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LEGAL ALERT!!!

NEW LAW REQUIRES ALL ACTIVELY LICENSED **ROOFING CONTRACTORS TO HAVE WORKERS' COMPENSATION INSURANCE!**

EFFECTIVE MONDAY, JANUARY 1, 2007

On Monday, January 1, 2007, AB 881 will become the law in California. This Bill states that all active licensees with the Contractor's State License Board (CSLB) that have a Roofing (C-39) classification must have either a valid Certification of Workers' Compensation Insurance or a valid Certification of Self-Insurance on file with the CSLB.

Failure to have one of the above requirements on file will result in the removal of the Roofing (C-39) classification from a license with multiple classifications, or result in the suspension of a license where the Roofing (C-39) is the only classification.

AB 881 also mandates that any insurance companies issuing Workers' Compensation Insurance to contractors with the C-39 classification <u>must</u> perform an annual payroll audit of the contractor.

These new requirements will remain in effect until January 1, 2011.

This announcement is not intended as legal advice. For questions or concerns about the new legislation, please contact the attorneys of Crawford & Bangs, LLP. We welcome the opportunity to discuss the effect of the new legislation on your particular business.