

BE ON THE LOOKOUT FOR CONTRACTOR FRAUD

WARNING SIGNS

- No permanent place of business;
- No Insurance;
- Inadequate references;
- Door-to-door solicitations;
- Scare Tactics;
- Demands for cash;
- Usually large down payments;
- Verbal agreements with no contract;
- Extremely low bids or special deals;

MY CHECKLIST

- Contractor's name, local address, and telephone number
- Insurer's name, policy number, and amount
- Louisiana contractor's license number
- Check references
- Written contract
- Written guarantee

CONTACTS FOR MORE INFO

Consumer Protection Hotline
800 · 351 · 4889

Disaster Fraud Hotline
866 · 720 · 5721

The Better Business Bureau
WWW.BBB.ORG

**Louisiana State Licensing Board
for Contractors**
800 - 256 - 1392
WWW.LSLBC.LOUISIANA.GOV



LSLBC MOBILE APP
Search for "La. Contractors"

Dos AND DON'TS WHEN HIRING A CONTRACTOR

DO Get at least three estimates (bids).

Be certain each contractor bids on exactly the same work. If one contractor bids on more work than others, make a note of it. All bids should be itemized and detailed.

DO Know with whom you are dealing.

Find out the contractor's address and verify it. Ask for and check references (previous customers, bank references, etc.). Make sure the contractor is licensed through the Louisiana Licensing Board for Contractors, which can be reached at 800-256-1392. Before beginning any job – always require that the contractor show you proof of insurance, such as workman's compensation and general liability insurance. Also check the contractor's reputation with your local Better Business Bureau.

DO Keep a signed, legible copy of the contract in a safe place.

DO Contact the name of the contractor's insurer.

DO Have the materials delivered directly to your home/jobsite rather than the contractor's shop.

A reputable contractor can usually charge building materials and does not normally require a large down payment. Where a down payment is required, it should not exceed 10% to 25% of the total price.

DO Be specific.

Have samples, model numbers, pictures, or anything else that will show the contractor exactly what you want. If you do not specify the quality of materials in the contract, you are leaving it up to the contractor to decide what materials will be used.

DO Be certain the materials you have selected are what you want.

Changing your mind in the middle of a construction project is costly. If you do change your mind, be prepared to pay extra.

DO Get a guarantee in writing.

Any contractor not willing to guarantee his/her work is not someone with whom you should be doing business. Accept no verbal agreements. Any changes in the contract should be in writing and initialed by both parties.

DO Specify in the contract a starting date and a completion date, the exact description of work to be done, the total cost of job, the exact schedule for payment, and the warranty or guarantee that can be expected. (If contract is for an hourly rate or on a cost plus basis, get an estimate of the total cost.)

DON'T PAY CASH.

Always pay by check or money order and keep a receipt. Write all checks to the company, not the individual worker. Make sure all subcontractors are paid to prevent a lien from being placed against your property.

DON'T Sign a certificate of completion or make final payment until you are satisfied with all work performed.

Save copies of all building materials receipts so you can be sure you received goods and services for which you paid.

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