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CLEARING UP CONTRACTOR CONFUSION



Molly Price and Janet Baumberger

Molly F. Price, Administrator

- Contractor's Licensing Board
- Building Codes Council
- Manufactured Housing Board
- Liquefied Petroleum Gas Board
- Board of Pyrotechnic Safety

Janet Baumberger, Administrator

- Residential Builder's Commission



WHY ARE THERE TWO CONSTRUCTION LICENSING BOARDS?

- South Carolina Contractor's Licensing Board – General and Mechanical Contractor entities primarily performing commercial construction over \$5000.
- South Carolina Residential Builders Commission – Individuals performing residential construction over \$500.



COMMON QUESTIONS WE HOPE TO ANSWER:

- Can you perform regulated work in this state with another type of contractors license?
- Is a business license the same thing as a LLR issued license?
- Can you borrow the license of someone else?
- Can you work on property you own without a license?
- Why do we license people?

SOUTH CAROLINA CONTRACTOR'S LICENSING BOARD



COMMERCIAL CONSTRUCTION LICENSING REQUIREMENTS

A General or Mechanical Contractor's license is required for anyone performing commercial construction over \$5000 in the regulated classifications listed in Title 40, Chapter 11, Section 40-11-410.





GENERAL CONTRACTOR CLASSIFICATIONS

Asphalt Paving	Grading	Railroad
Boiler Installation	Highway	Specialty Roofing
Boring & Tunneling	Highway Incidental	Structural Framing
Bridges	Interior Renovation	Structural Shapes
Building	Marine	Swimming Pools
Concrete	Masonry	Water & Sewer Lines
Concrete Paving	Pipelines	Water & Sewer Plants
General Roofing	Pre-Engineered Metal Buildings	Wood Frame Structures
Glass & Glazing	Public Electrical Utility	



MECHANICAL CONTRACTOR CLASSIFICATIONS

Air Conditioning	Heating	Packaged Equipment	Pressure & Process Piping
Electrical	Lightning Protection Systems	Plumbing	Refrigeration





LICENSURE STATISTICS



- General Contractors: 9,982
- Mechanical Contractors: 7,329
- Construction Managers: 558
- Burglar Alarm Contractors: 545
- Fire Alarm Contractors: 386
- Fire Sprinkler Contractors: 237

With Certificate Holders, the Board Currently has Over 47,000 Active Credentials.



WHAT IS REQUIRED TO BECOME LICENSED

- General application requirements for General and Mechanical Contractors:
 - Pass technical examination and Business, Law and Management Examination
 - 2 years of experience in requested licensure classification
 - Appropriate Financial Statement or a Surety Bond for requested construction job limit.
 - Proper registration with the SC Secretary of State





GENERAL CONTRACTOR GROUP LIMITS

GENERAL CONTRACTORS

Group Number	\$ Limit Per Job	Net Worth Requirement	Surety Bond Requirement
Group # 1	\$50,000	\$10,000	\$20,000
Group # 2	\$200,000	\$40,000	\$80,000
Group # 3	\$500,000	\$100,000	\$200,000
Group # 4	\$1,500,000	\$175,000	\$350,000
Group # 5	\$Unlimited	\$250,000	\$500,000



MECHANICAL CONTRACTOR GROUP LIMITS



MECHANICAL CONTRACTORS



Group Number	\$ Limit Per Job	Net Worth Requirement	Surety Bond Requirement
Group # 1	\$17,000	\$3,500	\$7,000
Group # 2	\$50,000	\$10,000	\$20,000
Group # 3	\$100,000	\$20,000	\$40,000
Group # 4	\$200,000	\$40,000	\$80,000
Group # 5	\$Unlimited	\$200,000	\$400,000



GROUP LIMIT BREAKDOWN

General Contractors		Mechanical Contractors	
Group 1	906	Group 1	718
Group 2	2868	Group 2	2937
Group 3	1476	Group 3	766
Group 4	3606	Group 4	2358
Group 5	3592	Group 5	1660

* Some licenses have multiple technical classifications. This chart gives the group limits by classification and not by license.



SOUTH CAROLINA DEPARTMENT OF LABOR, LICENSING AND REGULATION CCB 1064774

CONTRACTOR'S LICENSING BOARD

Honesty Certificate:

JOEY TESTPERSON CONSTRUCTION INC
1234 TESTING DRIVE
BEST TEST CITY SC 09123

Has given satisfactory evidence of the necessary qualifications required by the laws of the State of South Carolina and is duly qualified and entitled to practice as a

GENERAL CONTRACTOR

for each Classification and Group Limitation listed below:

Building-BD4, Asphalt Paving-AP4, Concrete Paving-CP4, Interior Renovation-IR4, Structural Shapes-SS4, Masonry-MS4

LICENSE NUMBER: G00001 Group Limitation \$ Amounts Per Job:
Expiration Date: 10/31/2022 Group #1 - \$50,000 Group #3 - \$500,000
Initial License Date: 06/10/2016 Group #2 - \$250,000 Group #4 - \$1,500,000
Group #5 - \$Unlimited

Qualifying Party(s): Joey Testperson

It is at the discretion of the licensee to designate whenever they visit to pay penalties and conduct business for this license.

LICENSE NUMBER: G00001 CCB 1064774

South Carolina Department of Labor, Licensing and Regulation
Contractor's Licensing Board
GENERAL CONTRACTOR
JOEY TESTPERSON CONSTRUCTION INC
1234 TESTING DRIVE
BEST TEST CITY SC 09123

is licensed to practice in the Classification(s) listed below and the Group Limitation shown to the right of this license card:

Building-BD4, Asphalt Paving-AP4, Concrete Paving-CP4, Interior Renovation-IR4, Structural Shapes-SS4, Masonry-MS4

(If this license has the "Unlimited Building" classification above, the contractor is limited to 2 stories in height)

LICENSE NUMBER: G00001 CCB 1064774

Qualifying Party(s): Joey Testperson

Group Limitations - \$ Amount Per Job:
Group #1 - \$50,000 Group #3 - \$500,000
Group #2 - \$250,000 Group #4 - \$1,500,000
Group #5 - \$Unlimited

Initial License Date: 06/10/2016
EXPIRATION DATE: 10/31/2022

Additional information about Classification Abbreviations and Group Sub/Job Limitations is available on the SC Contractor's Licensing Board website: <https://llr.sc.gov/cb>



PRIME CONTRACTOR

To act as the prime contractor in order to hire subs, the prime contractor's total cost of work he's performing must be as follows:

- For a **General Contractor (BD/HY/WL/WP/PL)** to act as the prime contractor, the scope of the work must consist of **40%** or more that falls within the classification(s) of the contractor's license.
- For a **Mechanical Contractor and the additional GC Classifications***, to be the prime, **51%** or more of the work must fall under the classification(s) of the contractor's license.
- *51% applies to "General Contractor- Specialty" classifications



TOTAL COST OF CONSTRUCTION

- Total cost of construction means the actual cost incurred by the owner, all contractors, subcontractors, and other parties for labor, material, equipment, profit, and incidental expenses for the entire project. This does not include the cost of design services unless those services are included in a construction contract.





UNLICENSED SUBCONTRACTORS

South Carolina **licensed** general and mechanical contractors may hire subcontractors as follows:

- **SECTION 40-11-270(E) - use of unlicensed subcontractors**

Licensees may utilize the services of unlicensed subcontractors to perform work within the limitations of the licensee's license group and license classification or subclassification; provided, the licensee provides supervision. The licensee is fully responsible for any violations of this chapter resulting from the actions of unlicensed subcontractors performing work for the licensee.



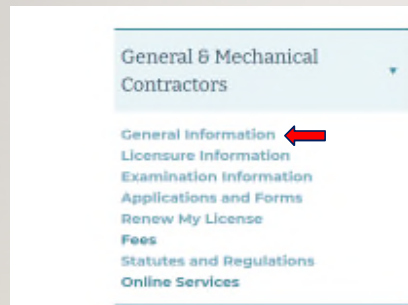
NOTABLE LICENSURE EXEMPTIONS

- An owner of nonowner-occupied property who improves the property or who builds or improves structures of less than 5,000 sq ft or other appurtenances on the property, either by himself or with the owner's employees, if all structural and mechanical work is performed by licensed contractors.
- Public owners performing all or a portion of any work on a project themselves as long as the work performed falls within the limitations of a License **Group 3 General Contractor (\$500,000)** or a License **Group 4 Mechanical Contractor (\$100,000)**.
- There are also specific exemptions for SC DOT and SCDC.

CONTRACTOR'S WEBSITE



- WWW.LLR.SC.GOV/CLB



- Licensee Lookup
- No Specific License Required List
- Classification Abbreviations
- Classification Definitions

LICENSEE LOOKUP



Print this page **Board: Commercial Contractors**

CONSTRUCTION INC
DR
FLORENCE, SC

License number:
 License type: GENERAL CONTRACTOR
 Status: ACTIVE
 Expiration: 10/31/2022
 First Issuance Date: 02/07/1995
 Classification: LB3
 Qualified By: Financial Statement

[Click here for Classification definitions and licensee's contract dollar limit](#)

Supervised By
(CQG)

[File a Complaint against this licensee](#)

Board Public Action History:

[View Orders](#) [View Other License for this Person](#)

No Orders Found





RESIDENTIAL LICENSING OVERVIEW

Residential Builder – Requires exam, experience, and bond. Can perform any residential work not over three floors in height and not more than sixteen units in any single apartment building.

Residential Electrical – Requires exam, experience and \$10,000 bond if total cost of the project (labor and materials combined) exceeds \$5,000 can perform any residential electrical work.

Residential Plumbing – Requires exam, experience and \$10,000 bond if total cost of the project (labor and materials combined) exceeds \$5,000 can perform any residential electrical work.

Residential HVAC – Requires exam, experience and \$10,000 bond if total cost of the project (labor and materials combined) exceeds \$5,000 can perform any residential electrical work.

No commercial work exceeding \$5,000 is authorized under these licenses.



RESIDENTIAL BUILDERS COMMISSION

- License or registration required for regulated work exceeding \$500.
- Residential Builder's License requires a \$15,000 bond at all times.
- Specialty License requires a \$10,000.00 bond when the total cost of construction exceeds \$5,000.
- Specialty Registration requires a \$5,000 bond when the total cost of construction exceeds \$5,000.
- License/registration issued to individual, not to company, except in the case of the Certificate of Authorization.



RESIDENTIAL REGISTRATION

Requires no exam, however a letter of experience for each trade is required.

Each registrant is limited to three classifications, which can only be changed at initial registration and renewal. Specialty registrants are limited to non-structural work (unless under the direct supervision of a licensed builder or GC). Specialty registrants are not authorized to sub work out (other than in their own trades).

Classifications:

- | | |
|----------------------------|-------------------------|
| •Vinyl and Aluminum Siding | •Painters/Wall Paperers |
| •Insulation Installers | •Dry Wall Installers |
| •Roofing | •Carpenters |
| •Floor Covering Installers | •Stucco Installers |
| •Masons | •Solar Panel Installer |



RESIDENTIAL LICENSURE STATISTICS



- Residential Builders: 7,181
- Residential Builders Exam Waivers: 592
- Certificate of Authorization: 291
- Certificate of Authorization Non Mechanical: 48
- Residential Electrical: 1,260
- Residential HVAC: 809
- Residential Plumbing: 868
- Residential Specialty Contractor Registrants: 10,256
- Residential Home Inspectors: 1,691

The Commission currently has approximately 23,500 Active Credentials



RESIDENTIAL DISCLOSURE

(Owner acting as builder)

SECTION 40-59-260. Exception for projects by property owner for personal use; exemption disclosure statement; notice filed with register of deeds.

“Disclosure Statement”

- Allows Homeowner to do the work himself or with his own employees or with licensed contractors or registered entities or individuals
- Disclosure Statements cannot be signed by a company or legal entity
- 2 year restriction from completion of the project
- Should there be a hardship and the homeowner need to be released from the disclosure statement before the two year period is up. Only the Commission can grant the a waiver of the two year waiting period of a properly executed Disclosure Statement.

NO PERMIT REQUIRED

- SECTION 40-59-265- Exempts certain improvements made to residential property from building permit requirements and exempts residential property owners who make such improvements from licensure requirements.





LICENSE VERIFICATION

- License status changes can be found on the Building Codes Council Website. Status changes are updated within 24 hours. <https://llr.sc.gov/bccstatuschanges/BCCStatusChanges.html>
- Unlike the Contractor's Licensing Board, RBC licensees/registrants are to immediately cease and desist from working, they are not allowed 90 days to complete the project.

ALERT

2021-2023 Renewals Are Now Open

ALERT

Notice of Intention to Modify Building Codes

ALERT

Important Information from the Board

The primary function of the Building Codes Council is to adopt or modify model building codes for South Carolina, and regulate the registration of Building Codes Officers, Special Inspectors, and the Modular Building Program.

SC LLR can assist you with examination information and materials, continuing education requirements and opportunities, licensure applications and renewals, board information, and more for professional occupations in South Carolina.

QUICK LINKS

- Calendar
- Agendas
- Minutes
- BCC License Status Changes
- File a Complaint
- Print My License
- Change Address
- Licensee Lookup
- License Verification
- Building Codes Status
- Building Codes Enforcement Officers



LLR COMPLAINTS AND INVESTIGATIONS



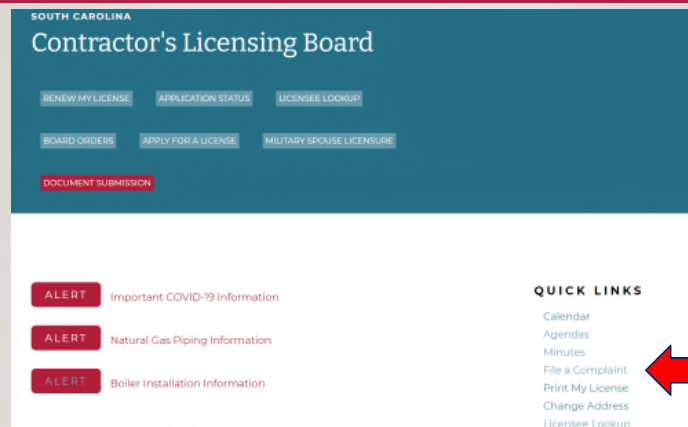
WHY FILE A COMPLAINT?



- Boards, Councils, and Commissions have a duty to protect the public, just as you do.
- LLR is a complaint-driven agency, which means unless you make a report, it's possible LLR will never know of the actions that you have witnessed.
- If more than one person files a complaint against a licensee, it may improve the chances of success of the prosecution.
- If a licensee has a previous disciplinary history, the board will look at that when assessing appropriate sanctions.



HOW TO FILE A COMPLAINT



WHAT TO INCLUDE



1. State all facts briefly and clearly in the description section
2. Include copies of any documents, records, statements or contracts that may assist the agency to investigate:
 - The permit application or related documentation
 - Any documentation that links the builder to the job
 - If substandard work is involved - a complete list of the substandard work issues including code violations, history of inspections, and written statement about interactions with the builder.

WHAT HAPPENS AFTER THE COMPLAINT IS FILED WITH LLR?



1. Once jurisdiction is established by the Board or Commission, a thorough investigation is conducted to determine whether a violation has occurred.
2. After the investigation is completed, a report is presented to an Investigative Review Committee (IRC) which recommends a course of action.
3. Common courses of action: dismissal of the complaint, citation, a settlement agreement, or full disciplinary hearing before the Board or Commission members.





Complaint Statistics—2022		
	Contractor's Licensing Board	Residential Builders Commission
Total Complaints Received	619	1,038
Do Not Open	306	405
Investigations	313	633
Citations Issued	35	207

CLEARING UP CONTRACTOR CONFUSION



- Can you perform regulated work in this state with another type of contractor license?

NO!

- Is a business license the same thing as a LLR issued license?

NO!

- Can you borrow the license of someone else?

NO!

- Can you work on property you own without a license?

It depends...

- Why do we license people?

Public Protection!

SOUTH CAROLINA BUILDING CODES COUNCIL



COUNCIL OVERVIEW



- 16 council members appointed to four year terms by the Governor.
- Hold quarterly meetings at the State Fire campus in Columbia
- Duties:
 - Building code adoption process
 - Code Enforcement officer registration and continuing education
 - Special Inspector registration
 - Modular Building Program

SOUTH CAROLINA BUILDING CODES



- Every three years, the Building Codes Council modifies and adopts the latest editions of the mandatory codes listed in S.C. Ann. §6-9-50 for statewide use.
- The 2021 SC Building Codes went into effect on January 1, 2023.



SOUTH CAROLINA MANDATORY CODES



- 2021 South Carolina Building Code or the 2021 International Building Code with SC modifications
- 2021 South Carolina Residential Code or the 2021 International Residential Code with SC modifications
- 2021 South Carolina Fire Code or the 2021 International Fire Code with SC modifications
- 2021 South Carolina Plumbing Code or the 2021 International Plumbing Code with SC modifications
- 2021 South Carolina Mechanical Code or the 2021 International Mechanical Code with SC modifications
- 2021 South Carolina Fuel Gas Code or the 2021 International Fuel Gas Code with SC modifications
- 2020 National Electrical Code (NFPA 70) with SC modifications
- 2009 International Energy Conservation Code

SOUTH CAROLINA PERMISSIVE CODES



The permissive codes referenced in S.C. Code Ann. §6-9-60 may be adopted by municipalities and counties via ordinance.

- 2021 International Property Maintenance Code
- 2021 International Existing Building Code
- 2021 International Performance Code
- 2021 International Swimming Pool and Spa Code



ADMINISTRATIVE FUNCTIONS OF CODE ENFORCEMENT



- Adoption of the mandatory codes and permissive codes does not include the chapters, sections or provisions addressing administrative policies or procedures.
- In lieu of adopting the administrative provisions contained in the adopted codes, the governing body of a local jurisdiction may develop specific administrative policies and procedures for the operation of its Building Inspection Department.
- If administrative policies and procedures are developed at the local level, they must be adopted by ordinance before they can take effect.



BUILDING CODES ENFORCEMENT

- **SECTION 6-9-10.** (A) All municipalities, as defined by Section 5-1-20, and counties in this State shall enforce building, energy, electrical, plumbing, mechanical, gas, and fire codes, referred to as building codes in this chapter, relating to the construction, livability, sanitation, erection, energy efficiency, installation of equipment, alteration, repair, occupancy, classification, or removal of structures located within their jurisdictions and promulgate regulations to implement their enforcement. The municipality or county shall enforce only the national building and safety codes provided in this chapter.



CODE ENFORCEMENT OFFICERS

- Each county shall appoint a building official or contract with a third party for building services.
- All Building Code Enforcement Officers must be properly registered with the Council in the disciplines for which they are hired.
- It is unlawful for any person to practice as a building code enforcement officer, without first being registered.





CODE ENFORCEMENT OFFICERS

- What is the council doing to help offset retirement and turnover?
- Average age of registered code enforcement officers is currently 55.



QUESTIONS?

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