

WELCOMING 2018...NEW YEAR, NEW LAWS!

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The California legislature was busy in 2017 with Democratic super-majorities in both houses! The following is a brief recap of some changes in the laws that can affect contractors or businesses:

- **Labor Liabilities:** A direct contractor is now required to assume and be liable for debt owed to a wage claimant that is incurred by a subcontractor, at any tier, who is acting under, by or for the direct contractor. This new law protects the employees of subcontractors, who can now seek payment from the direct contractor.
- **Home Inspectors:** Generally, a home inspector is prohibited from performing repairs to a structure on which it has prepared a home inspection report within the past 12 months. A licensed roofing contractor is now exempt from this law if it performs repairs for the specific purpose of providing a roof certification, if specified conditions are met.
- **CSLB Letter of Admonishment:** If the registrar of the Contractors' State License Board has probable cause to believe that a licensee or applicant has committed any acts or omissions that are grounds for denial, revocation, or suspension of license, he or she may issue a citation. The registrar is now also authorized to issue a written and detailed letter of admonishment in lieu of issuing a citation.
- **Recording Fees:** An additional \$75 fee is being imposed at the time of recording of every real estate instrument, paper or notice per each transaction per parcel of real property, not to exceed \$225. This includes the recording of mechanic's liens, notice of completions, and lis pendens, but excludes any documents recorded in connection with the sale of real property. The county recorder is required to send revenues from this fee quarterly, after deduction of any actual and necessary administrative costs incurred by the county recorder, to the Controller for deposit in the Building Homes and Jobs Fund.
- **PACE Program Administrator:** A PACE program administrator is now required, before a property owner signs an assessment contract, to make an oral confirmation that at least one owner of the property has a copy of specified documents and forms related to the contract and to provide oral confirmation of the key terms of an assessment contract to the owner or an authorized representative of the owner on the call.
- **Internet Web Site Posting of Payments:** Within 10 days of making a construction contract payment, a state agency must post on its website the project for which the payment was made, the name of the contractor or company paid, the date the payment was made or the date instructions were transmitted to make the payment, the application number or other identifying information, and the amount of the payment.
- **Public Works Definition:** Specific types of tree removal work are now included within the definition of "public works." Willful violation of laws relating to the payment of prevailing wages on public works is a misdemeanor, and with this expanded definition, the scope of the crime is expanded.
- **Salary and Conviction History:** Most employers are now prohibited from seeking salary or criminal conviction history information from a job applicant. It can, however, conduct a conviction history background check after a conditional offer of employment is made.

Here's to a successful and prosperous 2018!



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