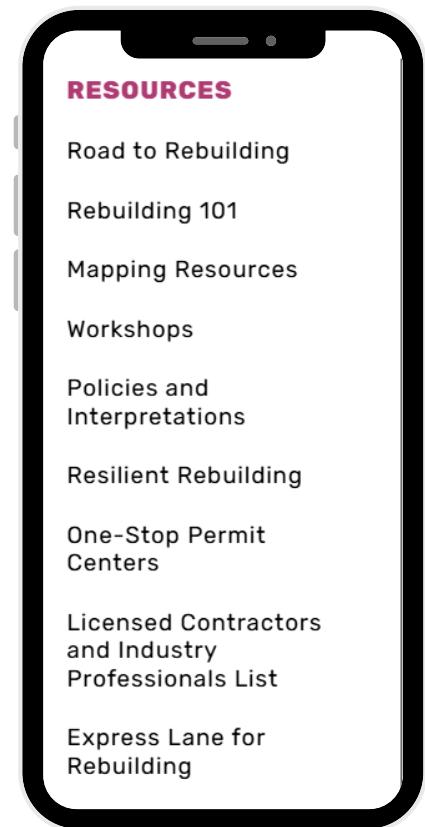
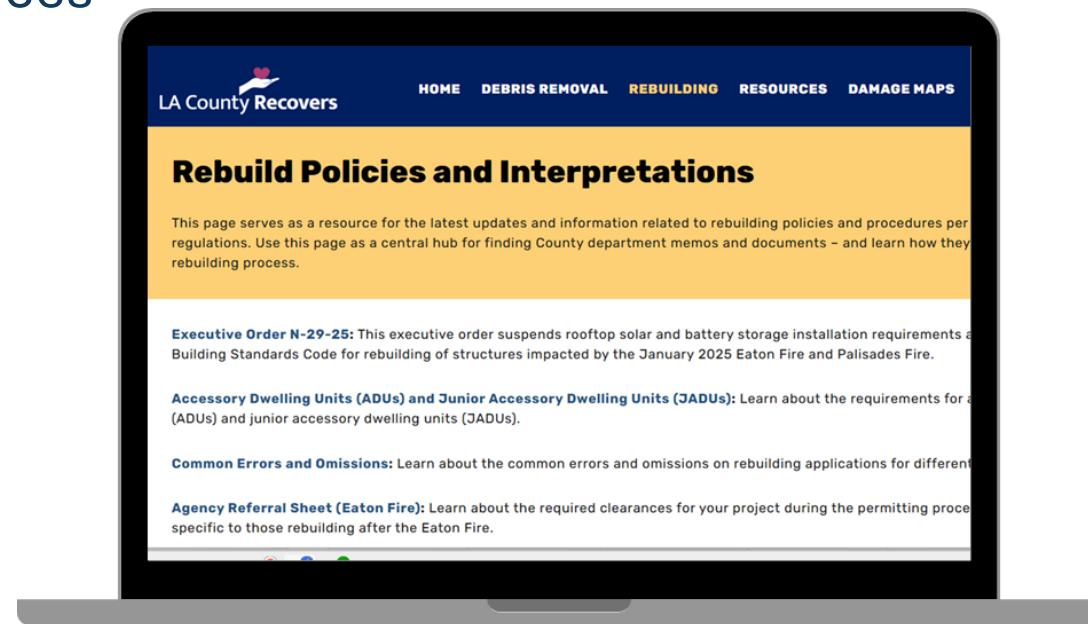
Questions?

LA County Recovers Website

Rebuilding Resources

In-depth information on recovery processes, rebuilding requirements and support resources available for wildfire impacted communities

- Interpretation memos and guidance on requirements
- Community-specific resources
- Step-by-step guides
- Videos
- Workshop recordings
- FAQs
- Handouts
- Maps
- News
- And more

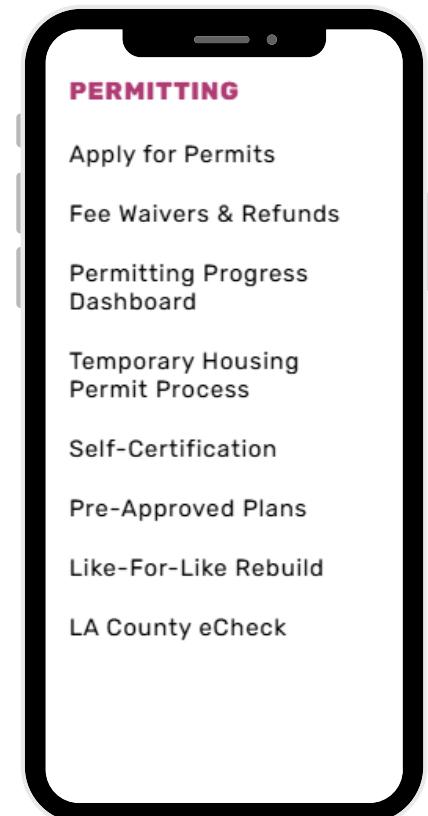
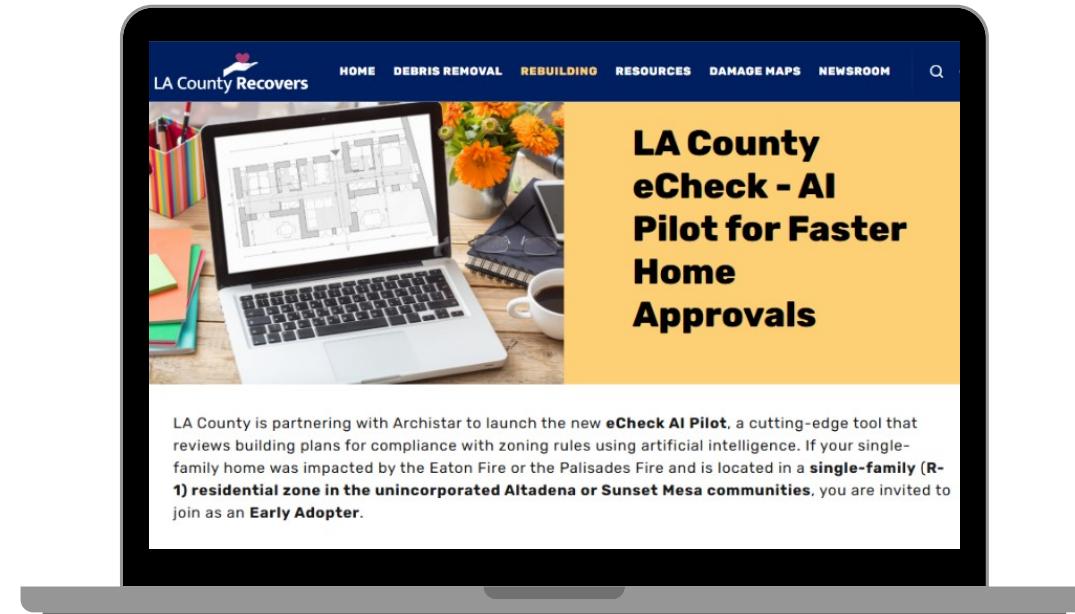


LA County Recovers Website

Permitting Information

In-depth guidance on permitting requirements and new rebuilding pilot programs available to homeowners and building professionals looking to streamline their rebuild processes:

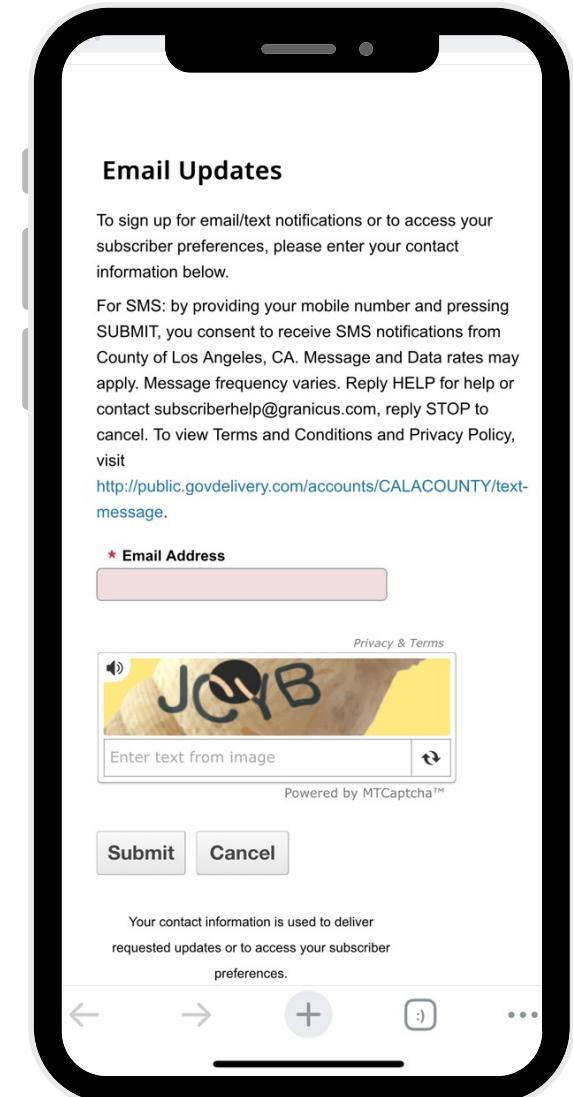
- Pre-approved plans
- How to apply for permits
- Interactive dashboards
- AI-assisted plan review
- Eligibility for fee relief
- Temporary housing
- Like-for-Like rebuilds
- How to self-certify



LA County Recovers

E-Newsletter

- Announcements, updates and relevant news from LA County departments and wildfire recovery partners
- Sent via email Monday, Wednesday & Friday afternoons



Where to Find Additional Information

- recovery.lacounty.gov
- cslb.gov/disaster
- dcba.lacounty.gov
- nhslacounty.org

Provide Your Feedback

Scan the QR code to take our survey!

