

Homeowners have no state protections from Licensed Contractors that outsource work to UNLICENSED CONTRACTORS.



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When you feel safe about your contractor and you have a copy of their business license, state building license, certificate of proof of general liability and workers compensation insurance both valued at 100,000 you think you're protected. Not so fast!

You read all about hiring a licensed contractor but what they don't tell you is more and more contractors are not actually the person or persons doing the work. The state requires a state license by the type of work and the value of the work.

The state of Louisiana does not have a General Contractors License that covers Sub-Contractors or outsourced labor. But they also do not have a law that they have to report the sub-contractors license to the licensing board for checks.

It's all about profit, contractor gets the bid, subs the work out and they put all the permits in either the

homeowners name or the licensed contractors name. But even with new forms that clearly show line items for sub-contractors who is really keeping up with all the workers?

- Do you expect the homeowner to be savvy enough to screen every worker that walks on the job site?
- Do you expect them to ask each worker, "Who do you work for?" or "Who signs your checks or pays you cash for your work?".

I can't tell you how many contractors I see just in my day to day life and I'll be sharing a few with you and I'll share my experience as a "**Concerned Homeowner**" as how hard it is to get the State Licensing board to do any investigation that means anything.

It was like pulling teeth out of a Rottweiler that wasn't very friendly, the state workers in the investigations department just kept coming up with reasons why they can't do things. If a person was to call in a unlicensed contractor the state would first question you as to why you are reporting it.

The State of Louisiana Contractors Licensing Board made me feel like I was the one violating the laws when I watched workers do sub-standard work, I could tell they have had no training but they were doing the concrete work. While the state will go after a concrete professional that had a lapse in insurance for a single day they didn't want to leave their desk for this local unlicensed contractor.

It was painful for me to have to reword questions and explain why I was calling about a neighbors builder which was licensed but the foundation crew was a sub-contractor not licensed in the state and on top of that, they didn't place the rebar correctly, the city didn't inspect the dig nor was any termite inspection completed or ordered.

This is all public record, just call with the address and ask for the permitting number and contractors number. Then you can ask the city planner for their checklist that is most times located on their public website. With a checklist in hand you can call and ask if they had completed inspections based on what you see. When they poured the concrete no inspection was made.

When the city was informed they just checked it all off based on the fact it was a licensed contractor on file. But what they didn't know was it was done by a sub-contractor and looking up the name and asking the guy that paid the day labor he clearly wasn't licensed and told me it was none of my concern. But it was, what if I used the same contractor and he did the same to me, no termite treatment, no rebar, just pour the slab and hope it doesn't crack until the 13 month when the states Homeowners warranty ends. (I don't think they changed the foundation to 5 years but what would that do, most homes have a 30 year mortgage, guess the State of Louisiana feels 5 years then replace is good for the local builders.

So my dear homeowners you have your work cut out for yourself if and when you choose to hire a licensed contractor in the state of Louisiana.

First things I do is ask for drivers licenses and I take pictures of every license plate on every vehicle associated with the contractor. That's my way of documenting everything so if there is fraud there is little to do when time to collect information. I also take pictures, everyone on the property gets a nice picture. If all works out I use the picture to write a great review. If not, I use the picture to show the authorities.

So when you hire a Licensed Contractor and the workers show up what's your first question after your greeting?

1. Who pays you?

That's right, you're going to ask each worker who pays them. You must have your main contractors name or company name. If not, you must request a copy of the license and insurance for the company the workers say are paying them.

It's your risk not the contractors. They make it sound like you're going to be scammed if you don't hire a licensed contractor. The street is two way, licensed contractors that sub the work out to unlicensed contractors but registered businesses find them an legal out when things go wrong. It happens every day.

So what do I recommend?

I can't tell you how to hire people but I can share with you how I do things.

I find trade professionals, those are the ones that started the business and did the ditch digging 30 years ago to be now the owner of a quality company. I look for those with time on the job.

Then I look for companies that hire their skilled labor. I avoid all companies that hire temporary workers or pick up day labor for anything other than job site clean up and even then I question why they don't have a person on staff doing this work they are on my property and not on your books for insurance coverage.

Let's get things right the first time, you are the homeowner and you are responsible for every worker on your property not matter what anyone says.

If your contractor drops his or her insurance the day after signing a contract with you everything is now your responsibility, from materials, sub-contractor wages, labor, permits, everything becomes your job.

I don't know how much time you have or if you're interesting in reading my experiences here in Louisiana but I can say, for a retired person that owns a home and needs some work done your few hours each week doing the checks will protect you from paying and spending the rest of your retirement working to pay off an injury claim or a sub-contractors labor and materials bill after your main contractor took your money and never returned.

I'm not saying all contractors are bad, I'm just saying you need to check on every contractor and keep checking to keep them honest. Most professionals wont mind, I used to smile when they check on me, I had a copy of everything with me in at every job site. I was always up to date on every document I needed. But now, retired, I am the one doing the checking and I expect to see more like me out their when I start getting homeowners up to speed to what the real costs of hiring a licensed contractor that isn't a member of the trades.

More to come with a few case examples that I'm sure you will enjoy if you're from the Baton Rouge area.

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