

## Home Builders Licensure Board Feature: Protect Yourself From Home Repair Fraud



### Unlimited License Wallet Card

It is not a matter of if but when. Severe weather events (severe thunderstorms, flooding rains, straight line winds, hail, and tornados) wreak havoc each year in our state, causing damage to homes and property, and sadly taking lives. Alabama's prime months for severe weather stretch from November through May. January has already been particularly rough with such a high number of confirmed tornados. The January 12th tornado outbreak caused widespread and significant damage throughout the State, especially in Autauga, Dallas, Elmore, and Tallapoosa counties.

In the wake of the January 12th storms, the Alabama Home Builders Licensure Board (HBLB) worked with local leaders in those affected counties to remind homeowners to be careful and aware of scammers and unlicensed contractors who will try to take advantage of them following the damage or loss of a home to a tornado.

The HBLB is the state agency tasked with licensing and regulating the residential construction industry, with its chief statutory purpose being consumer protection. The agency staff and investigators have seen too many times scammers take advantage of homeowners at such a low point. That is why in 2021, the HBLB worked with the Attorney General and legislative leadership to create the crime of aggravated home repair fraud. Under the new law, an unlicensed contractor may be charged with a felony when performing or offering to perform work in areas of the state declared a disaster by the Governor.

The contractors who perform work on a residence

are required by state law to have an active license issued by the HBLB. The Board always encourages homeowners to do their homework and research before they give money to a contractor to perform work on a home.

The state homebuilders and remodelers license is required when the cost of the job is more than \$10,000. However, consumers are encouraged to seek out licensees of the Board even if the scope of the work is less than \$10,000. Executive Director J.R. "Chip" Carden cautions homeowners who experience damage from severe weather and tornado outbreaks and emphasizes the importance of the consumer knowing about the potential problems of contracting for home building and remodeling with unlicensed contractors. "Do your homework," Carden advises. "Call any references the builder gives you and check with the HBLB to confirm if a builder is licensed and in good standing. Don't be in a rush. A bad decision now can make a difficult situation even worse."

Here are some steps to take when talking to and deciding on a builder:

- Ask if they are licensed. Ask to see the card! You may check a builder's license status by calling 1-800-304-0853 or visiting [www.hblb.alabama.gov](http://www.hblb.alabama.gov).
- Ask for and check references, especially if the builder makes unsolicited contact with you or is from out of town.
- Make sure quotes and contracts are in writing.
- Never make a full payment or substantial down payment up front. Do not make a final payment until you are satisfied and all subcontractors have been paid.
- Ask for proof of insurance, including workers compensation and general liability.

For more information contact the Home Builders Licensure Board at 334-242-2230 or 1-800-304-0853 or visit their website at [www.hblb.alabama.gov](http://www.hblb.alabama.gov).