



OWNER-BUILDER INFORMATION FORM (CD-B102)

Dear Property Owner:

For your protection, you should be aware that as “Owner-Builder” you are the responsible party of record on such a permit. Building Permits are not required to be signed by property owners unless they are personally performing their own work. If your work is being performed by a licensed contractor, you may protect yourself from possible liability if that person applies for the proper permit in his or her name.

Contractors are required by law to be licensed and bonded by the State of California. They are also required by law to put their license number on all permits for which they apply. A frequent practice of unlicensed persons professing to be contractors is to secure an “Owner-Builder” building permit, erroneously implying that the property owner is providing his or her own labor and material personally. To check if a contractor is licensed or to obtain additional information, visit the State Contractors License Board at www.cslb.ca.gov.

If the structure is not intended for sale, property owners who are not licensed contractors are allowed to perform their work personally, or through their own employees without a licensed contractor or subcontractor only under limited conditions.

Under California Contractors’ State License Law, an Owner-Builder cannot legally build a single-family residential structure with the intent to offer it 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 the work is performed under contract with a licensed general building Contractor. If the property is sold, the Owner-Builder 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.

If you plan to do your own work, with the exception of various trades that you plan to subcontract, you should be aware of the following information for your benefit and protection:

- If you use the volunteer labor of your immediate family, then you are not legally an employer.
- If you hire or otherwise engage for compensation any person other than your immediate family, and those persons are not licensed as contractors or subcontractors, then you may legally be an employer. Being an employer means you have certain legal responsibilities. You must register with the State and Federal government as an employer, and you are subject to several obligations including State and Federal Income Tax Withholding, Federal Social Security Taxes, Workers’ Compensation Insurance, Disability Insurance Costs, and Unemployment Compensation Contributions.

There may be financial risks for you if you do not carry out these obligations, and these risks are especially serious with respect to Workers’ Compensation Insurance. Your homeowner’s insurance may not provide coverage for injuries sustained on your property by an unlicensed contractor and his/her employees. For specific information about your obligations under Federal Law, contact the Internal Revenue Service, the U.S. Small Business Administration, CA Department of Benefit Payments, and/or the CA Division of Industrial Accidents.

If you wish to proceed, you must complete the Owner-Builder Verification on the following page before your permit may be issued.



OWNER-BUILDER VERIFICATION

THIS FORM IS REQUIRED TO BE COMPLETED PRIOR TO PERMIT ISSUANCE.

This Owner-Builder Verification Form is provided to ensure you are aware of your responsibilities and the possible risk you may incur by having this permit issued in your name. We will not issue a building permit until you have reviewed, signed, and returned this form to the City of Folsom Building Division.

By signing this Verification Form, you acknowledge that you have read and understand the information below.

Property Address: _____

Name of Property Owner: _____

Signature of Property Owner: _____ Date: _____

Important information to consider before pulling your “Owner-Builder” permit:

- **Hiring a California Licensed Contractor poses the least amount of risk to the homeowner.**
This means you do not personally perform any of the construction work, the permit is not taken out in your name, and you are not personally responsible for the construction.
- **As an Owner-Builder, you are the responsible party of record on the permit.**
As the party legally and financially responsible for this proposed construction activity, you must abide by all applicable laws and requirements that govern Owner-Builders as well as employers.
- **If you hire or otherwise engage for compensation any person other than your immediate family, and those persons are not licensed as contractors or subcontractors, then you may legally be an employer.**
Being an employer means you have certain legal responsibilities. These responsibilities are included on the Owner-Builder Information Form (CD-B102).
- **As an Owner-Builder, you 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 your property.**
Your homeowner’s insurance may not provide coverage for those injuries. As owner builder you must be aware of the limits of your insurance coverage for injuries to workers on your property.
- **The Owner-Builder may be held liable for any financial or personal injuries sustained by any subsequent owner(s) if the property is sold.**
Additionally, Owner-Builders cannot legally build a single-family residential structure with the intent to offer it for sale unless they are hiring licensed contractors or subcontractors to perform the work.

Note: It is the owner’s responsibility to notify the Building Division if any of the information provided changes during construction. Please contact the Building Division at EPC@folsom.ca.us with any questions.