

Before You Hire a Contractor

If your home or property was damaged in recent events, you need to be on guard for possible scams and cons in order to protect your investment. Before you begin any work or sign a contract, review these helpful tips.

Contractor research	<p>Obtain a business card from contractor. If none available, write down name, address, telephone number and license plate number and ask to see photo identification.</p> <ul style="list-style-type: none"> • Ask to see the contractor's license and/or their official permit to perform work in the disaster area. <p>Verify that your contractor has proper insurance, including both disability and workers' compensation. Also, verify that the contractor will only use subcontractors that are fully licensed and insured. (Note: If a contractor is uninsured, you may be liable for accidents on your property.)</p> <p>Check <u>local</u> references.</p>
Repair estimates	<ul style="list-style-type: none"> • Request that all repair estimates be in writing. • Obtain estimates from more than one contractor (Note: some contractors may charge for an estimate since they are very busy after a disaster.) • Ensure that written estimates detail all the work you expect the contractor to do and the total cost, including fees and taxes.
Contracts	<ul style="list-style-type: none"> • Always request a written contract that includes: tasks to be performed; all associated costs (including taxes & fees); a detailed payment schedule; who is responsible for applying for necessary permits & licenses; and a written guarantee. • Read the fine print and be sure you understand the contract completely. • Never sign a blank contract and be sure to fill in all blank areas before you sign or initial any document. • Obtain a copy of every document you are asked to sign or initial.
Payment	<ul style="list-style-type: none"> • Do not pay for the entire job in advance. If the contractor requires a down payment, pay with a check – not cash. • Do not sign your insurance check over to the contractor. • Insist that the contractor provide you with a sworn statement verifying that all materials have been paid for and all subcontractors have been paid. This will protect you from liens that may be placed on your property if the contractor fails to pay all suppliers and subcontractors.

IF YOU BELIEVE YOU HAVE BEEN A FRAUD VICTIM OR NEED ASSISTANCE YOU MAY CONTACT THE FOLLOWING:

Consumer Fraud: 800-351-4889

Insurance: 225-925-3818 or
Insurance.Fraud.Unit@dps.la.gov