



Contractors State License Board
9821 Business Park Drive
Sacramento, CA 95827
Phone (800) 321-CSLB

Owner/Builders Take Note!

A word of caution from the Contractors State License Board

Anyone who talks you into being your own general contractor, or “Owner/Builder”, may be doing you no favor.

“Owner/Builder” describes a situation in which the homeowner becomes the general contractor. As an owner/builder, you (not the person you hire) assume responsibility for the overall job.

Your responsibilities may include such things as state and federal taxes, worker’s compensation insurance, and other legal liabilities. You may be required to hire various subcontractors for your project, scheduling their work and supervising the job. If a worker is injured while working on your property, you could be asked to pay for injuries and rehabilitation through your homeowner’s insurance policy.

By signing a building permit application as an owner/builder, you assume full responsibility for all phases of your project and its integrity.

Hiring an unlicensed “consultant” to manage the project does not save you money in the long run. By hiring a licensed experienced contractor for your project to hire licensed knowledgeable tradespersons, the contractor becomes responsible for all phases of construction.

Unless you are very experience in construction, it is best to leave these matters to your licensed contractor.

For more information please visit www.cslb.ca.gov.



**PROPERTY OWNER ACKNOWLEDGMENT AND
VERIFICATION OF INFORMATION**

Address: _____ Project #: _____

Per Assembly Bill 2335 signed by the Governor, Section 19825 of the Health and Safety Code is revised to require owner-builder to acknowledge and be aware of the responsibilities and possible risk that may incur by pulling a permit as owner-builder. A building permit cannot be issued until the owner has read, initialed each provision, and signed the 'Owner's Acknowledgement and Verification Form'.

DIRECTIONS: Read and initial each statement below to signify that you understand or verify this information.

- ___ 1. I understand a frequent practice of unlicensed persons is to have the property owner obtain an "Owner-Builder" building permit that erroneously implies that the property owner is providing his or her own labor and material personally. I, as an Owner-Builder, may be held liable and subject to serious financial risk for any injuries sustained by an unlicensed person and his or her employees while working on my property. My homeowner's insurance may not provide coverage for those injuries. I am willfully acting as an Owner-Builder and am aware of the limits of my insurance coverage for injuries to workers on my property.
- ___ 2. I understand building permits are not required to be signed by property owners unless they are *responsible* for the construction and are not hiring a licensed Contractor to assume this responsibility.
- ___ 3. I understand as an "Owner-Builder" I am the responsible party of record on the permit. I understand that I may protect myself from potential financial risk by hiring a licensed Contractor and having the permit filed in his or her name instead of my own.
- ___ 4. I understand Contractors are required by law to be licensed and bonded in California and to list their license numbers on permits and contracts.
- ___ 5. I understand if I employ or otherwise engage any persons, other than California licensed Contractors, and the total value of my construction is at least five hundred dollars (\$500), including labor and materials, I may be considered an "employer" under state and federal law.
- ___ 6. I understand if I am considered an "employer" under state and federal law, I must register with the state and federal government, withhold payroll taxes, provide worker's compensation disability insurance, and contribute to unemployment compensation for each "employee." I also understand my failure to abide by these laws may subject me to serious financial risk.
- ___ 7. I understand under California Contractors' State License Law, an Owner-Builder who builds single-family residential structures cannot legally build them with the intent to offer them for sale, unless *all* work is performed by licensed subcontractors and the number of structures does not exceed four within any calendar year, or all of the work is performed under contract with a licensed general building Contractor.

- ___ 8. I understand as an Owner-Builder if I sell the property for which this permit is issued, I may be held liable for any financial or personal injuries sustained by any subsequent owner(s) that result from any latent construction defects in the workmanship or materials.

- ___ 9. I understand I may obtain more information regarding my obligations as an “employer” from the Internal Revenue Service, the United States Small Business Administration, the California Department of Benefit Payments, and the California Division of Industrial Accidents. I also understand I may contact the California Contractors’ State License Board (CSLB) at 1-800-321-SCLB (2752) or www.cslb.ca.gov for more information about licensed contractors.

- ___ 10. I am aware of and consent to an Owner-Builder building permit applied for in my name, and understand that I am the party legally and financially responsible for proposed construction activity.

- ___ 11. I agree that, as the party legally and financially responsible for this proposed construction activity, I will abide by all applicable laws and requirements that govern Owner-Builders as well as employers.

- ___ 12. I agree to notify Mountain View Building Inspection Office immediately of any additions, deletions, or changes to any of the information I have provided on this form.

Licensed contractors are regulated by laws designed to protect the public. If you contract with someone who does not have a license, the Contractors’ State License Board may be unable to assist you with any financial loss you may sustain as a result of a complaint. Your only remedy against unlicensed Contractors may be in civil court. It is also important for you to understand that if an unlicensed Contractor or employee of that individual or firm is injured while working on your property, you may be held liable for damages. If you obtain a permit as Owner-Builder and wish to hire Contractors, you will be responsible for verifying whether or not those Contractors are properly licensed and the status of their workers’ compensation insurance coverage.

NOTE: A copy of the property owner’s driver’s license, form notarization, or other verification acceptable by our office, is required to be presented when the permit is issued to verify the property owner’s signature.

Print property owner name: _____

Signature of property owner: _____ Date: _____