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NEW YORK OFFICIALS 'NAIL' UNLICENSED HOME IMPROVEMENT CONTRACTORS IN DEPARTMENT OF CONSUMER AFFAIRS' THIRD ANNUAL COORDINATED MULTI-COUNTY ENFORCEMENT SWEEP

Consumer Protection Agencies and District Attorney Offices Across the Region Announce 1,524 Inspections, 468 Violations, 17 Arrests, 175 Vehicle Seizures and \$8.6 million in Restitution to Consumers

New York officials today announced 1,524 inspections, 468 violations, 17 criminal summonses or arrests, and 175 seizures of vehicles owned by unlicensed home improvement contractors during a 10-week, multi-county enforcement sweep in New York City and Nassau and Westchester counties. Unlicensed home improvement contractors put homeowners at risk for shoddy workmanship, unfinished projects and expensive mistakes. Regional officials also reclaimed \$8.6 million in restitution for consumers.

To protect homeowners and recognize the cross-border nature of the home improvement industry, the New York City Department of Consumer Affairs (DCA) coordinated a multi-county enforcement sweep with regional consumer affairs departments and law enforcement agencies targeting unlicensed home improvement contractors operating in the five boroughs and surrounding counties. DCA Commissioner Jonathan Mintz was joined by Nassau County District Attorney Kathleen Rice, Nassau County Office of Consumer Affairs (OCA) Commissioner Roger C. Bogsted, and Westchester County Department of Consumer Protection Director Gary Brown.

"New York City and its partners across the region will not allow unlicensed home contracting to jeopardize consumers' homes or savings" said DCA Commissioner Mintz. "As this massive sweep should make clear, contractors who refuse to get a license face steep fines, seizure of their trucks and equipment, and even criminal arrest. The single best way for homeowners to protect themselves is to make sure they only hire licensed contractors."

During its sweep, the **New York City Department of Consumer Affairs (DCA)** conducted 849 undercover and routine inspections throughout the City. DCA inspectors seized 143 vehicles operated by unlicensed home improvement contractors and issued more than 200 additional violations based upon consumer complaints and other violations. Over the past year, DCA has secured more than \$7.6 million in restitution for individual homeowners. DCA's efforts to curb unlicensed home improvement activity and to educate homeowners have had a great impact on the City. At the end of the last fiscal year, there were more than 12,620 home improvement contractors licensed to work in New York City – a 76 percent increase in licensed contractors from five years ago. This summer's enforcement sweep also found four out of five of the 849 home improvement contractors inspected were licensed by DCA. Although DCA fielded 714 consumer complaints against home improvement contractors, this category is no longer DCA's top complaint category.

Complaints this year represented a 25 percent decrease from last year's number. Consumers can instantly check to see if a contractor is licensed on the Department's Website www.nyc.gov/consumers or by calling 311. DCA also provides a model contract that covers the breadth of a home improvement project, from materials and equipment to prices, payments and work schedules.

"When hiring a contractor to work on our homes, we should be confident in knowing that we've put our homes into the hands of qualified professionals, not vultures looking to make a quick buck," Nassau County District Attorney Kathleen Rice said. "I strongly encourage anyone looking to make home improvements to do their research and hire a licensed, experienced contractor. Our homes are too valuable, especially in today's economy, to entrust them to anybody but the very best. Don't let the American Dream become a nightmare."

During a 5-week, 3-part investigation in conjunction with the Nassau County Office of Consumer Affairs, the **Nassau County District Attorney's Office** charged 40 individuals who operated home improvement businesses without licenses. Four contractors were charged with Grand Larceny in the third degree for allegedly stealing more than \$188,868 from homeowners for home improvements that were either not finished, or never even started. Investigators also rented a home in Nassau County and called in unlicensed contractors to perform "renovations." This 2-week operation yielded 12 charges of Operating a Home Improvement Business without a License, a class A misdemeanor, and the contractors' vehicles were seized under the County Forfeiture Law.

"Homeowners must continue to verify the credentials of the contractors under consideration for work on their homes. The results of this investigation highlight the need for continued vigilance in the pursuit of unlicensed contractors that prey upon unsuspecting homeowners," said **Nassau County Commissioner of Consumer Affairs, Roger C. Bogsted**.

In June, officials from **Nassau County's Office of Consumer Affairs** and the District Attorney's Office conducted undercover and field inspections resulting in the seizure of 14 vehicles owned by unlicensed home improvement contractors. Moreover, 13 individuals were arrested for fraud and operating without a license. Over the past year, Nassau County Consumer Affairs has assisted consumers with refunds in excess of \$1 million dollars.

"Westchester County Executive Andy Spano's administration is committed to maintaining an aggressive, zero-tolerance approach to illegal home improvement contractors," said Gary Brown, director, **Westchester County Department of Consumer Protection**. "When it comes to unlicensed contractors, the message is clear: we mean business."

In a 6-week sweep, the **Westchester County Department of Consumer Protection** deployed three teams of field inspectors conducting more than 660 inspections of home improvement contractors and citing 65 companies for working without a license. The Department also utilized the county's Seizure/Impound law to seize the vehicles and tools of six unlicensed contractors, including two recidivist contractors who continued to work even after being cited in a prior enforcement sweep. Impounded vehicles and tools are held by the county until the unlicensed contractor applies for a license and pays all outstanding fines. Westchester inspectors also checked for compliance with a new county law that requires landscapers to use low emission leaf-blowers, and cited ten contractors for using leaf blowers that do not meet these new requirements.

“Every year, when the weather gets nice, New Yorkers spend their hard-earned money to protect their investments in their homes, and unfortunately every year hundreds fall victim to scams and unscrupulous business practices,” said Mindy A. Bockstein, Chairperson and Executive Director of **New York State’s Consumer Protection Board (CPB)**. “Home improvement made the CPB’s list of top complaints and inquiries again this year. Stings and licensing reviews are a great way to catch violators, and I commend the consumer affairs departments from New York City, Long Island and Westchester counties for their tremendous efforts.”

To file a complaint, check if a home improvement contractor is licensed, obtain information, request free consumer and business publications, or ask about license application requirements, please contact the following consumer protection agencies:

- New York City Department of Consumer Affairs (Dial 311 or www.nyc.gov/consumers)
- Nassau County Office of Consumer Affairs (www.nassaucountyny.gov/agencies/OCA/index.html)
- Nassau County District Attorney’s Office (www.nassauda.org)
- Westchester County Department of Consumer Protection (www.westchestergov.com/consumer)

The New York City Department of Consumer Affairs enforces the Consumer Protection Law and other related business laws throughout New York City. Ensuring a fair and vibrant marketplace for consumers and businesses alike, DCA licenses more than 71,000 businesses in 55 different categories. Through targeted outreach, partnerships with community and trade organizations, and informational materials, DCA educates consumers and businesses about their rights and responsibilities. For more information, call 311 or visit DCA online at www.nyc.gov/consumers.

Quick Tips for Hiring a Home Improvement Contractor:

- **Always use a licensed home improvement contractor and/or salesperson.**
Check with your local consumer protection agency to see if a contractor is licensed. Also make sure that the person you are negotiating with is a licensed home improvement salesperson and authorized to negotiate a contract on behalf of the contractor. Using a licensed contractor ensures that contractors are properly insured and that your local consumer protection agency can intervene on your behalf if there is a problem.
- **Get references.**
Check with at least three reputable references before hiring a contractor. In addition to checking with your local consumer protection agency, check with other surrounding areas including New York City, Suffolk, Nassau and Westchester counties for complaints.
- **Know your contract rights.**
By law, homeowners have the right to cancel any contract within three days, including contracts for home repair and/or improvements. Many agencies, including DCA, provide a sample contract online. Always check the contract, especially for a cancellation notice.
- **Use DCA’s home improvement model contract.**

Don't start work or make payments without a written contract that clearly indicates all of the specifics of the project. DCA's model contract is an easy-to-use template that covers the breadth of a home improvement project, from materials and equipment to prices, payments and work schedules. DCA's model contract is free and available online at nyc.gov/consumers or by calling 311.

- **Never pay cash.**

Never pay for repairs or improvements without a contract and never pay in cash. Pay no more than a quarter of the total amount upfront, up to a maximum \$15,000, to get the work started. Then continue with 'progress' payments as work continues so payments are tied to specific work progress, with final payment due when all the work is completed to your satisfaction. Be sure to keep track of all paperwork and payments.

- **Consider looking for home improvement contractors who use green products.**

Green products are healthier for the environment and better for your home.

- **Don't finance improvements or repairs through your contractor.**

It is illegal for contractors to offer or arrange loans when soliciting or performing home improvement work in New York City or Nassau County. If financing is needed for repairs or improvements, investigate reliable and legitimate options on your own at your bank or credit union of choice.

- **Call your local consumer protection agency for more information.**

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- Nassau County District Attorney's Office (www.nassauda.org)
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