

Contractors/Home Improvement

If you are considering repairing or remodeling your home and the cost for labor plus material will exceed \$500.00, it is important to deal only with contractors licensed by the Contractors State Licensing Board. It is a good idea to get at least three comparative bids from licensed contractors. Ask if there is a charge for an estimate before agreeing to let the contractor inspect your home. Make sure all of the contractors are giving their bid based on the same specifications. Also, be sure all bids cover labor and material of the same quality and quantity.

It is also a good idea to ask for local references and contact them. Ask the references how satisfied they were with the work the company had done, and consider inspecting the finished work yourself.

As with any purchase, be sure to obtain a BBB report on each contractor as part of your decision making process. The California Contractor's State Licensing Board also has licensing, bonding, and insurance requirements. You should make sure the contractor is in compliance with all of them.

There are different contractor licenses depending on the type of work to be done. For example, contractors who perform swimming pool construction or repairs must be licensed as swimming pool specialty contractors. Be sure the contractor's license is appropriate for the type of work that needs to be performed.

Contractors are required to have their license number on their business card, all bids, and contracts. Once a contract is drafted, it should not contain any blank spaces. Be sure it covers all the work to be performed, the material to be provided, and all other terms and conditions, including payment. You should not sign a contract that is left blank or missing cost information.

Keep in mind that in California a contractor may not take more than \$1000 or 10% of the job (whichever is less) for a deposit or a down payment on the work to be done. In the case of swimming pool projects, a contractor may not take more than 2% or \$200 of the job (whichever is less).

If your contractor damages your property and doesn't carry general liability insurance, you or your insurance policy could end up paying for damages. Licensed contractors are not required to carry general liability insurance; however, they must include in the written contract a form about liability insurance. Home improvement contracts must tell you whether they carry general liability insurance and that it will protect against third-party bodily injury and property damage.

In California, if a contractor has employees, workers' compensation insurance coverage is required by law. If a worker is injured working on your property and the contractor doesn't have insurance, you could be asked to pay for injuries and rehabilitation through your homeowner's insurance policy. Make sure you verify the contractor's workers' compensation insurance coverage.

You can access license information on specific contractors using a special link that is provided in BBB reports. Or you can call the California Contractor's State Licensing Board at (800) 321-2752 or visit their website at www.cslb.ca.gov.

Before making any purchase, always be sure to obtain a BBB report as part of your decision making process.