

The Law and Your Home Improvement Contractor

Who is a Home Improvement Contractor? "Contractor" means any person who owns and operates a home improvement business or who undertakes or agrees to perform ANY home improvement.

What is Home Improvement? "Home Improvement" includes, but is not limited to, the repair, replacement, remodeling, alteration, conversion, modernization, improvement, rehabilitation or sandblasting of, or addition to, any land or building which is used or designed to be used as a private residence or dwelling place, or the construction, replacement, installation or improvement of driveways, swimming pools, porches, garages, roofs, siding, insulation, solar energy systems, flooring, patios, landscaping, fences, doors and windows and water proofing in which the total cash price for all work agreed upon between the contractor and owner exceeds \$200.00.

Selecting Your Contractor-

Ask your contractor for references. Call the references to see if they were satisfied with the contractor's work. Call the Department of Consumer Protection to verify that the contractor has a valid registration. Ask how long the contractor has been in business and if there are any outstanding complaints about the firm.

Be very suspicious about very low bids and requests for large sums of upfront money.

Insurance-

Ask the contractor if the company is insured against claims covering property damage and personal liability and if the company carries Workers' Compensation insurance, in case of accidents. Ask to see a copy of the certificate of insurance or the name of the insurance carrier and agency to verify that the contractor is covered by insurance. Also, check with your homeowner's insurance policy and call your insurance company to be sure you have adequate coverage should someone be injured on the job.

Your Home Improvement Contract

Your contract **MUST be in WRITING** and the following **MUST be included!** **Never sign a blank contract!**

- Date of Contract
- Contractor's Name and Contractor's Address
- The **START DATE**
- The **COMPLETION DATE**
- The **ENTIRE** statement of Agreement, any modification or changes, and Cancellation Language as required by Statute. (The home owner must be given a THREE day contract cancellation right.)
- Completed **DETACHABLE** form in duplicate captioned "NOTICE OF CANCELLATION" as required by Statute.
- Signature and Contractor's and/or Salesperson's Signature.

The **CONTRACT IS NOT VALID or ENFORCEABLE** unless it contains **ALL** of the above information and is entered into by a **REGISTERED CONTRACTOR**. The homeowner must receive a copy of the contract the time of signing.-

Building Permits-

Have your contractor or remodeler obtain all building permits that are required. Do not get the permit yourself. The person who obtains the permit is considered to be the contractor and is liable if the work does not meet with the building codes and various other regulations.

Changes to the Contract-

Change orders should include a description of the work to be performed and the costs. They should be signed by both parties before beginning the work.

Lien Waivers-

You should know that any sub-contractor hired by your contractor may file a lien in court against your property should the contractor fail to pay him. To avoid such situations, you may want to have each and every sub-contractor sign a Waiver of Lien Rights against your property. You may want to discuss this with your attorney.