

## AFTER A DISASTER DON'T GET SCAMMED!

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.

Before you hire a contractor or sign any documents for repairs, the California Contractors State License Board offers the following advice:

- Avoid rushing into repairs, no matter how badly they are needed.
- Get at least three bids. Avoid hiring the first contractor who comes along.
- Be cautious about door-to-door offers of repair services and fliers or business cards that are left at your property.
- Ask friends, family, and associates for recommendations about contractors they have hired.
- Avoid paying in cash.
- Even for small jobs, get proof that the person you are dealing with has a contractor license for the type of work that needs to be done.
- Get a written contract that details every aspect of the work plan.

### Additional Resources

Visit [www.cslb.ca.gov](http://www.cslb.ca.gov) or call (800) 321-CSLB (2752) to download or request free CSLB publications.

#### *What You Should Know Before Hiring a Contractor*

- Information about hiring and working with contractors

#### *Terms of Agreement—A Consumer Guide to Home Improvement Contracts*

- Information about what to look for in a home improvement contract

#### *Preventing Mechanics Liens*

- Methods to help make sure subcontractors and suppliers are fully paid

CSLB Disaster Hotline (for disaster victims only)  
(800) 962-1125

#### **California Emergency Management Agency**

3650 Schriever Avenue  
Mather, CA 95655  
(916) 845-8510  
[www.oes.ca.gov](http://www.oes.ca.gov)  
[www.calema.ca.gov](http://www.calema.ca.gov)

#### **Federal Emergency Management Agency (FEMA)**

Regional Office (Region IX)  
1111 Broadway, Suite 1200  
Oakland, CA 94607  
(510) 627-7100  
(800) 621-FEMA  
[www.fema.gov](http://www.fema.gov)



#### **CONTRACTORS STATE LICENSE BOARD**

P.O. Box 26000  
Sacramento, CA 95826-0026  
(800) 321-CSLB (2752)  
[www.cslb.ca.gov](http://www.cslb.ca.gov) • [CheckTheLicenseFirst.com](http://CheckTheLicenseFirst.com)

DEPARTMENT OF CONSUMER AFFAIRS

AFTER A DISASTER

# Don't Get Scammed!



**CONTRACTORS STATE  
LICENSE BOARD**

Department of Consumer Affairs





## Other Considerations

With service and repair contracts that are \$750 or less and meet other legal requirements, a consumer's three-day right to cancel expires when the work begins. Check the paperwork before you sign to determine if it is a "home improvement" or a "service and repair" contract. Information on home improvement contracts is available in Section II, Chapter 5 of the CSLB *California Contractors License Law & Reference Book* located in the "Guides and Pamphlets" section of CSLB's website: [www.cslb.ca.gov](http://www.cslb.ca.gov).

Renters should check with their landlords and their rental agreements about damages and repairs. Major repairs are almost always the responsibility of the landlord. Renter insurance policies may cover personal property damage. If you're a homeowner, contact your insurance company to find out what's covered for damage caused by a natural disaster and how to proceed.

## Hire a Licensed Contractor

- Deal only with state-licensed contractors. Ask to see the contractor's CSLB-issued "pocket license" and a valid photo ID. If the person claims to represent a contractor, but can't show you a Home Improvement Salesperson registration card, call the contractor to find out if the person is authorized to act on their behalf.
- Contractors working on a post-disaster job—from debris removal to rebuilding—that totals \$500 or more for labor and materials must be licensed by CSLB. To become licensed, a contractor must pass licensing examinations, verify at least four years of journey-level experience, carry a surety bond, and undergo a background check.
- Some out-of-state contractors and unlicensed California trades people want to help rebuild in natural disaster areas. However, **without a California contractor license, it is illegal and punishable as a felony to perform contracting work in a disaster area where a state of emergency has been declared.** Punishment may include a fine of up to \$10,000 or up to 16 months in state prison.
- Ask for the contractor's license number and check its history on the CSLB website: [www.cslb.ca.gov](http://www.cslb.ca.gov), or call the toll-free automated information line: 800.321.CSLB (2752), to verify that the license is valid.

## Get it in Writing

- Don't sign the contract until you fully understand the terms.
- Make sure everything you have asked for is in writing and clearly described. A verbal promise may not give you the desired results.

## Avoid Payment Pitfalls

- By law, a down payment on a home improvement contract cannot exceed 10 percent of the contract price or \$1,000, whichever is less.\*
- Don't let payments get ahead of the work.
- Keep receipts and records of payments.
- Avoid paying in cash.
- Make sure you have the names of subcontractors and material suppliers, and confirmation that they have been paid.
- Don't make the final payment until you are satisfied with the job and your local building department has signed off on the completed work.

## Where to Complain

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

- File complaints against contractors at [www.cslb.ca.gov](http://www.cslb.ca.gov) or call 800.321.CSLB (2752).
- Consider small claims court for disputes and losses under \$10,000.
- Check with the consumer division of your local district attorney's office.
- Contact your local sheriff or police department if a crime is in progress.

\* There is an exception to this rule for contractors who have filed a blanket performance and payment bond with the Registrar. This information is noted on the contractor's license detail page on CSLB's website.