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For Immediate Release:

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LLR Issues Consumer Alert Regarding Property Repairs Following Flooding

As South Carolina property owners begin the task of securing repairs after recent flooding across the state, the South Carolina Department of Labor, Licensing and Regulation is warning consumers to be on the lookout for scam artists.

"Consumers are anxious to get the work done quickly and get their lives back to normal after a storm," said Janet Baumberger, Administrator of the South Carolina Residential Builders Commission. "But, they may neglect to take necessary precautions when hiring repair people."

The biggest problem is homeowners paying too much in advance and hiring unlicensed contractors. The unlicensed practice of residential or commercial building in this state is a misdemeanor and upon conviction is punishable by a jail sentence and/or a monetary fine pursuant to S.C. Code Ann. § 40-59-200 and § 40-11-200 respectively.

"Honest contractors do not require large sums of money upfront," she said. "The most common complaints we receive after severe storms are from overcharged property owners. A scam artist will take your money up front and not perform the service as promised."

To protect consumers, LLR offers the following tips:

- Take photographs of damage before repairs.
- Ensure that the person or business has the appropriate professional license to engage in the work offered by going to "Licensee Lookup" at www.llronline.com. If you have a question about whether the scope of work requires a license, call 803-896-4600. Many agencies or organizations (such as FEMA) may not provide reimbursement assistance to property owners if the individual or company with whom they contract does not hold the required licenses. FEMA's web address is www.fema.com.
- Do not panic and hire someone because they are the only company who can come out to your home or business immediately.
- After assessing damage, contact local building departments for information on required permits. Your local building department has jurisdiction regarding the proper permitting for the project as well as whether and what types of inspections are required to ensure that minimum building codes are followed.
- If possible, obtain recommendations from family, friends or co-workers and require that the builder provide you with a list of professional references that you can contact. The Better Business Bureau is also a reference source you may wish to utilize at www.bbb.org.
- Report unlicensed builders to LLR and your local building department.

Before work begins on your property, keep these tips in mind:

- Hire only state licensed, registered and insured contractors. Additionally, depending on the scope of work being performed, residential builders and specialty contractors in this state are required to have a bond on file with the Residential Builders Commission. Anyone doing construction work must be licensed or registered by LLR. In natural disasters, LLR will offer an "Emergency Construction Registration" to out-of-state licensed contractors that is valid only during the state of emergency.
- Don't pay money upfront. Wait until the work is done and you have carefully inspected it.
- Ask for a Photo ID and their S.C. license or Emergency Construction Registration. Write down the information and keep it in a safe place. There is no good excuse for not showing a S.C. license or registration card.
- Verify that there is no cost for an estimate before letting anyone into your home or business. View the area with the contractor and take notes.
- Don't rely on verbal promises. If possible, get more than one estimate. Make sure price comparisons are for the same procedures and materials.
- Beware of any contractor who solicits business saying he "has material left over from another job in the area and can give you a real good price." This is a sign you may be dealing with an unlicensed contractor or scam artist.
- Make temporary repairs to correct safety hazards. However, be wary of contractors who encourage you to spend a lot of money on temporary repairs – make sure you have enough money for permanent repairs.
- Take your time signing a contract. Don't automatically select the lowest bidder, and make sure you fully understand any price variations.
- Require receipts for any payments made and retain those receipts for your records.

Remember to obtain a signed copy of the contract. A property improvement contract must include:

- Builder's name, address and S.C. license number or Emergency Construction Registration number issued by the LLR.
- Approximate starting and finishing dates.
- Work to be done and materials to be used.
- Cost and terms of payment.

While the work is being completed, consumers should:

- Call the local building inspector to make sure the repairs meet applicable minimum building codes.
- Inspect the job carefully to make sure the contractor is performing the work according to the contract agreement. If the work is not done correctly, do not pay until it is.
- Never pay cash. If possible, pay by credit card or check. Monitor your credit card activity for any suspicious or unauthorized transactions.
- If paying by check, make sure the check is written to the company, not to the individual making the repairs.

Who Should be Licensed for Repairs:

The Residential Builder's Commission licenses all residential builders, electricians, HVAC, and plumbing specialty contractors, and registers all specialty contractors in the state. Examples of specialty contractors are roofers, floor covering installers, insulation/dry wall installers, painters, masons, etc.

Most builders who do home improvement projects will fall under the Residential Builders Commission. However, a contractor licensed by the S.C. Contractor's Licensing Board, can also do residential building and repairs.

The S.C. Building Codes Council licenses building inspectors. The Residential Builders Commission licenses home inspectors.

To obtain an Emergency Construction Registration, builders must be licensed in another state.

To see if your builder is licensed in South Carolina, go to "Licensee Lookup" on LLR's website at www.llronline.com .