

SPOTLIGHT ON SCAMS

HOME IMPROVEMENT FRAUD



With the worst of the winter storms behind us (to spite Punxsutawney Phil), spring weather is around the corner. We will soon be outside preparing our flowerbeds, touching up the paint and moving the lawn mower to the front of the shed. A truck pulls up in front of your home, a man hops out and approaches with a clipboard in hand and a tool belt around his waist, he states, "I've been working in the area and couldn't help to notice that your roof is in need of repair. Ice and snow can really cause a lot of damage; luckily I have some materials leftover from my last job and can give you a discount." The contractor says "it's a good thing I came by when I did; you are days away from a bad leak." You are relieved to have avoided this pending disaster, and offer him a deposit.

Not so fast! Let's consider a couple of things first, have you or another contractor inspected the roof? Did you obtain at least three estimates? Is the man who stopped by even an actual contractor? So what should you do now?

Let's rewind this story and when that unknown contractor arrives, we tell him to leave a business card and that you will call him when you are ready for estimates. Now you can go ahead and contact several professional contractors, review their references and insurance coverage. Be sure to visit www.attorneygeneral.gov to check that they are registered contractors; all professional contractors must register with the Attorney General under the PA Home Improvement Consumer Protection Act.

Important tips:

- Always insist on a written contract for all jobs.
- You are only required by law to give 1/3 deposit + special order materials on jobs over \$5,000.00
- Contracts must include estimated start and completion dates.
- An estimated total cost and description of the work must be in the contract.
- Time and Materials contracts must inform the consumer in writing that the contract will not exceed 10% above an initial cost estimate agreed to by the homeowner; and must be agreed to by the homeowner in a written change order.
- It's the business' responsibility to provide the written notice of cancellation, exactly as written in the law, otherwise if the consumer has not been notified of his rights, the entire contract may be voidable even after the three days has passed.
- Before entering into any home improvement project, check the HICPA law at www.attorneygeneral.gov

So remember, anyone that shows up uninvited to provide you with a quote for any type of home improvement work; roofing, remodeling or even top coating your driveway, is not the way to do business. Always stop and think to yourself: "Do I know enough about this contractor?" & "Can this project wait to select the best contractor?" Do your homework: Conduct online searches for civil lawsuits, criminal convictions and consumer complaints. The registration number of a contractor can be obtained from the Pennsylvania Office of Attorney General's Bureau of Consumer Protection by calling toll-free within Pennsylvania 1-888-520-6680. Registration does not imply endorsement. Committing home improvement fraud can be prosecuted as a misdemeanor or a third-degree felony. If the victim is 60 years old or older, the grading of the offense will increase and civil fines will triple.

In cooperation with Crime Alert Berks County, this article has been written to provide basic information to warn the public about common fraud and scams by the Pennsylvania Crime Prevention Officers' Association (PCPOA) a non-profit 501c(3). For more information please visit our website at www.PaCrimePrevention.org.