1. Make sure your contractor is properly licensed before you sign a contract. Visit www.oregon.gov/ccb, and click on the link, Check on a Contractor’s License, or call our offices at 503-378-4621. To be licensed in Oregon, contractors must take training and pass a test on business practices and law. Licensing is not a guarantee of the contractor’s work.

• A license requires the contractor to maintain a surety bond and liability insurance - The CCB surety bond provides a limited amount of financial security if the contractor is ordered to pay damages in contract disputes. It is not intended to be a safety net for consumer damages. Consumers with large projects may wish to look into performance bonds. Liability insurance coverage provides for property damage and bodily injury caused by the contractor. It does not cover contract disputes, including poor workmanship.

• If your contractor is not licensed - the CCB bond and dispute resolution services will not be available to you.

2. What you should know about bids, contracts, and change orders:

• Bids - Do not automatically accept the lowest bid - A low bid may make it necessary for the contractor to use lower quality materials and to cut corners in workmanship.

• Contracts and Change Orders - Always get it in writing. Your contractor is required to provide a written contract if the contract price is more than $2000. The CCB recommends that all contracts be in writing.

• Contracts should be as detailed as possible - Some items to include are materials and costs, permits, estimated start and completion dates, debris removal, and arbitration clauses. Make sure the contractor’s name, CCB number, and contact information is included in the contract.

• Read and understand your contract before signing it - Don’t be pressured into signing your contract without taking the time needed to go through it. Make sure it includes enough details to avoid misunderstandings and to protect you and your property.

3. Additional contract information you should know:

• A Payment Schedule - should be included in the contract. Stick to the schedule and never pay in full for a project before the work is complete.

• Special Note on Liens - Subcontractors and material suppliers that work on your project are often paid by the general contractor. If a general contractor fails to pay, the subcontractor may file a lien on your property. For information on construction liens, visit the CCB’s Consumer Help Page at www.oregon.gov/ccb, or contact an attorney.

• Warranty on new residential construction - Contractors must make an offer of a warranty when constructing a new residential structure. Consumers may accept or refuse the warranty.

4. If you should have a problem with your contractor - You can file a complaint with the CCB against a licensed contractor within one year of the substantial completion of work on your project. Contact the CCB office at 503-378-4621 for help.

Visit the CCB website at www.oregon.gov/ccb for more information on having a successful project.