



RICO's Top 10 Tips for Consumers

Thinking about remodeling your house or wondering who you should hire to paint? The Department of Commerce and Consumer Affairs (DCCA) and its Regulated Industries Complaints Office (RICO), offer the following tips to consider *before* you sign on the dotted line.

1. **Hire a licensed contractor.** Check licensure and prior complaints history by calling 587-4272 or on the Internet at cca.hawaii.gov/rico/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 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, total cost, 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 building, electrical, or plumbing permits are required, ask the contractor who will be responsible for the permitting process. Know the risks and responsibilities of being an "owner-builder."
7. **Monitor the job and keep good records.** Keep a file with the contract, cancelled checks, and 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 made and a final lien release for final payments made. 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.**

And, as always, be wary of any offers that require immediate action on your part, pay by check or credit cards, not cash, and, remember, if it sounds too good to be true, it probably is.

About RICO: RICO is the enforcement arm for over forty-five professional boards, commissions, and programs that are administratively attached to the Department of Commerce and Consumer Affairs. RICO receives complaints, conducts investigations, and prosecutes licensing law violations. RICO also prosecutes unlicensed activity through the issuance of citations and by filing civil lawsuits in the Circuit Courts. RICO works to resolve consumer complaints where appropriate and provides consumer education about various issues relating to licensing and consumer protection. RICO also administers the State Certified Arbitration Program (SCAP) for "lemon" motor vehicle claims.



Before you sign...Go Online

(cca.hawaii.gov/rico/business_online/)

Thinking about remodeling your house or wondering where to have your car repaired? The Department of Commerce and Consumer Affairs (DCCA) and its Regulated Industries Complaints Office (RICO), offer the following tools, tips, and services you can use to check out an individual or business *before* you sign on the dotted line.

► Professional and Vocational license search

Certain services require the use of a licensed professional. This website allows you to search for information about professionals licensed by DCCA. Please check the Professional and Vocational Licensing Division website for a complete list of those professions. (Note: Other professionals may be licensed by other Federal, State, or local government agencies.) When searching, it's important to remember that some licensed companies also have licensed employees associated with the company. These companies include contractors that have a responsible managing employee (RME) and real estate companies that have a principal broker (PB). Be sure to check licensure and complaint history for both licensed companies and their licensed employees.

► RICO complaint history search

This website allows you to search Regulated Industries Complaints Office complaints information. The site provides information about complaints involving professions licensed by the Professional and Vocational Licensing Division as well as unlicensed activity investigations related to those professions. For complaints against Cable Franchises, Financial Institutions, Securities Dealers, Insurance Entities, and Utilities please check with the appropriate DCCA agency.

► Office of Consumer Protection complaint history search

This website allows you to search Office of Consumer Protection complaints information.

► Business Registration name search

This website allows you to search for information about businesses registered with the Business Registration Division. DCCA recommends that you look at: 1) when the business was established, 2) the names of the people involved in the business, and 3) any previous names of the business. The names gathered from this search can be used to search for licensing and complaints history information.

► General Excise Tax license search

This website provided by the Department of Taxation allows you to check on whether a business or individual has a general excise tax license.

Checking out a licensee or business on these sites isn't a guarantee, but it's a good step to take that can help you to determine if the licensee or business is qualified to handle your particular job. It's also one of several steps you can take to protect yourself against unscrupulous or unqualified people. This information is also available by phone by calling RICO's Consumer Resource Center at (808) 587-4272. The office is open on weekdays between the hours of 7:45 a.m. and 4:30 p.m.

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