

Hiring a Contractor



Whether you need a contractor for a major remodeling job, or simply for minor improvements or repairs, do the following:

1. Check the contractor's license. Call the California Contractors State License Board (CSLB) at (800) 321-2752, or check their website . They license contractors who do home improvements or repairs costing \$500 or more.

2. Only hire a licensed contractor. Licensed contractors must post a \$12,500 bond with the CSLB. You can file a claim against their bond if you have problems with the work they do.

3. Get three bids. It's important to shop around before hiring a contractor. Ask for three references from each bidder. Visit the homeowners they have done work for and review the quality of the work. Ask the homeowner if the work was done on time and if problems were resolved in a timely manner. Don't sign a contract before you've had time to think it over and get other bids.

4. Find out if you need a building permit for your project. Check with your local building department to find out the building requirement for your area.

5. Get a written contract. Once you've hired a contractor, make sure the contract states:

- The job that will be done
- The full price it will cost
- When the job will be completed
- What building materials are included

Read the contract carefully. Do not sign if you do not understand it. Never sign a blank or partially blank contract. All promises should be written into the contract.

Make sure the contractor has workers' compensation insurance for their employees.

6. You have three days to cancel. You can cancel within three business days of signing the contract. Send the contractor a written notice of cancellation by certified mail to the address listed on the contract. You must send your written notice before midnight of the third day. You cannot cancel by telephone.

7. Keep the down payment small. Contractors can only collect a down payment of \$1,000 or 10% of the total cost, whichever is less.

8. Schedule your payments. Make sure you pay based on work that has been completed.

Do not let your payments get ahead of the work actually completed.

If you are not satisfied with the work, file a complaint with CSLB at (800) 321-2752. If you don't pay your contractor, they can file a mechanic's lien on your property.

9. Never pay cash. You won't have proof of payment. Pay with checks, money orders, or credit cards. Keep records of all payments you've made.

10. Know when to make your final payment. Make sure you are satisfied with the work before signing a Completion Certificate. Don't make the final payment until the job is completely finished.

County of Los Angeles Department of Consumer Affairs