



DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
Regulated Industries Complaints Office

DCCA News Release

LINDA LINGLE
GOVERNOR

MARK E. RECKTENWALD
DIRECTOR
Phone: (808) 586-2850
Fax: (808) 586-2856

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DCCA ISSUES WARNING TO HAWAII HOMEOWNERS ABOUT UNLICENSED BUILDER

HONOLULU – The Department of Commerce and Consumer Affairs (DCCA) is warning all consumers about a man who is posing as a licensed contractor and leaving a trail of unfinished repair work behind for many unsuspecting homeowners.

The department's Regulated Industries Complaints Office (RICO) cited Bienvenido Pedro, Jr. \$14,446 in fines for unlicensed contracting activity on three separate jobsites in Mililani this month. Pedro sometimes uses a fictitious corporation, J&H Construction, Inc., as well as a license number that does not belong to him, when dealing with consumers.

In addition to the recent citations, Pedro has been cited several times in the past, and has a judgment against him for more than \$20,000 in penalties and restitution. In that case Pedro took money for work that was never completed. Pedro is not a licensed contractor. J&H Construction, Inc. is not licensed as a contractor and is not registered as a corporation in Hawaii.

"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 587-3222 or online at: www.hawaii.gov/dcca/quicklinks/online/business_online/. 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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For more information, contact:
Christine Hirasa
Public Information Officer
Phone: 586-2622
Email: chirasa@dcca.hawaii.gov