

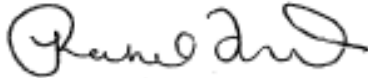
# Memorandum

*Making Conservation  
a California Way of Life.*

To: DEPUTY DISTRICT DIRECTORS, Construction  
DEPUTY DIVISION CHIEF, Structure Construction  
CONSTRUCTION MANAGERS  
SENIOR CONSTRUCTION ENGINEERS  
RESIDENT ENGINEERS

Date: January 16, 2020

File: Division of Construction  
CPD 20-1



From: RACHEL FALSETTI, Chief  
Division of Construction

Subject: **SUBCONTRACTOR REGISTRATION AND LICENSING**

This directive is a reminder of the importance of verifying documentation of subcontractors' public works contractor registration numbers and licenses in advance of their work, and tracking subcontractor's performance of the work, including entities performing trucking.

Section 3-1.03, "Contractor Registration," of the *2018 Standard Specifications*, states that no contractor or subcontractor may be awarded a contract for public works on a public works project unless registered with the Department of Industrial Relations pursuant to Labor Code Section 1725.5. The office engineer contract awards unit reviews the Form DES-OE-0102.2C, "Subcontractor List," at time of bid for subcontractors that will perform more than 1/2 of 1 percent of the total bid or \$10,000, whichever is greater. Included within this review is verification of the subcontractors' California state contractor license numbers and their public works contractor registration numbers. Resident engineers should receive a copy of this information in the awards package transmittal.

Section 5-1.13A, "General," of the *2018 Standard Specifications*, requires that Form CEM-1201, "Subcontracting Request," be completed for all subcontractors before their subcontracted work starts. Subcontractors identified on this form will include those identified on the Form DES-OE-0102.2C, "Subcontractor List," provided at time of bid, and additional subcontractors, such as those who were added for change order work or those whose work is valued at less than or equal to the limiting dollar value established at time of bid. All subcontractors must meet the California state contractor licensing and public works contractor registration requirements as specified in Section 5-1.13A. Transmit a copy of each Form CEM-1201 to the district labor compliance office and request a review of the identified subcontractors' licensing and registrations. For subcontractors not listed at time of bid, the labor compliance office will complete Form PWC-100, "Public Works Projects Registration," on the California Department of

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Industrial Relations website portal. In the event either a subcontractor's license or registration is noncompliant, notify the contractor immediately. See Section 3-507, "Subcontracting," of the *Construction Manual* for additional details.

Best practices for identifying potential issues early include maintaining a weekly summary of subcontractors performing work on your project (Form CEM-1210, "Weekly Report of Job Site Labor") and including a copy with the week's daily reports in transmittals to the labor compliance office; verifying that work to be subcontracted is being performed by those identified on the Subcontractor List and Subcontracting Request forms; and performing employee interviews of both contractor and subcontractor employees in conformance with Section 8-102A (3), "Interviews With Contractor Personnel," of the *Construction Manual*.

Revised Form CEM-1201 and new Form CEM-1210 are available at:

<https://dot.ca.gov/programs/construction/forms>

If you have questions or comments regarding this directive, contact Ken Darby, Division of Construction, at [Ken.Darby@dot.ca.gov](mailto:Ken.Darby@dot.ca.gov) or (916) 653-2032.