

Contractor Licensing

In California, the contractor licensing laws provide a strict rule that prevents a contractor from maintaining any action to recover compensation unless the contractor was duly licensed during the performance of the act or contract that gave rise to the dispute. Licensure issues can arise in situations such as when a contractor: does not hold a license in the classification necessary for the performance of the work in question; fails to renew a license in timely manner; commences work prior to obtaining the proper license; does not have workers' compensation insurance as required; does not have a contractor's license bond as required; does not report a judgment to the Contractors State License Board in a timely manner; does not replace a disassociated RMO or RME; or violates the Contractors License Law (*Business & Professions Code* section 7000, *et seq.*).

Gibbs Giden attorneys are experienced in all aspects of licensing and can assist clients who have questions about obtaining and maintaining proper licensing, who are in a dispute with an unlicensed contractor or subcontractor, and who find themselves in the unfortunate circumstance of not being duly licensed.

In addition, contractor's license bonds are one avenue of recovery against a contractor or subcontractor that has willfully and deliberately violated the Contractors License Law. Claims can be made against a bond by commercial creditors and homeowners. While the amount of recovery on a license bond is quite limited, this type of claim can be useful leverage in a dispute. Our attorneys understand the activity that can result in a successful license bond claim, and are able to use these claims as part of the overall strategy in a dispute, whether representing the creditor or the debtor contractor or subcontractor.

To learn more, please call our Los Angeles office at 310-552-3400, our Westlake office at 805-261-1777, our Irvine office at 949-287-8044 or our Las Vegas office at 702-836-9800, or contact us online.