

## **Frequently asked questions to become licensed as a Residential Builder**

**In accordance with S.C. Code of Laws Section 8-29-10 and a SC Attorney General Opinion dated March 3, 2014, DACA status recipients are not eligible to receive a professional license in South Carolina.**

**Q. How can I obtain an application to become licensed as a Residential Builder in the State of South Carolina?**

A. Go to the Residential Builders website at <https://lir.sc.gov/res/> and click on **Apply For a License**, then click on the **Builder Application** link and print the application form, or contact the Residential Builders Commission at 803-896-4696 and request that an application form be mailed to you. You may also apply electronically by going to the Online Electronic Applications section. Under this section you will need to download the applications under step 1 then click on the link under step 2 to complete the application.

**Q. Are there any restrictions on the Residential Builders License?**

A. Yes, please see 40-59-20(6)(7)

Licensed builders are required to use registered subcontractors for the trades listed under 40-59-20(7)

**SECTION 40-59-20. Definitions.** (6) "Residential builder" means one who constructs, superintends, or offers to construct or superintend the construction, repair, improvement, or reimprovement of a residential building or structure which is not over three floors in height and which does not have more than sixteen units in any single apartment building, when the cost of the undertaking exceeds five thousand dollars. Anyone who engages or offers to engage in such undertaking in this State is considered to have engaged in the business of residential building.

The provisions of this chapter do not preclude a licensed residential builder from also obtaining licensure or registration as a residential specialty contractor in an area of contracting identified in statute or recognized by the commission. In addition, a residential builder, who is licensed by examination in this State, is authorized to perform work in any of the areas of residential specialty contracting without separately obtaining a residential specialty contractor license or registration.

(7) "Residential specialty contractor" means an independent contractor who contracts with a licensed residential builder, general contractor, or individual property owner to do construction work, repairs, improvement, or reimprovement which requires special skills and involves the use of specialized construction trades or craft, when the undertakings exceed five hundred dollars and are not regulated by the provisions of Chapter 11. A residential specialty contractor is not authorized to construct additions to residential buildings or structures without supervision by a residential builder or other appropriately licensed person or entity. Residential specialty contracting includes the following areas of contracting and other areas as the commission may recognize by regulation:

- (a) plumbers;
- (b) electricians;
- (c) heating and air conditioning installers and repairers;
- (d) vinyl and aluminum siding installers;
- (e) insulation installers;

(f) roofers;

(g) floor covering installers;

(h) masons;

(i) dry wall installers;

(j) carpenters;

(k) stucco installers;

(l) painters and wall paperers;

(m) solar panel installers.

## **Q. Once I have a SC Residential Builder Application, what is my next step?**

**A.** Submit the completed application form to the Residential Builders Commission and a \$135.00 application processing fee (certified check or money order) made payable to LLR- Residential Builders Commission, along with copies of W-2s, 1099s, transcripts, certifications, photos, building permits, inspection reports, letters of recommendation from our licensed building contractors, etc to support your proof of building experience. Please enclose a complete copy of your credit report along with your application. We accept TransUnion, Experian or Equifax, we are not looking at your credit score, we need the complete report. Once the application has been received, the affidavit of one year of work experience will be sent to the individual(s) you listed on your application as your previous supervisor(s). The commission developed and approved an experience affidavit to be sent out to licensed supervisors listed on your application to be filled out and returned to our office. In order for an application to be approved at staff level, the form must list a minimum 12 months in each of the fields on the form along with supporting W2/1099 documentation. The commission is looking for 1 year of hands on in the field experience in the following areas; The fields include; 1. estimating, plan reading and bidding, 2. project management 3. Carpentry, 4. Concrete & reinforcement, 5. Masonry, 6. Roofing, 7. Site work, footing & foundations, 8. electrical, 9. plumbing, 10. HVAC. Your supervisor is required to fill in the affidavit and mail the completed form to the Commission. Whomever you designate as supervisor must be a licensed residential builder, licensed general contractor, or other appropriately licensed professional engaged in residential building construction. The experience must have been gained within the preceding five (5) years of application.

**SECTION 40-59-250.** Credit report; factors indicating reputation for timely performance; outstanding judgments.

(A) A person applying to the commission for licensure as a residential builder or registration as a residential specialty contractor must submit to a credit report. In addition to the information provided by the credit report, the commission may determine from the written application, the personal references provided by the applicant, written communications or complaints to the commission, and from any other reliable, documented sources whether an applicant for licensure as a residential builder or an applicant for registration as a residential specialty contractor has a reputation for the prompt payment of labor and material bills and for the timely completion of other contracts into which the applicant may have entered.

(B) The commission shall require the applicant to list on application and renewal forms any outstanding judgments issued against him or any entities with whom the applicant was associated for the past five years.

HISTORY: 2002 Act No. 359, Section 1.

Editor's Note

Prior Laws: 1994 Act No. 463, Section 1; 1976 Code Section 40-59-85.

If you hold a license in good standing in SC or another state for at least one year, you will be required to provide the Commission with a license verification from the state in which you hold the license. In this instance, you would list yourself as the supervisor and provide your license information.

**Q. Can I share my with license with my partner?**

A. No, each person doing the work is required to apply for and be issued their own license.

**Q. Does the one (1) year of experience need to have occurred within SC?**

A. No, it can be from any state or country.

**Q. What if I do not have W2s or 1099s as I apprenticed under a licensed general contractor or builder and did not receive pay?**

A. If you do not have W2s or 1099s, please provide documentation to support the apprenticeship.

**Q. If I have a college degree, will that waive the statutory one (1) year experience requirement?**

A. No, it will be taken into consideration, but the Commission is looking for hands-on experience building homes from the ground up. If you do not have one year of experience supervised by a licensed builder/contractor/other professional within the preceding five (5) year period, please provide documentation of your degree along with any other supporting documentation of residential construction you have performed.

**Q. What if I don't have a copy of my Social Security Card or State issued ID?**

A. Your application will not be processed until you submit a photocopy of your Social Security Card and a photocopy of your State issued ID. To order a replacement social security card, please go to <https://www.ssa.gov/myaccount/replacement-card.html> .

The reason why we ask for the social security card is because state law requires we do so for child support enforcement purposes. Once we receive a copy of your social security card, we match it with the number on the application, and then we shred it. Similarly, we use the name on the driver's license to match the application to ensure that the person who applies for the registration can verify they are who they say they are. Since this information is required by law, we are unable to process your application without it. Please let me know if you have any additional questions.

**Q. Am I required to list a company name on my license?**

A. No. We license the individual, not the company. We allow the licensee to list a company name if they intend to operate under a company name. If you intend to operate under a company name, then that company name must be affiliated with your license in our database.

**Q. If I plan to operate under a company name, do I need to notify LLR?**

A. Yes, you need to submit a request to add your company name to your license along with a photocopy of your Certificate of Existence/Authority from the SC SOS office, Articles of Organization from the SC SOS office, or Proof of Ownership for the company. The link to the SC Secretary of State can be found at <https://sos.sc.gov/online-filings/business-entities/file-and-search-online>. You may also find useful information at the South Carolina Business One Stop link <https://scbos.sc.gov/> .

**Q. How do I list my company name on my builder's license?**

A. You must own a minimum 51% of the company in order to list the company name on your license. You will be required to provide the Commission with a photocopy of your Certificate of Existence/Authorization from the SC Secretary of State as well as Articles of Incorporation and documentation establishing percentage of ownership. The link to the SC Secretary of State can be found at <https://sos.sc.gov/online-filings/business-entities/file-and-search-online>. You may also find useful information at the South Carolina Business One Stop link <https://sos.sc.gov/>. If you do not own 51% or more of the company, the company will be required to have a Certificate of Authorization <https://www.scstatehouse.gov/code/t40c059.php> Article 2 Certificates of Authorization.

**Q. Where do I find the Certificate of Authorization application, and what are the requirements?**

A. The application can be found on the Commission website at <https://llr.sc.gov/res/PDF/Certificate%20of%20Authorization.pdf>. The certificate of authorization is a company license and requires that a resident licensee be in responsible charge of any residential building or construction services that the company offers.

**Q. How long will it take to process my Residential Builders application?**

A. All applications will be reviewed by the Commission staff for accuracy and completeness within fifteen (15) business days. After this period of time, you can check the status of your application online at <https://eservice.llr.sc.gov/SSO/Login/LoginPage?ReturnUrl=%2fOnlineStatusCheck%2f> by entering the requested information. Any application that is incomplete, that does not provide the social security number, or that provides an incorrect social security number **will** be returned to the applicant. If additional information is requested, please allow fifteen (15) business days to process the new information once it has been received by the Commission. There are currently four (4) application processors for the entire state of SC and all paperwork is processed in the order in which it is received. Applications are valid for one year from the date of receipt. If your license is not issued within one year of receipt of the application, you will be required to reapply and repay the fees.

**Q. Once my Residential Builders application is approved, what do I do next?**

A. Once your Residential Builders application is approved by the Commission staff, an Examination Eligibility Letter will be emailed/mailed to you. Your Examination Eligibility is valid for one year and you are allowed only three (3) attempts to pass the Residential Builders exam within a twelve (12) month period. You must pass both the Business Management and Law Exam and the Residential Builders portions of the exam. If you do not pass the exam within the twelve (12) month period, you will be required to reapply. If you fail the exam three (3) times, you will be required to wait twelve (12) months from the last date you failed the exam before you will be authorized to take the exam again.

**Q. Do I schedule my Residential Builders Exam and Business Management and Law Exam with LLR?**

A. No. The Residential Builders and the Business Management and Law Exam are administered by PSI Examination Services (PSI) and every approved applicant will schedule his/her own exam and make payment to PSI Examination Services. You may visit the PSI web site at [www.psiexams.com](http://www.psiexams.com) for more information on their fees, books, and exam services.

**Q. Can I obtain a SC Residential Builders License if I am licensed in another state without having to take the SC exam?**

A. Yes, you may waive the technical portion of the examination **only** if you hold a current license which is

in good standing issued by examination from a state with which the Commission has an Exam Waiver Agreement, and you have held that license for a minimum of 1 year. You must also meet all other licensing requirements. Grandfather licensees do not qualify for exam waiver, you must be licensed by examination in one of the following states. The Commission has an Exam Waiver Agreement with the following states for a Residential Builders license only:

- **Alabama**
- **Georgia**
- **Louisiana**
- **Mississippi**
- **North Carolina**
- **SC Contractors Licensing Board**
- **NASCLA National Contractors Exam is also accepted in lieu of our SC Builders Exam**

You must still take and pass the Business Management and Law portion of the South Carolina examination.

If you hold a license in good standing in another state for at least one year, you will be required to provide the Commission with a license verification from the state in which you hold the license. In this instance, you would list yourself as the supervisor and provide your own license information.

If you are issued a license by exam waiver, you will be limited to undertaking non-mechanical work only and will be required to contract with an appropriately licensed subcontractor to provide electrical, plumbing or HVAC work. However, if you choose to take and pass the South Carolina technical examination, you will be authorized to perform the mechanical trades as well as the building trades.

**Q. Does the SC Residential Builders Commission recommend or have a list of schools, examination prep courses or seminars to help me prepare for the Residential Builders Exam?**

A. No. Examination prep courses and seminars are offered by individuals, businesses and technical schools or community colleges. The Commission is not affiliated with any of these individuals, businesses, or schools and does not sponsor, approve, or recommend any school or exam prep course or seminar to prepare for the Residential Builders exam.

**Q. After I have passed my Residential Builders Exams with PSI, what is my next step?**

A. After you have passed the Residential Builders Exam and the Business Management and Law Exam, you must submit the following information to the Commission staff:

- (1) A copy of your test results from PSI Testing Services.
- (2) A certified check or money order made payable to "LLR-Residential Builders Commission in the amount of \$220.00. Residential builder's licenses expire June 30 of every even numbered year.
- (3) A surety bond in the amount of \$15,000 (original bond on the current bond form located on the Commission website) signed by you with the power of attorney attached. If the Commission has an original bond on the current bond form on file in its office, the staff can then accept a Bond Continuation Certificate in the future. The bond must be issued in your name as principal and not in a company or business name (unless it is a Certificate of Authorization Bond). Here is the link to the approved bond form <https://llr.sc.gov/res/PDF/LICENSE%20BOND.pdf>.

**Q. Once I receive a SC Residential Builders License, how often do I renew my license?**

A. The Residential Builders License is renewable every two (2) years, before June 30, of each even year (2024, 2026, 2028, etc). Per S.C. Code Ann. § 40-59-230(C), you are required to have a current mailing address on file with the Commission. The Commission emails a courtesy renewal notice in mid to late April. The Commission will also send a courtesy renewal reminder eblast during renewal season. It is the licensee's responsibility to renew his or her license on time. There will be a late fee for all renewals received after June 30. Your license will lapse on June 30 if you do not renew it. Your license may remain inactive for up to three years before being required to reapply and retest per S.C. Code Ann. § 40-59-230(A).

**Q. If I have a current SC Residential Builders License, can I renew my license online?**

A. Yes. To renew a current Residential Builders License online, you need a checking account, Master Card, Visa, or American Express, your userid and password, and your current email address on file with the Commission. If you have misplaced your userid and password, the Commission now has a website that will provide this information to you. Go to <https://eservice.llr.sc.gov/SSO/Login/LoginPage?ReturnUrl=%2fOnlineRenewals%2f> where there is an option to click and retrieve your userid and password. Enter the required information and your userid and password will be emailed to you.

There will be a late fee for all renewals received after June 30. Your license will lapse on June 30 if you do not renew it. Your license may remain inactive for up to three years before being required to reapply and retest per S.C. Code Ann. § 40-59-230(A).

**Q. What if I answer yes to a question on the Residential Builders application?**

A. You will be required to provide further documentation along with a written explanation and may be required to appear before the Commission for application review.

(1) If you answer yes to prior arrests/convictions, you will be required to submit a sealed criminal background report from the state(s) or federal agency in which the arrest(s) and/or convictions(s) occurred, along with a written explanation of what is listed in the report. Your request to the state agency must include your full legal name, date of birth, and social security number or the report will not be accepted. If you have had a felony arrest/conviction in the preceding 10-year period, are currently on probation, have pending charges, are listed on the sex offender registry, or have a lengthy history, you will be required to appear before the Commission for application review. You may be required to provide arrest warrants, court dispositions and probation status (if you are currently on probation or have been released from probation) to the Commission for review. We do not accept online reports.

(2) If you answer yes to the question about judgments/liens, you will be required to submit documentation of satisfaction of the judgment/lien or a repayment plan to resolve it. If you are not currently in a repayment plan and the judgment/lien is outstanding, you will be required to appear before the Commission for application review.

The Commission staff checks the SC Public Index, and checks both the national and state sex offender registries. The Commission is looking for outstanding liens/judgments as well as arrests, convictions, civil litigation, and pending cases. Just because you have an item on one or more of these sites does not necessarily mean you will be denied, but you may be required to provide additional information and may have to appear before the Commission for application review.

**Q. What if I allow my license to become inactive for 3 or more years?**

A. You will be required to reapply and retest, please see section of statute below.

**SECTION 40-59-230.**

Renewal; continuing education; notification of change of circumstances.

(A) Unless otherwise provided under the provisions of this chapter, the commission shall annually renew all licenses upon the applicant's submission to the commission of the completed renewal application, proof of financial responsibility or bond, acceptable to the commission and payment of all applicable fees. If a license has been in inactive status for more than three years, the person shall file a new application as in the case of the issuance of an original license and is required to take and successfully complete the examination.

(B) As a condition of license renewal, the commission may require by regulation a licensee to satisfactorily complete continuing education through a program approved by the commission.

(C) A licensee must notify the commission in writing within thirty days of any change in the information required to be on file with the commission including, but not limited to, the licensee's current mailing address.

HISTORY: 2002 Act No. 359, Section 1.