



The Consumer Connection

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"In the event that your property is damaged, protect your largest asset by hiring only state-licensed contractors."

Ask any potential contractor for references and check each one. A legitimate contractor will be happy to provide them.

FROM THE DESK OF CARLOS MORALES

Consumer Investigator Supervisor

Minutes after any big celebrity dies or there is a major world event, internet scammers get to work devising schemes to capitalize on the sudden high demand for information. Spam and bogus websites are the most common way they find victims by taking advantage of people's interests in the topic. These messages may promise to show unpublished photos, videos or reports. This improves their chances of getting someone to click on a link; sometimes just visiting a website is enough to infect your computer with a virus. Don't take the BAIT.

I hope everyone had a chance to stop by our booth at the 2009 Hurricane Expo that was held May 30 – 31. Many of us were impacted during the 2004 hurricane season and were scrambling to find reputable contractors to work on our homes. In these tight economic times it is more important than ever to ensure you receive what you pay for. By preparing and gaining a little knowledge you may be able to avoid many of the traps storm-chasers set to ensnare unsuspecting homeowners.

Home Repair

Know your contractor. A frequent problem after a disaster are "storm-chasers" who come into our community and offer to do work with little regard for the strict building code standards required in Florida. They are often unlicensed, uninsured, require large deposits and are here one day and gone the next. Persons engaging in unlicensed activity are breaking the law and any person who acts as an unlicensed contractor during a state of emergency declared by an executive order of the Governor is committing a third degree felony!

When hiring a contractor, consumers should:

- ✓ Always ask to see the contractor's license and then verify that the license is in good standing. To check a license, call 850-487-1395 or visit: www.myfloridalicense.com. An occupational license (now called business tax receipt) is NOT a contractor's license.
- ✓ Contact the Building Division in the county or city where the work is being done to confirm the contractor's license is in the appropriate trade for the work being performed and is recorded with the county or city. You can also ask them whether a building permit is required for the project.
- ✓ Get at least three written estimates. Be certain that estimates are itemized and for the same work and materials. Be suspicious of a contractor who offers the fastest, cheapest job on a "now or never" basis. Poor workmanship, inferior materials and unfinished jobs are often the result.
- ✓ Check the contractor's address, license and complaint history. Determine how long they have been in business at their listed address by independently verifying that information. For example: past telephone directories, Better Business Bureau, Tax Collector Offices, Division of Corporations and the Department of Business and Professional Regulation.

Beware of con-artists, they may:

1. *Solicit door-to-door.*
2. *Arrive in unmarked vehicles.*
3. *Tell you that building permits are not required.*
4. *They may ask you to obtain the building permits.*
5. *Ask for payment to be made in cash.*

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**We're on the Web!
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- ✓ Avoid any contractor who requires large payments in advance. Arrange to pay after the work is completed or in agreed-upon installments. Be cautious of writing checks made payable to individuals, especially when dealing with a company.
- ✓ Before any construction begins and after the building permit is issued record a Notice of Commencement with the Clerk of the Circuit Court. Post a certified copy of the "Notice" at the job site. If the contracted price exceeds \$2,500 become familiar with the Florida Construction Lien Law by visiting www.MyFlorida.com/dbpr
- ✓ Request from the contractor a list of all subcontractors and suppliers who have provided services or materials for your job. Obtain "waivers of liens" from all those individuals/businesses prior to or upon final payment.
- ✓ If you have received a "Notice to Owner" from anyone, you should require your contractor to get a notarized release of lien from each person stating that they have been paid for all work done on your job. This should be done before making payments to your contractor.
- ✓ Don't sign the completion certificate until all work is finished to your satisfaction and all permits are cleared via a final inspection.

The Contract Should Include

- Contractor's name, street address and telephone number
- Contractor's state license number
- Job site address
- Precise description of the work to be completed and materials to be used
- Date work will start and when it will be completed
- Who is responsible to obtain building permits
- Notice of consumers' rights under the Florida Homeowners' Construction Recovery Fund
- Any financing information
- Warranty agreements, including length, terms and recourse

Don't Pay Twice

The Mechanic's Lien Law provides for a method by which a contractor, subcontractor, laborer, building material supplier, architect, landscape architect, interior designer, engineer, or a land surveyor may claim a lien on real property on which they have done work or to which they have furnished materials. If the lien is not satisfied, your property may be sold to pay the lien sometimes even if you have already paid the bill. Before making payments to your contractor, you should get a written notarized partial or full release of lien that the contractor has paid all of the bills for your job.

Pulling an Owner/Building Permit is Risky Business!

If you do not intend to do the work yourself and have been asked by someone without a contractor's license to pull the permit, you are at risk of financial harm. Florida Statutes requires that when property owners act as their own contractor, they must supervise the work being performed. Any person working on your building who is not licensed must be employed by you, which means that you must deduct F.I.C.A. and withholding tax and provide workers' compensation for that employee. Without workers' compensation insurance, you could be held liable for injuries incurred on your property.

If you have a complaint against an unlicensed contractor in Orange County call our office. If your complaint concerns an unlicensed contractor in another county call the Department of Business and Professional Regulation at 850-488-6603. To file a complaint against a licensed contractor call 850-487-1395.