

Tuesday, April 3, 2007

DCA SECURES AGREEMENT TO RETURN MORE THAN \$600,000 TO 123 CITY HOMEOWNERS SCAMMED BY HOME IMPROVEMENT CONTRACTOR

Settlement with J. Arceri Home Improvements, Inc. Represents Largest Single Payout in Agency History; Highlights Protection Provided to Consumers When Using a Licensed Home Improvement Contractor



New York City Department of Consumer Affairs (DCA) Commissioner Jonathan Mintz today announced that more than \$600,000 will be paid back to 123 homeowners who signed contracts with licensed home improvement contractor, John Arceri of J. Arceri Home Improvements, Inc. ("Arceri") but either had no work done as promised, or were left in limbo after the contractor failed to come back and complete the job. Spurred by dozens of consumer complaints over the past two years, DCA charged Arceri with repeat violations of the home improvement licensing law and secured a record settlement that includes a strong assurance requiring Arceri to surrender its license and stop working in the industry for at least ten years, and in lieu of fines, to return all of the money lost for the majority of consumers, with an average payout of approximately \$7,000 each. DCA will distribute these refunds through the agency's Home Improvement Contractor Trust Fund to ensure relief for homeowners. As part of the agreement, Arceri will reimburse the Trust Fund fully, or face as much as \$200,000 in fines.

"Whether a contractor takes your money and doesn't even start the job, or starts the job but doesn't finish, these scams are a homeowner's nightmare. The economic strain can be enormous, so we are very pleased to be able to return all of this money to so many consumers," said Commissioner Mintz. "Don't hire an unlicensed contractor - period! DCA can protect consumers more fully and give them money back from DCA's Trust Fund only if a licensed home improvement contractor was hired."

Currently, there are approximately 10,000 home improvement contractors licensed to operate in New York City. DCA has increased the number of licensed home improvement contractors by almost 60% over the past four years. By law, soliciting or performing home improvement or repair work within New York City costing more than \$200 requires a license from DCA. Home improvement work can be types of remodeling or repair including, but not limited to: basements, central heating/air conditioning, cabinet installation, flooring, central vacuum cleaning system, driveways, fences, garages, patios, porches, roofing, storm windows, swimming pools, landscaping, and terraces.

DCA's Home Improvement Trust Fund was established in 1986 to provide protection

for New Yorkers if the licensed home improvement contractor they hired did not do the work promised, damaged their home and either went out of business or left town. The Trust Fund can reimburse homeowners up to a maximum of \$15,000 - but only if they use a licensed home improvement contractor. All licensed contractors must contribute \$200 to the Trust Fund at the time they file an application and each time they renew, or alternatively must post a bond. In addition to contributing to the DCA Trust Fund, licensed contractors must undergo a background check from New York State and pass a written examination on their knowledge of the law and contracts.

For license applications, to file a complaint, to check a business' complaint history, or to request a copy of the DCA *Home Improvement Consumer Guide* with a sample contract, call 311 (or 212-NEW-YORK outside of the five boroughs). Consumers can also check if a business is licensed, file a complaint, or download free guides and a sample contract by going online to DCA's Web site at www.nyc.gov/consumers.

Handling the case for DCA was Jordan Cohen, Staff Attorney, under the supervision of Susan Kassapian, Assistant Commissioner for Legal Services, and Marla Tepper, General Counsel.

[Homeowner Tips for Hiring a Home Improvement Contractor](#)