

Get Written Estimates Get at least three written estimates, especially if it's going to be a big job. Be sure the estimates are detailed and specific, and cover issues such as the start date, the cost of any change orders, the expected completion date and down payment requirements.

Get Proof of Insurance You could be held liable for the actions of the contractor on your property if the contractor does not have the proper insurance. Ask the contractor to provide you with proof of insurance. Don't just take his word that he is insured.

Get a Written Contract Always insist on a written contract, and make sure to get a copy. Do NOT agree to an oral contract. The contract should include: the timeline of the project, a specific description of the work and materials, the total price and payment schedule.

Deposits & Payments DO NOT provide a cash deposit. Beware of cash discounts, nefarious actors use these to entice consumers into cash transactions that afford consumers no protection. Make payments during your project contingent upon completion of defined work performance and insist upon a final walk through with the contractor prior to making a final payment.

Don't Let the Scammers Get Away - File a Complaint

If you have experienced any marketplace concern and have been unable to resolve it yourself, the Division encourages you to file a complaint by visiting our website at www.dos.ny.gov, or by calling our Consumer Helpline at 1-800-697-1220.



**Division of
Consumer Protection**

Advocating For and Empowering New York Consumers

A Division of the New York Department of State

www.dos.ny.gov/consumerprotection

Hotline: 1-800-697-1220

Governor Andrew M. Cuomo

Secretary of State Rossana Rosado



A New York Consumer Guide to WEATHERING A STORM



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When faced with traumatic storm events New York communities are known for rallying together to support one another. Unfortunately, extreme weather events also give rise to nefarious actors and scammers whom look to profit from consumers' immediate needs and distress. The New York State Department of State Division of Consumer Protection ("Division") offers consumers guidance on two areas rife for exploitation during those trying times.

Price Gouging

Price gouging occurs when a merchant takes advantage of an extreme weather event resulting in a Governor's State of Emergency declaration, and sells goods and/or services in the affected area to consumers for an unconscionably excessive price (NY General Business Law § 396-r).

Any New Yorker who sees excessively priced consumer goods and services that are used primarily for personal, family or household purposes should file a complaint with the New York State Division of Consumer Protection. Complaints can be filed against vendors, retailers and suppliers doing business in New York State.

"Unconscionably excessive price" While the law specifically states an "unconscionably excessive price" is a question of law for a court to decide, a price is likely to be found "unconscionably excessive" if:

1. The price being charged by the seller during the extreme weather event is ***grossly greater than the price charged immediately prior*** to the onset of the extreme weather event by that same seller.

OR

2. The price being charged during the extreme weather event ***grossly exceeds the price for the same or similar goods and services readily obtainable in the affected area*** by other consumers.

Price Gouging Examples

A: Hotels in the area within a Governor's State of Emergency typically offer rooms in the price range of \$79 - \$159 a night during the spring season. After the storm event, Hotel X, which normally offered rooms for \$119 a night increased its prices to \$229 a night. An approximately 90% increase in price affords Hotel X the opportunity of extreme profits under severe circumstances.

B: Local hardware store sold 50lb bags of sand for \$25 prior to the storm. A Governor's State of Emergency was put in place. The local lake began rising, flooding surrounding homes, and the same bags of sand were now selling for \$50 a bag, double the price. The big box store 10 miles away continued to offer the bags of sand for \$25.

Hotel X and the local hardware store appear to be engaged in price gouging.

Consumer Response to Price Gouging If you are in a Governor declared State of Emergency affected community and see or personally experience price gouging, the Division encourages you to report it by filing a complaint. When reporting, be prepared to provide details of the alleged price gouging to include the location of the merchant and any available proof of the excessive price(s), such as receipts or pictures.

The Division's Consumer Assistance Unit will review the complaint, and if appropriate engage in voluntary mediation on behalf of the consumer, or refer the complaint to the Office of Attorney General to initiate an enforcement action. In either instance, the Division will keep the consumer informed of all actions taken on their behalf.

Rebuilding & Home Improvement Contractors

Whether you are engaged in a constant effort to protect your home from storm damage or in the process of rebuilding, the Division of Consumer Protection advises consumers to follow these tips when selecting and working with a home improvement contractor:

Beware of Unsolicited Offers Be particularly cautious of individuals who show up at your doorstep unannounced or contact you through telemarketing. Avoid contractors who demand payment in cash or want full payment up front, before work has begun.

Check References Hiring the first contractor you come across is not a good idea. Shop around. Get recommendations from people you know: your friends, neighbors and colleagues. Obtain local references from the contractor, and call them to check if they were satisfied with the work.

Licensing Requirements Contractors who do work in the City of Buffalo, New York City and Nassau, Suffolk, Putnam, Rockland and Westchester counties must be licensed by local authorities. Before signing a contract and before making any payments, check to see if your local county, city, town, village or hamlet licenses contractors, and if so, make sure the contractor is licensed. Don't just take the contractor's word for it.