

NEWS RELEASE

From the Office of the Indiana Attorney General

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FOR IMMEDIATE RELEASE

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Attorney General Carter Cautions against Unscrupulous Contractors as Indiana Recovers from Flood Damage

INDIANAPOLIS, IN – Indiana Attorney General Steve Carter encourages Hoosiers in Central and Southern Indiana to be on guard against unscrupulous contractors following the recent flooding in the area. Natural disasters lure contractors who will prey on those who are anxious to get the damage repaired announced Carter.

“In the aftermath of flooding, people are typically anxious to get home improvements underway,” said Carter. “Despite a feeling of despair and a need to act quick, flood victims should take some time in selecting a contractor to ensure the company’s legitimacy and quality of work. A quick decision could end up costing more in the long run if the contractor disappears or leaves bigger mess than when he started.”

Here are some tips on how to find a reputable contractor:

- Remember, Indiana law requires a contract for work that will exceed \$150 (IC 35-43-6-4)
- Take your time and don’t let a contractor rush your decision.
- Do research, know how much you can afford, and what needs to be done.
- Talk your friends and family about contractors they recommend.
- Opt for local, well-established contractors and don’t assume that an ad makes a contractor reliable.
- Be skeptical if a bid is too low or too high.
- Get bids in writing.
- Check with your city or county building department to determine the licensing requirements for your area and if the contractor you are considering is properly licensed, bonded and insured.

Before signing the contract, make sure it includes the price of the job, a payment schedule, a detailed description of the work, an estimated start and completion date, the contractor’s name and address, and a name and telephone number of the person to contact if a problem arises as well as the contractor’s signature. Do not pay more than 1/3 of the total cost as a down payment. Remaining payments should be tied to completion of specified amounts of work.

Don’t make the final payment to the contractor until you know that all subcontractors and/or suppliers have been paid. Get written proof of payment because subcontractors and suppliers may file a mechanics lien against your home if they haven’t been paid. Be sure to get a copy of warranties and keep all records related to your project. This includes the contract, change orders, warranties, and correspondence. These records are important particularly if you have a problem.

Consumers who have been a victim of home improvement fraud may file a complaint with the attorney general’s office by calling 1-800-382-5516 or by filing a complaint online at <http://www.IndianaConsumer.com>.

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