

CONTACT:

Tully Lehman
925.758.0744
tlehman@nicb.org

Brooke Kelley
847.544.7085
bkelly@nicb.org

NEWS RELEASE

October 19, 2020
www.nicb.org

ANSWERS TO COMMON QUESTIONS FOR LOUISIANANS SEARCHING FOR CONTRACTORS TO REPAIR HOMES

DES PLAINES, Ill., October 19, 2020 — Hurricane Delta became the sixth hurricane to hit Louisiana in 2020, with each causing significant damage. As Louisiana's rebuild, the [National Insurance Crime Bureau](http://www.nicb.org) offers answers to common questions many are currently facing.

Q: How can I search for a licensed contractor?

A: People searching for contractors are inundated with information which can make the search more challenging. The best place to go is to the [Louisiana State License Board for Contractors](http://www.lslbc.com) (LSLBC). On its website, consumers can search by a contractor's license number or name, or by city or parish.

Q: A contractor came by my house and said they could get my repairs completed. Is this a normal way for contractors to get business?

A: If a contractor comes by your house and solicits business, it could be a red flag. Sometimes people will claim to be contractors, offer services, receive payments often in advance and take the money and leave. Your best practice to avoid this potential scam is to ask for their business card and state contractor license number, then conduct a search on the LSLBC website. Even if this contractor checks out, it's still best to get a couple more estimates for the job.

Q: What should I expect a contractor to provide when bidding for a job?

A: In Louisiana, it is required contractors provide a detailed estimate including a breakout of costs of labor and costs of materials. Additionally, they should also include the start and estimated end dates to complete the work, proof of insurance, and a payment schedule.

Q: It seems the upfront payment is too high. How much am I expected to pay to get the work started?

A: If the down payment appears to be too high, this could indicate the contractor is using upfront payment to pay for materials for your job. In Louisiana, the LSLBC recommends you not pay more than 10 percent of the total for a down payment. Arranging a payment schedule

as work is completed will provide you an additional level of protection in the payment and work process. And before paying the final payment, be certain you are satisfied with all work as outlined in the contract.

Q: I started the repair process, but my insurer has denied a part of my claim. Am I committed to the contractor to complete the work?

A: A “Notice of Cancellation” form should be included with your contract. Should your insurer deny all or part of the claim, you can cancel the contract within 72 hours following notification from your insurer it is denying all or part of the claim.

The rebuilding process will take time to complete and does require patience. Be certain to keep all paperwork from your insurer and your contractor. Routinely check on the progress of repairs and take photos throughout the duration of the project. Lastly, take notes of any communications you have by phone, email, or in person throughout the process and keep a list of names and titles for everyone with whom you speak.

REPORT FRAUD: *Anyone with information concerning insurance fraud or vehicle theft can report it anonymously by calling toll-free 800.TEL.NICB (800.835.6422) or submitting a [form](#) on our website.*

ABOUT THE NATIONAL INSURANCE CRIME BUREAU: *Headquartered in Des Plaines, Ill., the NICB is the nation's leading not-for-profit organization exclusively dedicated to preventing, detecting and defeating insurance fraud and vehicle theft through data analytics, investigations, learning and development, government affairs and public affairs. The NICB is supported by more than 1,400 property and casualty insurance companies and self-insured organizations. NICB member companies wrote more than \$526 billion in insurance premiums in 2019, or more than 82% of the nation's property-casualty insurance. That includes more than 95% (\$241 billion) of the nation's personal auto insurance. To learn more visit www.nicb.org.*

###