

## OTHER STORM-RELATED CONSUMER TIPS

### AUTOMOBILES

If your car was submerged in at least a foot of standing water for more than an hour, have it checked out by a car dealer or repair shop. Even if it runs, hidden damage could pose problems later on. Get detailed written estimates, and keep copies of receipts and invoices.

If you're buying a used vehicle, inspect it carefully. Look at hidden parts or crevices to check for mud or silt, which indicates water damage.

Some clues include:

- new upholstery or carpeting;
- dirt or mud in air vents or on top of the engine;
- musty or moldy smell;
- when fully extended, is seatbelt discolored or does it have water stains;
- fluid contamination (oil, power brakes, transmission, etc.) A mixture of motor oil and water looks milky white.

Before you buy a used car, do a title search. Check the previous owner's name and address, purchase date and price, sales tax if the previous owner bought the car from a dealer, and the odometer reading. You must have the Vehicle Identification Number (VIN) to do this. It's on the dashboard. Please remember "as is" means just that.

The National Insurance Crime Bureau (NICB) has compiled a database of vehicles affected by hurricanes Katrina and Rita in 2005. The information in this database was gathered from a number of sources, including insurance companies, salvage yards, and state and local authorities. In addition, some, but not all, states require that a vehicle's title indicate when it has been salvaged.

### DEBRIS REMOVAL SCAMS

If you are dealing with a company or person who promises to remove debris from your property, ask them to list the services they will provide in writing. Do not make the final payment until you have inspected the job and are happy with it. Check around for prices to make sure you are not overcharged.

### DOOR-TO-DOOR SALES (COOLING OFF RULE)

As flood waters recede, you may find salespeople at your door offering a variety of home-repair products or services. You may have certain cancellation rights when sales occur in your home, from the back of a truck, or anywhere but the seller's established place of business.

If the sale is more than \$25, you can cancel within three days and still get a full refund. The salesperson is required to tell you about your three day right to cancel and give you a form to use. Under Tennessee law if you request the seller to provide the goods or services without delay because of an emergency in writing stating you are waiving your right to cancel due to the emergency, you will not be able to cancel the transaction.

You can cancel for any reason, but you have to do it in writing. Sign and mail the form the salesperson gave you at the sale. Make sure it is post-marked before midnight on the third business day after the sale. Report any problems with door-to-door sales to the Tennessee Division of Consumer Affairs at [tennessee.gov/consumer/index.shtml](http://tennessee.gov/consumer/index.shtml) or (615) 741-4737 and the Federal Trade Commission at [ftc.gov](http://ftc.gov), or 1-877-FTC-HELP.

For more information, contact the Tennessee Division of Consumer Affairs • 500 James Robertson Pkwy • Nashville, TN 37243-0600 • Telephone 615-741-4737 • 800-342-8385 • Fax 615-532-4994 • or file a complaint online at: <http://tn.gov/consumer/complaint.shtml#>



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## STATE OF TENNESSEE

### OFFICE OF THE ATTORNEY GENERAL AND REPORTER AND THE DIVISION OF CONSUMER AFFAIRS



### GUIDELINES FOR HOME REPAIR CONTRACTING

If your home has been damaged by a natural disaster, chances are you are in the market for a reputable contractor. Be aware that these conditions are ripe for home repair con artists who may overcharge, perform shoddy work or simply skip town with your money.

You can check to see whether a contractor has a license at <http://verify.tn.gov>. You can check whether the contractor is on the Buyer Beware list at [www.tn.gov/consumer/consumer](http://www.tn.gov/consumer/consumer). In addition, you can file a complaint against a contractor at <http://www.tn.gov/commerce/boards/contractors/OnlineComplaintCont.shtml>.

The Tennessee Division of Consumer Affairs and the Attorney General offer these guidelines and suggestions to help consumers avoid possible misunderstandings about home improvements. If you follow these guidelines and insist upon a written contract, some of the most common problems with home repair contractors might be avoided. If in doubt, or if you are agreeing to spend a lot of money, you should have a local attorney review your contract **before you sign**.

Many people are hesitant to demand all of the suggested information for fear of losing the builder. If you have this same concern, just hand the builder this brochure and tell them, "The Division of Consumer Affairs and Attorney General said this information is essential."

1. Get at least three estimates (bids). Be certain each contractor bids on exactly the same work. ALL bids should be itemized and detailed.
2. Know with whom you are dealing and verify the contractor's address. Request and check references (previous customers, bank references). Inspect work done for others when possible. Make sure the contractor is licensed through the Tennessee Board of Licensing Contractors (1-800-544-7693), or [verify.tn.gov](http://verify.tn.gov). If they are not licensed, do not do business with them. Check with the Division of Consumer Affairs and your local Better Business Bureau to confirm you are working with a contractor who has a good record of dealing with consumers.
3. Get the name of the contractor's insurer and bonding company. Call the bonding company and verify that the contractor is insured and for what amount.
4. A reputable contractor can usually charge building materials and does not normally require a large down payment. Where one is required, it should not exceed 10%-25% of the total price. Better yet, accompany the contractor to the building supply store and pay the store for materials yourself. Have your materials delivered to your jobsite rather than the contractor's shop.
5. Be specific. Have samples, model numbers, pictures or anything else that will show the contractor exactly what you want. If you don't specify the quality of materials in the contract, you are leaving it up to the contractor to decide what material will be used. Document the place being repaired beforehand by taking pictures or video.
6. 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 more.

7. Get a **contract in writing**. Any contractor not willing to provide a written contract 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.
8. Specify in the contract a beginning and completion date, include an exact and detailed description of work to be done, total cost of job, exact schedule for payment and warranty or guarantee that can be expected. (If the contract is for an hourly rate or on a cost basis, get an estimate of the total cost and include that in the written contract.)
9. 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.
10. Keep a signed, legible copy of the contract in a safe place.
11. **Signing a certificate of completion or making a final payment could have adverse legal consequences if you are unsatisfied with the work. It is a good idea to resolve your dispute or contact an attorney prior to signing a completion certificate or making a final payment.** Save copies of all material receipts so you can be sure you received the goods and services for which you paid. Regardless of whether you think the project is completed, document the repair with photographs or video.

#### CHECKLIST

- Contractor name, local address and telephone number
- Insurer's name, policy number and amount
- Bonding company name, bond number and amount
- Tennessee contractor's license number
- Check references
- Written contract

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### FAKE DISASTER OFFICIALS

Always ask for identification from any officials who stop at your home or your temporary shelter. Some scam artists claim to be government officials who could help you qualify for disaster relief payments for a "processing" fee. Others masquerade as safety inspectors or utility repair workers who say immediate work is required. Still others say they can get you FEMA funds for a fee. FEMA does not charge application fees. In fact, no government agency charges application fees. Verify the credentials of anyone who is offering you low-interest government loans. Confirm that they are affiliated with such agencies by calling the agencies if necessary.

### FLOOD RESTORATION

Your home and its contents may look beyond hope, but it is possible some of your belongings can be restored.

**Play it safe.** The dangers are not over when the water goes down. Your home's foundation may have been weakened, the electrical system may have shorted out, and floodwaters may have left behind things that could make you sick. When in doubt, throw it out. Don't risk injury or infection.

**Ask for help.** Many people can do a lot of the clean up and repairs. But if you have technical questions or do not feel comfortable doing something, get professional help. If there is a federal disaster declaration, a telephone "hotline" will often be publicized to provide information about public, private, and voluntary agency programs to help you recover from the flood.

**Floodproof.** If it is likely your home will be flooded again someday, you can save a lot of money by floodproofing as you repair and rebuild. You should also prepare for the next flood by buying flood insurance and writing a flood response plan.

For more information, read the Red Cross's [Repairing Your Flooded Home](http://www.redcross.org) at [www.redcross.org](http://www.redcross.org).