



CITY OF SANTA CLARITA  
BUILDING & SAFETY

## “OWNER/BUILDER” POLICY FOR PERMIT ISSUANCE

The following information is provided to help property owners, tenants, contractors, and others better understand California State Law regarding the issuance of permits as “owner/builder”.

This information also serves to help protect unsuspecting property owners from unlicensed or illegal contractors attempting to avoid the law by performing work under the exemptions outlined for an “owner/builder” permit.

### □ Background

Division 3, Chapter 9 of the Business & Professions Code constitutes, and may be cited as, the **Contractors' State License Law**.

Section 7028 within that chapter sets forth the requirement that construction work be performed by a licensed contractor unless specifically exempted. The exact wording is as follows:

**7028. (a) It is a misdemeanor for any person to engage in the business or act in the capacity of a contractor within this state without having a license; therefore, unless the person is particularly exempted from the provisions of this chapter.**

The exemptions to Section 7028 referred to above include the following “owner/builder” provisions as outlined in Section 7044:

**7044. This chapter does not apply to any of the following:**

**(a) *An owner of property, building or improving structures thereon, or appurtenances thereto, who does the work himself or herself or through his or her own employees with wages as their sole compensation, provided none of the structures, with or without the appurtenances thereto, are intended or offered for sale.***

**(b) *An owner of property, building or improving structures thereon, or appurtenances thereto, who contracts for such a project with a subcontractor or subcontractors licensed pursuant to this chapter.***

### □ Tenant Improvement Work

A tenant or business owner, in most cases, is not the property owner. As such, a tenant is not exempt from the provisions of Section 7028 requiring a licensed contractor (unless the tenant is also the property owner). Therefore, a tenant is not legally allowed to perform any work requiring a permit. In addition, their employees would not be legally allowed to perform any work requiring a permit.

The exemptions noted in Section 7044 only apply to the property owner and not a tenant. All permit related construction work must be performed by a licensed contractor as set forth in the Business & Professions Code.

In keeping with state law, the City of Santa Clarita Building & Safety Division will not issue permits to tenants wishing to act in the capacity of “owner/builder”.

Permits for tenant improvements can only be issued to a licensed contractor, or to the property owner in such cases where the property owner “...does the work himself or herself or through his or her own employees...”, or “...who contracts for such a project with a subcontractor or subcontractors licensed pursuant to this chapter...” as outlined in the exemptions set forth in Section 7044.

## **❑ Residential Construction Work**

As outlined in Section 7044, a homeowner is exempt from the requirements of Section 7028 (requiring work be done by a licensed contractor) under the following conditions:

- The homeowner does all the work himself or herself
- The homeowner has his or her own employees do the work with wages as their sole compensation (provided the structure will not be offered for sale)
- The homeowner contracts with a duly licensed contractor to do all the work

In keeping with state law, the City of Santa Clarita Building & Safety Division will only issue a permit to a homeowner as an “owner/builder” if the work is to be done under one of the above-noted conditions.

A permit will not be issued to a homeowner wishing to act in the capacity of “owner/builder” who intends to subcontract with an unlicensed individual (or individuals) to perform the work described in the permit.

**Please be advised, should the City of Santa Clarita become aware that there is a violation of any section of the Contractors’ License Law at a construction project within the City, the names of those individuals, including the owner and any unlicensed persons involved in such violation, will be reported immediately to the Contractors’ State License Board for follow-up action including possible legal actions as allowed by law.**

For additional information regarding the Contractors’ License Law or for questions regarding the Contractors’ State Licensing Board (CSLB), please refer to the following websites:

Information regarding state laws: [www.leginfo.ca.gov/calaw](http://www.leginfo.ca.gov/calaw)

Information regarding the Contractors’ State License Board: [www.cslb.ca.gov](http://www.cslb.ca.gov)