



Labor Compliance Seminar

May 13, 2025
Steve Grove, Chief of Enforcement – CSLB

CSLB Scope & Mission



Licenses and Regulates
300,000+ Contractors



Regulates 43 Construction
License Classifications



Enforces Contractors License
Law



Public Works License Classification Determinations

What's New?

- Business & Professions Code 7059: Awarding authorities must now ensure that public works project bidders hold the correct license classification for the work being performed.

Why It Matters:

- This ensures public works projects are performed by qualified professionals under the appropriate CSLB license classification.

Tribal Licensure



What's New?

CSLB will license tribal businesses, which must be organized under the jurisdiction of a federally recognized tribe.



Why It Matters:

This change would allow licensed tribal businesses to undertake construction projects off tribal lands, fostering economic growth in tribal communities.

Workmanship Accountability

What's New?

Contractors subject to workmanship complaints that result in a Letter of Admonishment or Citation will now be required to reimburse CSLB for industry expert costs.

Why It Matters:

This change encourages higher quality workmanship and ensures fairness in covering costs associated with complaint resolution.

Mandatory Workers Compensation Insurance



What's New?

The full implementation of mandatory workers' compensation insurance for all licensees regardless of whether they have employees is delayed from January 1, 2026, to January 1, 2028.



What It Means:

Licensees in all trades (except C-39, C-8, C-20, C-22, and D-49) can continue to claim exemptions if they have no employees, until January 1, 2028. The delay allows CSLB time to determine possible exemption eligibility.

Civil Wage and Penalty Assessments

CSLB empowered to discipline a license when DLSE has issued a Civil Wage and Penalty Assessment

CSLB cannot take action until the CWPA is a final order

Outstanding Liability Suspension Program

Outstanding liabilities
are reported to CSLB
by:

Employment
Development
Department

Department of
Industrial Relations

Franchise Tax Board

State Board of
Equalization

Division of
Occupational
Safety and Health

Division of Labor
Standards
Enforcement

Outstanding Liability Suspension Statistics

Employment Development Department:

\$9,693,386

Franchise Tax Board:

\$4,444,249

Department of Industrial Relations:

\$4,254,522

Total Liabilities Collected:

\$18,392,157

Element of a Good Lead



When reporting a lead please include the following information:

- Date of your observation
- Job site address
- Type of project (remodel, landscaping, painting, etc)
- Identify whether construction work is still in progress with workers on site
- Estimate the percentage of job site completion
- Estimate when job will be complete
- Identify type of activity that may be illegal
- Include photos and/or descriptions of people/workers, vehicles (including signs), and license plates
- Note any names, including business names

New leads should be directed to the Statewide Investigative Fraud Team (SWIFT) at 916-212-2071; include contact information for the person providing the lead and indicate if he/she wants CSLB to keep that contact information confidential.

Public Works Reactive Complaints

Responsible Person
not on License
(7117a)

Illegal Substitution of
Subcontractor
(PCC 4107)

Suspended License
(7117.5)

Workers
Compensation
Insurance Violations
(LC 3700)

Egregious Labor
Code Violations
LC 1776, 1815, etc.

Public Works Active Construction Site



UNLICENSED OR
UNINSURED CONTRACTOR



CLASSIFICATION,
SUSPENSION, PERMIT
VIOLATIONS



WORKERS COMPENSATION
INSURANCE VIOLATIONS



ELECTRICIAN
CERTIFICATION (IF OTHER
VIOLATIONS EXIST)

Southern California Wildfires

The January 2025 Southern California wildfires prompted a coordinated response from several state agencies. CSLB actively supported these efforts.

- Participated in Disaster Response Centers to assist affected communities. These DRCs were located in Pacific Palisades, Altadena, and UCLA, with two being operational until April 30, 2025.
- Took part in a multi-agency task force established by the California Governor's Office of Emergency Services focused on rebuilding and housing.



Contact Information

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Questions