

CONTRACTOR TIPS FOR ADVERTISING

- **Include your license number in anything that might be considered advertising.**
- **Don't use false or misleading advertising or advertise a price or service you don't intend to honor.**
- **Don't advertise to do work you're not licensed to perform.**
- **Don't advertise about bonding.**
- **When advertising asbestos removal services, be sure to include your asbestos certification and registration numbers along with your business name and license number.**
- **Notify CSLB whenever you see advertising for an unlicensed contractor.**



legal action against unlicensed contractors and, on occasion, against licensed contractors who advertise illegally.

If an unlicensed operator advertises as a contractor in a telephone directory, and if an investigation determines the entity doing the advertising is unlicensed, under B&P Section 7099.10 (a), the Registrar can issue a citation for a fine or other civil penalty assessment. The citation may include an order of correction that requires the violator to:

- Cease the unlawful advertising; and
- Notify the phone company to disconnect any phone number in the unlawful ad without the ability to refer subsequent calls to any new number obtained by that person.

If the violator fails to comply with the order of correction, the Registrar can have the Public Utilities Commission disconnect the phone service.

If you believe that an unlicensed contractor is actively working on a construction project, contact CSLB at 800.321.CSLB (2752) or fill out a "SWIFT Lead Referral" form, which is available on the CSLB website, www.cslb.ca.gov.

CONTRACTORS STATE LICENSE BOARD
DEPARTMENT OF CONSUMER AFFAIRS



ADVERTISING GUIDELINES

FOR CONTRACTORS



CONTRACTORS STATE LICENSE BOARD

P.O. Box 26000
Sacramento, CA 95826-0026
800.321.CSLB (2752)
www.cslb.ca.gov • CheckTheLicenseFirst.com

DEPARTMENT OF CONSUMER AFFAIRS

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Advertising—What Is It?

You already know about advertising in newspapers, magazines, and on radio and television airwaves but, for licensed contractors, advertising is more than that. It's also:

- Your business card;
- Any contract proposal;
- Lettering on your trucks and other vehicles;
- Any sign or billboard identifying you or your company as a contractor;
- Any electronic transmission, including your company's website content;
- Any soliciting brochure, pamphlet, circular, or Internet ad you or anyone else posts or distributes;
- Any clothing or giveaway items that include your company name or logo; and
- Any directory or listing that states or implies you are a contractor requesting or looking for the kind of work that requires a contractor license under California Contractors License Law.

These specifications are in Section 861 of the Contractors State License Board (CSLB) Rules and Regulations. They define what Business and Professions (B&P) Code Section 7030.5 means when it says that licensed contractors are required to include their license numbers in "(a) all construction contracts; (b) subcontracts and calls for bid; and (c) all forms of advertising, as prescribed by the registrar of contractors." The civil penalty (pursuant to CCR Section 884) for not complying with this requirement is between \$100 and \$1,000 for a first offense.

Identifying Business Vehicles

C-36 Plumbing, C-45 Sign, and C-57 Well-Drilling contractors must display the following information on each side of every business vehicle with commercial registration in letters at least 1½ inches high (B&P Section 7029.5):

- Business name;
- Permanent business address; and
- Contractor license number.

All other licensed contractors must display their business names and contractor license numbers on every one of their commercially-registered vehicles. The name and number must be in a clearly visible location in letters at least ¾ inch high and wide (B&P Section 7029.6).

False Advertising

It is a misdemeanor to use false, misleading, or deceptive advertising to induce clients to enter into home improvement or other improvement contracts if the public might be misled or injured (B&P Section 7161). It is also illegal to include in an ad for home or other improvements any false, deceptive, or misleading assertions or representations you don't intend to honor. (Ads subject to and in compliance with Federal Trade Commission rules and regulations shall not be deemed false, deceptive, or misleading.)

Advertising Beyond the Scope of Your License

B&P Section 7027.1 prohibits you from advertising for construction work outside of areas for which you are licensed. For example, a C-29 Masonry contractor who advertises to do electrical work can be charged with a

misdemeanor—unless he or she also has a C-10 Electrical contractor license. (An exception to this provision permits licensed "A" General Engineering and "B" General Building contractors to advertise as general contractors.)

The civil penalty for the advertising violations in Section 7027.1 is between \$700 and \$1,000, plus any other punishment established by the Registrar or a court.

Don't Advertise About Bonding

You are forbidden by law (B&P Section 7071.13) from putting in your "advertising, soliciting, or other presentments to the public," the fact that you are bonded. Such a statement could lead the public to believe there is a higher level of protection provided to them by the bonding procedure than might be the case. This provision is designed to prevent such misunderstandings.

Asbestos Removal Contractors

In addition to complying with all other relevant advertising guidelines, ads soliciting to remove asbestos from buildings or structures must include the name you are registered under and two special numbers:

1. The asbestos certification number issued by CSLB (B&P Section 7058.5); and
2. The registration number required under Labor Code Section 6501.5 for anyone doing asbestos work (B&P Section 7099.11).

Failure to include these numbers will result in a notice to comply with this requirement from the Registrar. Failure to comply with this notice, or advertising to remove asbestos without being properly certified and registered, will result in a citation and potential civil penalty between \$100 and \$1,500.

Unlicensed Operators

Like legitimate contractors, unlicensed operators sometimes use advertising to find new clients. Ads without license numbers or with numbers that are not issued by CSLB are frequently used as CSLB sting targets.

CSLB and other enforcement agencies use two sections of the law—B&P Sections 7027.1 and 7099.10—to take