

# **HOMEOWNERS BEWARE!!!**

## **A Guide to Protecting Yourself from Unlicensed Individuals Posing As Contractors**

Each year homeowners and businessmen lose hundreds of thousands of dollars, not to mention the mental stress, to unlicensed individuals posing as contractors.

The Building Inspection Division is committed to doing all they can to protect the public health, safety and welfare of the citizens of the City of Steubenville. We require applicants for contractor registration to provide verification of liability insurance and worker's compensation insurance.

The Building Inspection Division is further committed to protecting the public against illegal contractors by educating the public and offering the following suggestions:

Watch for warning signs which may indicate the person/company is not licensed

- Newspaper/flyers or yellow page ads where only the telephone number appears and there is no business address.
- A large down payment is requested before work begins.
- You are asked to obtain the permit.
- Permit is obtained by someone other than the person or company contracting to do the work.
- You're informed that the job does not require a permit or inspection.
- Verbal contract only, person is not willing to pull all terms in writing.
- The individual is only willing to work on week-ends or after hours.
- Many requests for money (draws) during early phases of construction.
- You are asked to make checks payable in the individual's name when it should be in a company name, or asked to make payment in cash, or to make a check payable to "cash".
- The individual does not have proof of General Liability or Worker's Compensation insurance.

### **Did You Know.....**

- According to Ohio law, electrical, HVAC, refrigeration, plumbing and hydronics contractors must be State licensed.
- The hiring of an unlicensed individual could cause you to pay more for the job, than if you had hired a licensed contractor, especially if the work is done incorrectly or never finished. You may have to pay twice or more for the same job to be corrected or finished.
- If the unlicensed individual fails to pay his sub-contractors or suppliers, you may be required to pay them, even though you have already paid the "contractor".

- As the property owner, you are responsible for making sure that the proper permits are obtained for the job.
- You may be held liable for any injuries on your property if the unlicensed individual has no insurance or worker's compensation.

### **For Your Information**

There are two classifications of licensed or registered contractors: STATE LICENSED, who have taken a State exam and can contract anywhere in the State of Ohio or CITY REGISTERED, who complete a local registration form prior to contracting and have worker's compensation insurance and liability insurance. Contractors must be both state licensed and registered to work in the City of Steubenville.

### **You Can Help Yourself-**

You can greatly reduce your risk of loss to an unlicensed contractor by doing the following:

- 1st** Call to obtain a second bid for the work to be done.
- 2nd** Require references and call to verify those references.
- 3<sup>rd</sup>** Call the Building Inspection Division 740-283-6000, ext. 1700 to confirm that the contractor is registered and to find out if a permit is required. In some instances, additional information may be needed to determine if a permit is required.