

Avoid Being Scammed After a Disaster

HIRE A LICENSED CONTRACTOR

- ◆ Deal only with contractors licensed by the Arkansas Contractors Licensing Board.
- ◆ Get proof that the contractor you may be working with is licensed. Contact the Arkansas Contractors Licensing Board to check the status of their license. Only work with contractors who are currently licensed.
- ◆ Some out-of-state contractors want to help with rebuilding in disaster areas. However, it is illegal and punishable as a crime to perform residential contracting work on projects of more than \$2,000 without a contractor's license.
- ◆ Get the contractor's license number and check its history by contacting the Arkansas Contractors Licensing Board.
- ◆ Ask your contractor for three references in writing. When speaking with the references ask if they were satisfied with the contractor's work. Ask if the contractor kept to the schedule and the contract terms.
- ◆ Require a written contract. The contract should be a detailed description of the work to be done, the materials to be used and the equipment to be installed. Be sure there is a schedule of payments and a timeline for when the work will be completed. Be sure you understand the contract before you sign it. Any change that occur should be noted in writing.
- ◆ Before making the final payment make sure that you are satisfied with the completed work. Verify that any and all liens have been released.
- ◆ Please contact the Public Works Department to see if permits are required, and to assure code compliance before construction to protect your health, safety and welfare.

GET IT IN WRITING

- ◆ Obtain a written contract that clearly states all task to be performed, all associated costs and the payment schedule.
- ◆ Any guarantees made by the contractor should be in written into the contract. The guarantee should clearly state what is guaranteed, who is responsible for the guarantee and how long the guarantee is valid.
- ◆ Avoid verbal promises and contracts.

AVOID PAYMENT PITFALLS

- ◆ Don't let the payments get ahead of the work.
- ◆ Keep records of all payments and receipts.
- ◆ Avoid on-the-spot cash payments. The safest method of payment is by check.
- ◆ Make sure you have the names of subcontractors and material suppliers, and confirmation that they have been paid.

IF YOU HAVE A COMPLAINT

If you have a problems with a licensed or unlicensed contractor, there are places to turn.

- ◆ File complaints against contractors with the Arkansas Contractors Licensing Board.
- ◆ The Consumer Division of the Arkansas Attorney General's Office.
- ◆ Your local sheriff or police department, if a crime is in progress.

OTHER CONSIDERATIONS

With service and repair contracts, **consumer's 3-day right to cancel** expires when the work begins. Check the paperwork before you sign to determine if it is home improvement contract or a service and repair contract.

Renters should check with their landlords and their rental agreements about damages and repairs. Major repairs are almost always the responsibility of the landlord.

If you are a homeowner, contact your insurance company to find out what's covered and how to proceeded.

TIPS AFTER A DISASTER

If your home or property has been damaged by a fire, flood, earthquake or other disaster, don't let unscrupulous individuals take advantage of you during this vulnerable time.

Please follow this basic advice before you hire a contractor or sign any documents for repairs:

- ◆ Don't rush into repairs, no matter how badly they are needed.
- ◆ Get at least three bids. Don't just hire the first contractor who comes along.
- ◆ Be cautious about door-to-door offers of repair services and flyers or business cards that are left on your doorstep.
- ◆ Ask friends, family, and associates for recommendations about contractors they have used.

◆ NEVER PAY CASH.

- ◆ Even for the smallest job, require proof of an Arkansas Contractor's License for the type of work that needs to be done.
- ◆ Get a written contract that details every aspect of the work plan.