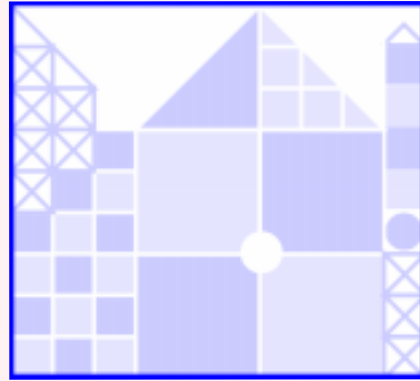




The Unlicensed Contractor Program

Department of
Safety and Emergency Services
Building Code Services Division



The Program

In 1990, the Broward Board of County Commissioners approved the initiation of a countywide Unlicensed Contractor Program to mitigate problems associated with the construction work of unlicensed contractors in Broward County. In brief, the Unlicensed Contractor Program states that any construction work performed in Broward County must be completed by a licensed contractor who has an up-to-date Broward County Certificate of Competency (License) or a State of Florida license.



The Hazards of Unlicensed Contractors

There are many concerns with the use of unlicensed contractors which ultimately affect the consumer. The hiring of an unlicensed contractor is the direct responsibility of the consumer; thus the consumer is accountable for all outcomes associated with the contractor's work. The use of an unlicensed contractor often leads to unsafe and hazardous construction and additional cost to the consumer.

The use of an unlicensed contractor may yield the following problems:

- **Inability to receive inspections from the Broward County Building Code Services Division or City Building Department**

In order to apply for a building permit from any building department in Broward County, a contractor must have a valid license. Failure to obtain required permits will result in jobs being performed without inspections. Such unauthorized construction leaves the consumer with no assurance as to whether the construction work was performed correctly and is safe.

- **Failure to meet Florida Building Code standards**

Unlicensed contractors are unable to apply for a building permit therefore their construction work cannot be reviewed or inspected. This eliminates the opportunity to ensure that the work meets Florida Building Code (FBC) requirements. Failure to meet the FBC requirements may result in unsafe and hazardous conditions.

- **Substandard Workmanship**

Since unlicensed contractors do not go through the process of obtaining a license, they are not aware of required construction standards understood by licensed contractors. This leads to shoddy and substandard workmanship.

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Review of construction plans and inspections by building departments in Broward County ensures that work has been performed correctly and meets the standards of the Florida Building Code (FBC), Broward Edition.

■ Further cost to the consumer

The work of unlicensed contractors is often substandard and ultimately leads to costly repairs and corrections that require the services of a licensed contractor. Thus the consumer may pay more money for the job than if they had initially hired a licensed contractor.

■ Fraud and exploitation of consumers by unlicensed contractors

The continued hiring of unlicensed contractors encourages "roving", unlicensed contractors who are involved in illicit construction practices. These contractors embark on work throughout the County, often taking money for jobs that are never started, not completed, or are poorly constructed. Ultimately the consumer pays the additional expense for such activities.

■ Consumer liability for damages and injuries on the job site

The consumer is responsible for the hiring of an unlicensed contractor. Consequently, the consumer is responsible for any damages and injuries incurred on the job site since unlicensed contractors often do not have general liability and workers compensation insurance.

■ Legal action against the consumer

Since the consumer is responsible for the hiring of unlicensed contractors, they run the risk of being involved in legal action. This legal action may involve lawsuits from various parties due to the unauthorized construction work, thus incurring further cost on the consumer.

■ Code enforcement fines

The hiring of unlicensed contractors violates Florida Building Code requirements. This may subject the consumer to fines and the possibility of facing a quasi-judicial hearing in front of a Hearing Officer.



Often the consumer is not aware which contractors are

licensed and which are not. There are various warning signs that should alert a consumer to an unlicensed contractor. Some common warning signs include the following:

■ A large down payment requested before work begins

Unlicensed contractors may request a large down payment before work begins. Payments should only be for a part of the work. In order to be licensed, contractors must demonstrate sufficient financial ability to perform the type of work for which the license is specified.

■ Many requests for money during early phases of construction

The contractor must demonstrate adequate financial ability to obtain a license.

■ You are asked to obtain the building permit

A licensed contractor who is in good standing will always obtain the permit. If you obtain the building permit, you will be held responsible for complying with the Florida Building Code and can be held responsible for workers injured on the job.

■ The contractor is not willing to put all terms in writing and offers only a verbal contract

This is always a sign of trouble. An unlicensed contractor may not provide a written contract to guarantee work that must be completed.

■ The contractor does not have proof of insurance

Licensed contractors must have general liability, property damage and workers' compensation insurance in effect at all times.

■ You are informed that the job does not require a building permit

Check with your local building official. Almost all projects, with few exceptions, require a building permit.

■ The contractor is only willing to work on weekends and evenings

This is often a sign that the person is an employee who is moonlighting without a license. Licensed contractors are full-time professionals.

■ Someone other than the person or company contracting to do the construction work obtains the building permit

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A licensed contractor who is in good standing will always obtain the building permit.

■ Contractor only displays an occupational license

In order to lawfully engage in contracting, a contractor must be certified by the State of Florida or the Broward County Central Examining Boards. An occupational license is not sufficient to secure a building permit.

■ You are asked to make your check payable to an individual instead of a company name, you are asked to make a payment in cash, or you are asked to make the check payable to "cash"

Licensed contractors will almost always have a separate business account.

■ The absence of a license number in newspaper advertisements, business cards, or yellow page advertisements

Licensed contractors are required to include their Certificate of Competency license number in all advertising including on vehicles used to perform work.



Consumer Protection

The best safeguard against faulty and hazardous construction work is to make sure the contractor you hire has a **valid contractors license** from either the Broward County Central Examining Boards or the State Department of Business and Professional Regulation. By using licensed contractors you can save yourself time, worry, money, and even injury. You can assist in helping to prevent these problems for yourself and others by reporting unlicensed

contractor activity to the Broward County Central Examining Boards, Unlicensed Activity Section, at (954) 765-4890 [ext. 245].

Furthermore, before hiring a contractor to perform construction work it would be wise to do the following:

Verify if the contractor has a valid State of Florida license by contacting the Department of Business and Professional Regulation at (954) 917-1330 or (904) 727-6530.

Verify if the contractor has a current Broward County Certificate of Competency and can perform the specified work by contacting the Broward County Central Examining Boards hotline at (954) 765-4400.

If you have any further questions concerning unlicensed contractors you may contact the Broward County Central Examining Boards, Unlicensed Activity Section at (954) 765-4890 [ext. 245].

FLORIDA LAW

Contracts performed by unlicensed contractors unenforceable. — As a matter of public policy, contracts entered into on or after October 1, 1990, and performed in full or in part by any contractor who fails to obtain or maintain a license in accordance with this part shall be unenforceable in law or in equity. However, in the event the contractor obtains or reinstates his or her license, the provisions of this section shall no longer apply.

"Pursuant to Florida State Statute above, any contracts entered into with unlicensed contractors are unenforceable."

NOTES