



NOTICE TO PROPERTY OWNER FOR OWNER-BUILDER PERMITS

CHANGES IN STATE LAW (Assembly Bill No. 2335) REGARDING "OWNER-BUILDER" PERMITS

Due to a change by the Contractors State Licensing Board (CSLB) regarding Owner-Builder permits, the City of Los Angeles Department of Building and Safety (LADBS) will modify the permit issuing process to comply with State Assembly Bill (AB) No. 2335. Beginning January 2, 2009, a "Notification to Property Owner" with an "Owner's Acknowledgment Verification of Information" form will have to be provided by LADBS to the building owner for all Owner-Builder permits. The building owner will have to read and initial each statement to signify that he/she understands and verifies the information noted and sign at the end of the form. The form must be collected by the permit issuing staff for microfilming, after executing (initialed and signed) by the owner prior to issuing the permit.



NOTICE TO PROPERTY OWNER

Dear Property Owner:

An application for a building permit has been submitted in your name listing yourself as the builder of the property improvements specified at:_____.

We are providing you with an Owner-Builder Acknowledgment and Information Verification Form to make you aware of your responsibilities and possible risk you may incur by having this permit issued in your name as the Owner-Builder. We will not issue a building permit until you have read, initialed your understanding of each provision, signed, and returned this form to us at our official address indicated. An agent of the owner cannot execute this notice unless you, the property owner, obtain the prior approval of the permitting authority.

Authorized agent by the property owner, can sign this "Owner-Builder" declaration provided that the owner certifies via a notarized letter that he/she has read and understood all provisions included in this declaration.

See attached sample 'Authorization to Sign Permits for Owner' letter.

**OWNER'S ACKNOWLEDGMENT AND VERIFICATION OF
INFORMATION**

(OWNER-BUILDER DECLARATION)

Application Number: _____

Project Address: _____

DIRECTIONS: Read and initial each statement below to signify 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 workers' 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-CSLB (2752) or www.cslb.ca.gov for more information about licensed contractors.



**OWNER'S ACKNOWLEDGMENT AND VERIFICATION
OF INFORMATION**

(OWNER-BUILDER DECLARATION, cont.)

Application Number: _____

Project Address: _____

____ 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 at the following address: _____.

____ 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 the issuer of this form 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. Before a building permit can be issued, this form must be completed and signed by the property owner and returned to the agency responsible for issuing the permit.

____ 13. I understand that to obtain an Owner-Builder permit for electrical, plumbing or mechanical work that require a qualified installer, I must abide by all of the following restrictions:

- (1) Perform the work prior to sale of the dwelling
- (2) Be a homeowner that has resided in the residence for at least 12 months prior to the completion of the work described in the permit
- (3) Obtain Owner-Builder permit for not more than two structures during any three year period

I declare that I have complied or will comply with these requirements by the time the work described in the permit is completed.

Note: A copy of the property owner's driver's license, form notarization, or other verification acceptable to the agency is required to be presented when the permit is issued to verify the property owner's signature.

Owner's Name: _____

Signature of property owner _____ Date: _____

SEC. 3. Section 19830 of the Health and Safety Code is repealed.

SEC. 4. Section 19831 of the Health and Safety Code is repealed.

SEC. 5. Section 19832 of the Health and Safety Code is repealed.

