

Alert To

CONTRACTORS

Storm Chasers

After a big storm or other emergency, non-local contractors may contact you and offer to be a subcontractor for you. They promise you a percentage of each contract. Though this seems to be a way to help take care of your customers and maybe make a little extra money, it can be dangerous to your wallet and your reputation. Complaints to the Bureau of Consumer Protection report that short cuts may be taken, cheaper materials substituted, materials not paid for, and jobs not completed. The consumer then comes to you for correction, as your company name is on the contract.

Since you can be held responsible for your subcontractor's work, protect yourself.

1. State law requires that every time a payment is made for a home improvement, a lien waiver be given to the buyer. These have to come from material suppliers. Make sure your subcontractor is paying for materials and giving the lien waiver to the homeowners.
2. During an emergency period we suggest you request the customers pay building suppliers directly for materials.
3. Inspect your subcontractor's work. Is the job being done the way you would do it? Are the materials the types you would use? Is there a written, detailed contract?
4. Are the payments being deposited in an account that you can access? Are you receiving copies of your subcontractor's home improvement contracts?

If you would like to receive a copy of our fact sheet or a copy of the actual law, or if you have questions, please contact the Bureau of Consumer Protection:

1-800-422-7128

FAX: (608) 224-4939 TTY: (608) 224.5058

E-MAIL: datcpHotline@datcp.state.wi.us WEBSITE: <http://datcp.state.wi.us/>

i:\epic\facts\IHContractorAlert270 6101