

Using an unlicensed HVAC contractor can void your warranty

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Dear Consumer Ed:

I bought a new HVAC system last year, which I had a handyman install. I recently had a problem with it, which should have been covered under my three-year warranty. When I contacted the manufacturer, they told me the warranty was void. Now I am facing an \$800 repair. What can I do?

Consumer Ed says:

For the answer to this question, we consulted the Georgia Board of Conditioned Air Contractors and the Conditioned Air Association of Georgia.

It is a little known secret that if you have your HVAC equipment installed or serviced by an **unlicensed contractor**, the warranty on your equipment might be void. Unfortunately, most consumers, even those who have done thorough research before purchasing an HVAC system, are not aware of this fact because it is rarely disclosed on the internet or by unlicensed contractors. In fact, there is usually no notice about this on the manufacturer's website, the packaging, or on the equipment itself. As a result, most consumers do not learn of this restriction until they have to make a claim for repairs or until they read the fine print on the warranty, which is usually not provided until the HVAC unit has been purchased and installed.

Although an HVAC contractor may have a *business license* issued by a city or county, he or she is not necessarily an HVAC state licensed contractor. Under Georgia law, a person engaged in HVAC contracting is required to have a valid license from the Secretary of State's Construction Industry Licensing Board's Division of Conditioned Air Contractors. Every person holding such a license is required to display it in a conspicuous manner in his place of business. In addition, all commercial vehicles used by an HVAC licensee in the daily operation of business are required to prominently display the license number, and all qualified companies are required to prominently display this license number on any advertising found in phonebooks, newspapers, as well as all invoices and proposal forms.

To verify the validity and current status of a contractor's license, or to determine if any disciplinary action has been taken against the licensee by the Division, consumers should go to the Professional Licensing section of the Secretary of State's website (http://verify.sos.ga.gov/verification) and search under the Profession "Conditioned Air."

It is natural to want your home repairs done as economically as possible, but given the high cost of repairing today's sophisticated, computerized HVAC systems, the money saved by hiring an unlicensed contractor can end up costing you more in the long run if your system needs a repair.

There are additional benefits to working with a licensed HVAC contractor. First, HVAC installations, as well as some repairs, are supposed to be permitted by a county building inspector. At the completion of the job, the inspector will be able to certify that the installation is done properly and safely. Since only licensed HVAC contractors can obtain a permit, any work done by an unlicensed HVAC contractor is not "double-checked" by a building inspector.

Second, many licensed contractors will not ask for a significant amount of money until the work is finished and you are satisfied. That way, you can likely wait until the building inspector verifies that the work was done properly before you pay a lot of money to the contractor.

Finally, while it is not illegal for an HVAC supplier to sell equipment to unlicensed contractors, most reputable suppliers have a policy of only selling this equipment to licensed contractors. As a result, many unlicensed HVAC contractors must obtain equipment through unauthorized sources, which may be selling stolen equipment or reconditioned units often represented as being new. HVAC equipment obtained by these means rarely comes with a manufacturer's warranty.

Consumers who believe they have been harmed by a **licensed contractor** can submit a complaint to the Secretary of State's Licensing Board by visiting http://sos.ga.gov/plb/submitcomplaint.php or calling (478) 207-2440. In addition, consumers can contact The Conditioned Air Association of Georgia at (678) 646-2224, which will work with the contractor, the property owner and the licensing board to try to resolve the problem.

If harm is caused by an **unlicensed contractor**, a consumer can file a lawsuit against the contractor. The consumer may also contact the Secretary of State's Construction Industry Licensing Board, who may order the contractor to stop engaging in unlicensed contracting and/or fine the contractor for engaging in any subsequent acts of unlicensed contracting.