



BOARD OF SUPERVISORS

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MEMORANDUM

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CLERK OF THE BOARD
COUNTY OF ORANGE
BOARD OF SUPERVISORS

To: Robin Stieler, Clerk of the Board
From: Chairman Doug Chaffee, Fourth District
Supervisor Vicente Sarmiento, Second District
Date: 04/01/2026
Subject: Addition of Supplemental Item to the April 14, 2026 Board Meeting Agenda

Doug Chaffee
Vicente Sarmiento

S43A

We ask that the Board of Supervisors approve the following recommended actions at the April 14, 2026 meeting:

1. Read the title of the Ordinance.
2. Order further reading of the ordinance be waived.
3. Consider the matter.
4. Direct Ordinance be placed on agenda of the next regularly scheduled Board meeting for adoption.
5. At the next regularly scheduled meeting, consider the matter, and adopt the Ordinance.

Approval of the Subcontractor Disclosure Ordinance will amend the Orange County Codified Ordinances (Building Code) to promote safety through adherence to labor standards and transparency of subcontractors being used for certain County approved private development projects.

BACKGROUND INFORMATION:

Currently, County regulations require that general contractors are licensed and in good standing with the Contractors State Licensing Board (CSLB). However, general contractors are not currently required to identify their subcontractors until conclusion of the job.

This limited disclosure framework creates a reliance on self-reporting which may allow the use of unlicensed or noncompliant subcontractors. This can contribute to unsafe worksite conditions, wage theft, worker exploitation, insurance fraud, and repeated violations of state and federal labor laws.

In requiring disclosure of subcontractors before the project begins, the County's goal is to reinforce a culture of safety and legal compliance while ensuring that labor standards are upheld.

The proposed ordinance would apply to an owner or an owner's authorized agent who applies for a permit on a private project if the project meets one of the following criteria:

1. Construction of twenty (20) or more residential dwelling units;
2. Remodel or renovation of twenty (20) or more existing residential dwelling units with a project valuation of \$1,000,000 or more;
3. Construction of 20,000 square feet or more of new commercial or industrial building area; or
4. Remodel or renovation of 20,000 square feet or more of commercial or industrial building area with a project valuation of \$1,000,000 or more.

Under the proposed ordinance, the applicant would be required, at the time of building permit issuance, and prior to commencement of work, to complete a form signed under penalty of perjury that:

- Lists all subcontractors to be used on the project;
- Verifies that subcontractors have appropriate insurance, licenses, and federal tax identification numbers; and
- Discloses any final determinations relating to state and federal labor code violations within the prior five (5) years, from the date of application.

Benefits of Adopting the Ordinance:

- Promotes worker safety and lawful working conditions: Requiring upfront disclosure helps ensure that all subcontractors are properly licensed and insured, reducing the likelihood of unsafe job sites and protecting workers from exploitation.
- Enhances accountability and transparency: Moving from end-of-project disclosure to real-time reporting increases visibility into who is performing work on County-permitted projects and discourages the use of unlicensed or noncompliant subcontractors.
- Encourages compliance with labor laws: Requiring disclosure of prior violations creates an added incentive for contractors and subcontractors to maintain good standing and avoid repeat offenses.

CEQA COMPLIANCE:

N/A

FINANCIAL IMPACT:

N/A

STAFFING IMPACT:

N/A

REVIEWING AGENCIES:

Office of County Counsel

ATTACHMENT(S):

Attachment A – Proposed Subcontractor Disclosure Ordinance