

**March 6, 2019**

**ATTORNEY GENERAL RAOUL ANNOUNCES TOP 10 LIST OF CONSUMER COMPLAINTS**

***Home Repair and Remodeling Complaints Top List for First Time Since 2000***

**Chicago** — In recognition of National Consumer Protection Week, Attorney General Kwame Raoul today announced his office’s list of Top 10 consumer complaints for 2018. For the first time since 2000, complaints related to home repairs and remodeling topped the list, after years of debt-related complaints being the most frequently received by the Attorney General’s Office.

Last year, the Attorney General’s Office received 21,352 complaints, and home repair and remodeling complaints ranked No. 1, with 2,261 complaints. Consumer debt and identity theft complaints dropped compared to previous years, with consumer debt ranking second at 1,907 complaints, followed by identity theft ranking third at 1,899 complaints.

“During Consumer Protection Week, I encourage Illinois residents to be informed consumers, particularly as they plan ahead for home repair projects,” Raoul said. “As spring approaches, and more homeowners begin renovations and other home repair work, I urge them to first check out the free resources the Attorney General’s Office provides.”

According to Raoul, consumers contacted the Attorney General’s Office about a variety of home repair and remodeling work, ranging from gutter and roof repairs to new constructions. Homeowners reported being dissatisfied with the quality of work, as well as complete failure by companies to provide any work after receiving a down payment. Raoul encouraged homeowners to research contractors before making any payments or signing contracts and to visit the [Attorney General’s website](#) for more information about homeowners’ rights and tips to help avoid home repair fraud.

**Top 10 Breakdown**

Raoul’s annual Top 10 list of consumer complaints ranks every complaint his office receives on a range of topics. The Attorney General’s Consumer Fraud Bureau saved consumers nearly \$12 million through litigation and mediation in 2018. In addition to home repair and remodeling, complaints about consumer debt, such as mortgage loans, debt collection and complaints related to bank accounts and other banking services topped the list.

<b>CATEGORY</b>	<b># OF COMPLAINTS</b>
1. Construction/Home Improvement (remodeling, roofs and gutters, heating and cooling, plumbing)	<b>2,261</b>
2. Consumer debt (collection agencies, mortgages, banks)	1,907
3. Identity Theft (credit cards, data breaches, utilities, government document fraud)	1,899
4. Promotions/Schemes (phone scams, lottery scams, investment schemes, phishing)	1,789
5. Motor Vehicle/Used Auto Sales (as-is used cars, financing, advertising, warranties)	1,783

6. Telecommunications (cable and satellite TV, telemarketing, cell phones, phone service and repairs)	1,657
7. Internet/Mail Order Products (internet and catalog purchases, TV and radio advertising)	1,069
8. Education (student loan debt, for profit schools)	756
9. Motor Vehicle/Non-Warranty Repair (collision, engines, oil changes and tune-ups)	754
10. Motor Vehicle/New Auto Sales (financing, defects, advertising)	594

For more information, visit [Raoul's website](#) or contact his office about consumer fraud issues.

**Identity Theft Unit**

1-866-999-5630 (TTY: 1-877-844-5461)

**Student Loan Helpline**

1-800-455-2456

**Consumer Fraud Hotlines**

1-800-386-5438 (Chicago), 1-800-243-0618 (Springfield) or 1-800-243-0607 (Carbondale)

**Homeowner Helpline**

1-866-544-7151

**Spanish Language Hotline**

1-866-310-8398



As you plan for your home repair or improvement project, it is important to ask the right questions in order to protect your investment. The tips in this fact sheet should allow you to protect yourself and minimize the possibility that a misunderstanding may occur.

If you think you have been defrauded by a contractor or have any questions, please bring your concerns to the attention of your state's attorney or the Illinois Attorney General's Office.

### Consumer Fraud Hotlines

<b>Springfield</b>	<b>Chicago</b>	<b>Carbondale</b>
1-800-243-0618	1-800-386-5438	1-800-243-0607
TTY: 1-877-844-5461	TTY: 1-800-964-3013	

[www.IllinoisAttorneyGeneral.gov](http://www.IllinoisAttorneyGeneral.gov)

## CONTRACT TIPS

1. Get all estimates in writing.
2. Do not be induced into signing a contract by high-pressure sales tactics.
3. Never sign a contract with blank spaces or one you do not fully understand. If you are taking out a loan to finance the work, do not sign the contract before your lender approves the loan.
4. You have three business days from the time you sign your contract to cancel any contract if the sale is made at your home. Homeowners age 65 or older have up to 15 business days if they signed a contract with an uninvited solicitor in the home. The contractor cannot deprive you of this right by initiating work, selling your contract to a lender or any other tactic. If you are planning to file a claim with your insurance company to pay for the work, you may cancel the contract in one of two ways, whichever occurs first: (1) within five business days after receiving written notice from the insurance company denying your claim; or (2) within 30 days after you sent a claim to the insurance company.
5. If the contractor does business under a name other than the contractor's real name, the business must either be incorporated or registered under the Assumed Business Name Act. Check with the Secretary of State to see if the business is incorporated or with the county clerk to see if the business has registered under the Act.
6. Homeowners should check with local and county units of government to determine if permits or inspections are required.
7. Determine whether the contractor will guarantee his or her work and products.
8. Determine whether the contractor has the proper insurance.
9. Do not sign a certificate of completion or make final payment until the work is done to your satisfaction.
10. Ask for lien waivers for any and all subcontractors.

### Protect Yourself with Lien Waivers for all Subcontractors

**Before you pay your contractor**, understand that the Mechanics Lien Act requires that you shall request and the contractor shall give you a signed and notarized written statement (known as a "Sworn Statement") that lists all the persons or companies your contractor hired to work on your home, their addresses along with the amounts about to be paid, and the total amount owed after the payment to those persons or companies.

Suppliers and subcontractors have a right to file a lien against your home if they do not get paid for their labor or materials. To protect yourself against liens, you should demand that your contractor provide you with a Sworn Statement before you pay the contractor.

You should also obtain lien waivers from all contractors and subcontractors if appropriate. You should consult with an attorney to learn more about your rights and obligations under the Mechanics Lien Act.\*

\*Disclaimer: The contents of this paragraph are required to be placed in the pamphlet for consumer guidance and information only. The contents of this paragraph are not substantive enforceable provisions of the Home Repair and Remodeling Act and are not intended to affect the substantive law of the Mechanics Lien Act.



## Consumer Rights Acknowledgement Form

**HOMEOWNER: Keep This Part And The Pamphlet**

I, the homeowner, have received from the contractor a copy of the document titled "Home Repair: Know Your Consumer Rights."

\_\_\_\_\_  
Signature (Homeowner) Date

\_\_\_\_\_  
Signature (Contractor or Representative) Date

\_\_\_\_\_  
Name of Contractor's Business

\_\_\_\_\_  
Address of Contractor's Business

## Consumer Rights Acknowledgement Form

**CONTRACTOR: Keep This Part Only**

I, the contractor, have given the homeowner a copy of the document titled "Home Repair: Know Your Consumer Rights."

\_\_\_\_\_  
Signature (Homeowner) Date

\_\_\_\_\_  
Signature (Contractor or Representative) Date

\_\_\_\_\_  
Name of Contractor's Business

\_\_\_\_\_  
Address of Contractor's Business

### BASIC TERMS TO BE INCLUDED IN A CONTRACT

- Contractor's full name, address and telephone number. Illinois law requires that those selling home repair and improvement services provide their customers with notice of any change to their business name or address that comes about prior to the agreed dates for beginning or completing the work.
- Description of the work to be performed.
- Starting and estimated completion dates.
- Total cost of work to be performed.
- Schedule and method of payment, including down payment, subsequent payments and final payment.
- Provision stating the grounds for termination of the contract by either party. However, the homeowner must pay the contractor for work completed. If the contractor fails to commence or complete work within the contracted time period, the homeowner may cancel and may be entitled to a refund of any down payment or other payments made towards the work upon written demand by certified mail.
- Illinois law also requires contractors who offer roofing work to include their Illinois state roofing license name and number on contracts and bids.
- Provision stating the grounds for termination of the

contract if you are notified by your insurer that all or any part of the claim or contract is not a covered loss under the insurance policy, you may cancel the contract by mailing or delivering written notice to (name of contractor) at (address of contractor's place of business) at any time prior to the earlier of midnight on the fifth business day after you have received such notice from your insurer or the thirtieth business day after receipt of a properly executed proof of loss by the insurer from the insured.

If you cancel, any payments made by you under the contract will be returned to you within 10 business days following receipt by the contractor of your cancellation notice. If, however, the contractor has provided any goods or services related to a catastrophe, acknowledged and agreed to by the insured homeowner in writing to be necessary to prevent damage to the premises, the contractor is entitled to the reasonable value of such goods and services.

To file a complaint against a roofing contractor, contact the Illinois Department of Financial and Professional Regulation at 312-814-6910 or file a complaint directly on its website. **Keep a copy of the signed contract in a safe place for reference as needed.**

### AVOIDING HOME REPAIR FRAUD

Please use extreme caution when confronted with the following warning signs of a potential scam:

1. Door-to-door salespeople with no local connections who offer to do home repair work for substantially less than the market price.
2. Solicitations for repair work from a company that lists only a telephone number or a post office box number to contact, particularly if it is an out-of-state company.
3. Contractors who fail to provide references when requested.
4. People who offer to inspect your home for free.

5. Contractors who demand cash payment for a job or ask you to make a check payable to a person other than the owner or company name.
6. Offers from a contractor to drive you to the bank to withdraw funds to pay for the work.