

DO'S AND DON'TS OF HIRING A CONTRACTOR OR OTHER PROFESSIONAL AFTER A NATURAL DISASTER

The Texas Young Lawyers Association (TYLA) is keenly aware that Texans who are affected by natural disasters including flooding, tornados, hurricanes, wildfires, and earthquakes are forced to repair and rebuild their homes in the days, weeks, months, and unfortunately, sometimes years following the disaster. This is a resource to Texans for hiring construction professionals, including general “Do’s” and “Don’ts” for hiring a contractor or other professional to help rebuild in the wake of these natural disasters.

DO

- Take your time hiring a contractor, but do not wait to address water damage (such as removing carpet and sheetrock, so that mold does not accumulate—just be sure to photograph everything for insurance and FEMA claims first).
- Ask friends and family for referrals.
- Check the Better Business Bureau and other resources in your area to verify that they are licensed and don't have poor reviews.
- Ask for references, both written letters and phone numbers of satisfied customers that you can call and speak with yourself to verify they are trustworthy.
- Get more than one bid on the work you need done.
- Always get any bid in writing.
- Ask about the warranties offered and get any warranties in writing.
- Hire a local contractor or professional.
- Hire a contractor that is bonded and insured and licensed/registered to perform work in your city.
 - ▶ Ask for copies of the contractor's general liability insurance declarations page and keep a copy for your records.
 - ▶ Ask for a copy of the contractor's bond, if one is required by your city.
 - ▶ Check with the appropriate department in your city to determine whether the contractor is registered to perform work in your city (if required).
- Contact your city and determine whether a permit is required for the work that is being done at your home.
- Make sure that your contractor obtains a local building permit, if required, for the specific work being done.
- Ask for a copy of the permit if one is required to perform the work in your city.
- Get bids, contracts, and repair plans in writing and keep copies for at least two years after the repairs are concluded.
- Ask the contractor to provide a lien waiver for subcontractors before starting the job if they plan to use subcontractors.
 - ▶ With a lien waiver the contractor will remain responsible for paying their subcontractor, and the subcontractor will not be able to sustain a lien on your home to be paid by a contractor who fails to pay them.
- Establish a timeline for the repairs, in writing.

DON'T

- Don't let a contractor force you to make a decision to hire them until you have fully investigated them, but remember in the wake of a disaster their services will be in high demand.
- Don't hire a contractor that solicits your business.
 - ▶ Unsolicited phone calls, door knocks, or phone calls are usually from unsavory repairmen and contractors.
- Don't automatically choose the lowest bidder.
- Don't pay a premium. Don't let someone who is offering to “help,” take advantage and charge you more than what is fair.
- Don't pay in cash.
 - ▶ Scammers or Chuck-In-A-Truck fly-by-night contractors often ask for cash because they know once you give it to them, it cannot be traced.
- Don't pay in full up front.
 - ▶ Typically, pay no more than 1/3rd up front.
 - ▶ Once you are satisfied with the contractor and feel you can trust them, you can pay an additional 1/3rd, after they have completed 1/3rd of the job.
 - ▶ Never pay the final 1/3rd (or pay in full) until the job is done to your satisfaction.
- Don't sign your insurance check over to a contractor.
- Don't take the contractor's word that it is licensed/registered to perform work in your city or that it is bonded, require them to show you their paperwork and verify their insurance yourself.
- Don't verbally agree to any increase in the cost of the work, and if there is a reason to agree, then document the change in the total amount in writing.



IF YOU HAVE ALREADY BEEN TAKEN ADVANTAGE OF

DO

- Contact an attorney right away.
- If you do not know an attorney, contact the State Bar of Texas Lawyer Referral & Information Services or one of your local lawyer referral services.
- If you cannot afford an attorney, contact your local legal aid office.
- Contact and file a report with your local law enforcement agency. If the agency is unable to help you, contact your local district attorney's office.
- Leave honest reviews of issues you have had with contractors on reputable crowd-sourced review websites such as Angie's List and the Good Contractor's List.

DON'T

- Don't give any more money to the contractor.
- Don't delay—the longer it takes for you to find help, the more likely it is that you will not find the contractor who took advantage of you.

RESOURCES

- **Better Business Bureau - <https://www.bbb.org/central-texas/>**
- **Angie's List - <https://www.angieslist.com/>**
- **Good Contractor's List - <http://thegoodcontractorslist.com/>**
- **State Bar of Texas Lawyer Referral & Information Services – (800) 252-9690**
- **Office of the Attorney General Consumer Protection Division – (800) 621-0508**
- **Lawyer Referral Service of Central Texas, Inc. – (866) 303-8303**
- **Dallas Bar Association Lawyer Referral Service – (214) 220-7444**
- **Houston Bar Association Lawyer Referral Service – (713) 237-9429**
- **Legal Aid of NorthWest Texas – (855) 548-8457**
- **Lone Star Legal Aid – (800) 733-8394**
- **Texas Rio Grande Legal Aid – (866) 757-1570**
- **Texas Legal Services Center – (800) 622-2520**
- **National Disaster Legal Aid - <https://www.disasterlegallaid.org/>**