



DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS  
Regulated Industries Complaints Office

## DCCA News Release

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### **DCCA LAUNCHES NEW CAMPAIGN TO EDUCATE CONSUMERS ON THE IMPORTANCE OF HIRING A LICENSED CONTRACTOR**

HONOLULU – The Department of Commerce and Consumer Affairs (DCCA) is stepping up efforts to protect consumers against unlicensed contracting with a new public education and awareness campaign.

The department's Regulated Industries Complaints Office (RICO) launched its "Hire a Licensed Contractor Campaign" this month, which highlights the importance of hiring a licensed contractor. Licensed contractors are insured, and if anything goes wrong, there are laws in place to protect consumers.

The department is reaching out to Hawaii consumers with a 30 second television spot, a new web address: [licensedcontractor.hawaii.gov](http://licensedcontractor.hawaii.gov), and a toll-free number for information: 800-394-1902.

"Homeowners need to beware of phony contractors," said Jo Ann Uchida, RICO's complaints and enforcement officer. "Even if someone provides you with a license number, it is important to check whether the number really belongs to that person and is current. We have had cases in which phony contractors 'borrow' license numbers that belong to others, or use totally fictitious numbers to convince consumers that they are legitimate business people."

## **RICO's Top 10 Tips for Consumers**

1. Hire a licensed contractor. Check licensure and prior complaints history by calling 800-394-1902 or online at: [licensedcontractor.hawaii.gov](http://licensedcontractor.hawaii.gov). Confirm the contractor is licensed, bonded and has the necessary insurance coverage to operate.
2. Know how much you can spend. Fix your budget in advance and keep some in reserve to pay for changes or unanticipated costs.
3. Shop around. Get at least 3 bids or estimates. Make sure the bids are all based on the same work and the same materials. If bid amounts vary significantly, ask why.
4. Ask for references. Call trade organizations or ask friends or relatives for referrals. Ask to see other projects the contractor has completed and to meet other clients.
5. Insist on a written contract. Among other things, a written contract should include the contractor's license number, price, start and stop date, the work to be performed and the materials to be used. Get any promises, guarantees or warranties in writing!
6. Make sure your project is in compliance with city and county codes. If a building permit is required, ask the contractor who will be responsible for the permitting process. Know the risks and responsibilities of an "owner-builder" project.
7. Monitor the job and keep good records. Keep a file with the contract, cancelled checks, correspondence. Make sure any change orders are in writing.
8. Pay as you go. Set a payment schedule that follows the amount of work completed and avoid paying all of the money up front.
9. Know who your subcontractors are and avoid liens. Request partial lien releases for partial payments and a final lien release for final payments. Make sure a notice of completion is published in a newspaper.
10. Do a thorough "walk-through" and take care of any "punch list" items immediately.

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