## **NEWS RELEASE**

## Steve Marshall Alabama Attorney General



## FOR IMMEDIATE RELEASE May 11, 2018

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## AG STEVE MARSHALL JOINS STATE HOME BUILDERS ASSOCIATION AND HOME BUILDERS LICENSURE BOARD TO PROMOTE SAFE CONSUMER PRACTICES FOR NATIONAL REMODELING MONTH

(MONTGOMERY)-- Attorney General Steve Marshall is joining with the Home Builders Association of Alabama (HBAA) and the Alabama Home Builders Licensure Board to promote safe consumer practices in observance of May as National Remodeling Month. Whether remodeling projects are undertaken for desired home improvements or to repair damage caused by storms or other crises, it is important to make careful decisions and choose reputable and qualified contractors.

"We want consumers to have information and resources that will help their remodeling projects have a successful and happy outcome," said Attorney General Marshall. "Unfortunately, problems with home repairs continue to be among the top complaints received by my consumer protection staff. Through our partnership with the Home Builders Association and the Home Builders Licensure Board, we want to help consumers recognize warning signs, to know the steps to find reliable and responsible workers, and to remind scammers that home repair fraud is a serious crime."

Between January 2017 and April 2018, the Attorney General's Office received more than 253 home repair complaints, with consumers claiming losses in excess of several hundred thousand dollars. Most of these complaints involved workers who accepted money for repair jobs they never finished or did not perform properly, or who failed to honor warranties on home improvement projects.

"The most critical decision homeowners will make when embarking on a remodeling project is choosing the right professional for the job," said HBAA Remodelers Chair Elliott Pike. "HBAA members are committed to the industry, committed to quality construction and integrity, and most importantly, committed to the customer."

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While promoting National Home Remodeling Month, the HBAA Remodelers are also stressing the importance of consumers taking steps to protect themselves from home repair fraud, which can be particularly threatening during storm season when fly-by-night, unlicensed contractors often prey on vulnerable homeowners in the aftermath of tornadoes, hurricanes and other disasters.

"Fraudulent remodelers not only hurt the consumers, but reputable remodelers as well," said Pike. "When consumers are ripped off, that gives all remodelers, including those who are honest, a bad name. We want to make consumers aware of what to look for in hiring a remodeler and help them report fraud when it happens."

Home Builders Licensure Board Executive Director J.R. "Chip" Carden advised consumers, "Do your homework. Call any references a builder gives you, and check with the licensure board to see if a builder is licensed and in good standing. Don't be in a rush. A hasty decision can result in a bad situation."

Attorney General Marshall, Remodelers Chair Pike, and Executive Director Carden recommend that to help avoid home repair fraud, homeowners should:

- Verify that the remodeler is licensed by the Alabama Home Builders Licensure Board as required by law. Ask to see the card! (Click <a href="https://example.com/here">here</a> to see sample image of card.) For residential construction over \$10,000 a builder must be licensed by the Home Builders Licensure Board. Plumbers, HVAC contractors and electricians must be licensed by the state regardless of the cost of work. You may check with the Alabama Home Builders Licensure Board to see if a contractor is licensed by calling 1-800-304-0853, or by visiting <a href="https://www.hblb.alabama.gov">www.hblb.alabama.gov</a>.
- There also may be local permitting and license requirements, so check with local city
  or county government to find out if this particular job requires a permit. Consumers
  need to consider that if workers are reluctant to apply for permits in their own
  names, it could be they do not want to be known to local officials and may be hiding
  a bad reputation.
- Investigate the reputation and experience of the remodeler. Find out as much as you can about them, especially if they make unsolicited contact with you or have come from out-of-town after a natural disaster.
- Seek referrals from friends, family, neighbors and co-workers who have had remodeling work done. Ask for references. Get names and addresses, and call them.

- Check with the local Home Builders Association for names of remodeler members. Visit <a href="https://www.hbaa.org">www.hbaa.org</a> or call 1-800-745-4222 for more information.
- Ask for proof that they are bonded or insured. Request copies of the remodeler's insurance certificates to verify that he or she carries insurance that protects you from claims arising from property damage or job site injuries.
- Check with the local or state consumer protection agency or Better Business Bureau to find out if any unresolved complaints have been filed against the remodeler.
- Don't compare apples to oranges when evaluating bids from contractors make sure they are based on identical project specifications. Obtain several written estimates. Beware of estimates that are well below the market price or seem "too good to be true."
- Require a written contract. Under state law, licensed homebuilders must use a written contract. Make sure it includes the contractor's full name, address, and telephone number; a description of the work to be performed; starting and estimated completion dates; and the total cost of the job.
- Be wary of a contractor who asks for a full payment before the job has begun. A
  payment schedule should be part of your written agreement and may be tied to
  benchmarks such as completing various phases of the job. Do not make final
  payment until you are satisfied and all subcontractors have been paid. If they tell
  you more money is needed in advance, be wary. They should be able to pay for
  supplies or have credit to make necessary purchases until you compensate them
  afterward.
- 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.

"We are fortunate that there are many excellent home repair and remodeling professionals who operate with skill and integrity," said Attorney General Marshall. "But it is sadly true that there are those who would take advantage of consumers with shoddy work and scams. Our best weapons against this are consumer education and prevention, and we encourage consumers to exercise caution and ask questions before they start a home project."

Attorney General Marshall's consumer staff may be contacted by calling toll-free 1-800-392-5658.