

June 21, 2021

Steve Marshall
Alabama Attorney General



For press inquiries only, contact:

Mike Lewis (334) 353-2199

Joy Patterson (334) 242-7491

Page 1 of 2

**Attorney General Steve Marshall Warns Storm Victims
to be on Guard Against Home Repair Fraud and Price Gouging**

(MONTGOMERY) – In the wake of Tropical Storm Claudette, Attorney General Steve Marshall warned consumers to be wary of potential scams, fraud and price gouging during post-storm damage cleanup, repair and rebuilding. The tropical storm caused significant damage Saturday in several Alabama counties, particularly in Escambia County which was struck badly by an EF-2 tornado. Governor Kay Ivey has declared a state of emergency for Baldwin, Butler, Cherokee, DeKalb, Escambia, Mobile, Monroe and Tuscaloosa counties.

“Our hearts are with those who are affected by this terrible storm, but sadly we must remain alert to some who would prey upon their suffering,” said Attorney General Marshall. “I urge Alabamians to be on guard against potential fraud as they hire workers to repair storm damage and to purchase needed items.”

Alabama Home Builders Licensure Board Executive Director, J.R. “Chip” Carden, cautions homeowners who experience damage as a result of Tropical Storm Claudette, and emphasizes the importance of the consumer knowing about the potential problems of contracting for homebuilding and remodeling with unlicensed contractors. “Do your homework,” Carden advises. “Call any references the builder gives you and check with the Board to confirm if a builder is licensed and in good standing. Don’t be in a rush. A bad decision now can make a difficult situation even worse.”

The Home Builders Licensure Board and the Attorney General’s Office also outlined steps consumers should take to protect themselves from fraud when hiring workers for storm damage repairs:

--Ask if they are licensed. Ask to see the card! The HBLB license is a credit card-sized license – a sample is listed on HBLB’s website. You may check on a builder’s license status by calling 1-800-304-0853, or by visiting www.hblb.alabama.gov.



--Ask for and check references, especially if the builder makes unsolicited contact with you or is from out-of-town.

--Make sure quotes and contracts are in writing. Under state law, licensed homebuilders must use a written contract. Make sure it includes the contractor's full name, address, telephone number, a description of the work to be performed, starting and estimated completion dates, and the total cost of the job.

--NEVER make a full payment or substantial down payment up front. Do not make a final payment until you are satisfied, and all subcontractors have been paid. If they tell you that more money is needed in advance, be wary.

--Ask for proof of insurance, including workers compensation and general liability.

--Make sure you can contact them. Be certain to get an office number and a cell phone number, and a physical address. Businesses with established addresses may be safer.

Attorney General Marshall also warned consumers of potential price gouging in areas affected by the storm. Alabama's price gouging law is activated when a state of emergency is in effect. This law prohibits the "unconscionable pricing" of items for sale or rent. Although what constitutes an unconscionable price is not specifically set forth under state law, a price that is 25 percent or more above the average price charged in the same area within the last 30 days - and which was not due to legitimate increases in product supply costs - is a 'prima facie' case of unconscionable pricing.

"You may report concerns of alleged fraud or price gouging to my office for investigation," said Attorney General Marshall. "To fill out a complaint online, visit www.alabamaag.gov and look for the 'consumer complaint' link. You may also dial our Consumer Interest Division toll-free, 1-800-392-5658."

For information about home repair licensing and potential fraud, contact the Home Builders Licensure Board, 445 Herron Street, Montgomery, Alabama 36104, (334) 242-2230 or 1-800-304-0853 or www.hblb.alabama.gov.