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**Oregon Construction Contractors Board and seven other states
target illegal construction activities in multi-state sting**

Oregon Construction Contractors Board (CCB), in cooperation with the National Association of Contractor Licensing Agencies (NASCLA) conducted simultaneous undercover construction stings with seven other state licensing agencies to alert consumers on the large numbers of illegal construction activities offered through electronic bulletin boards.

On September 12, 2012, CCB set up two undercover sting operations in the Salem and Bend areas targeting unlicensed contractors offering construction related services through ads posted on craigslist.org. Other states conducting undercover stings included Arizona, California, Maryland, Nevada, Rhode Island, South Carolina and Utah.

“Oregon’s commitment to protecting consumers and level the playing field for legitimate contractors is critical in the agency mission,” says Craig P. Smith CCB Administrator. “We want consumers to be aware that bulletin boards (like craigslist.org) do not monitor or verify postings to assure consumers the contractor is properly licensed.”

This is CCB’s second multi-state sting this year.

During the September sting, CCB Field Investigators wrote a total of 28 Field Proposed Orders (FPOs) for bidding and advertising construction work. Fourteen FPO’s and one warning were issued in Salem and 14 FPO’s were issued in Bend.

Five individuals (2 in Bend/3 in Salem) had prior CCB enforcement histories.

The following FPO's were written by CCB Field Investigators:

Salem:

- Terry L Konrady. Two FPO's written for advertising without a license and for submitting a bid while unlicensed. Konrady shows a prior enforcement history with the agency and more than \$3700 outstanding in consumer debt and civil penalty amounts.
- Matt Morton. Two FPO's written for advertising without a license and for submitting a bid while unlicensed.
- Terry L Johnson. Two FPO's written for advertising without a license and for submitting a bid while unlicensed.
- Johnny Lee Biggs Jr. Two FPO's written for advertising without a license and for submitting a bid while unlicensed.
- Brandon Allyn Ost. Two FPO's written for advertising without a license and for submitting a bid while unlicensed.
- Joshua Kane Bialobzewski. Two FPO's written for advertising without a license and for submitting a bid while unlicensed.
- Samuel Rusnak. One FPO written for submitting a bid while unlicensed. Samuel Rusnak shows a prior enforcement history with the agency.
- Michael Rusnak. One FPO written for advertising without a license. Michael Rusnak shows a prior enforcement history with the agency and more than \$\$2500 in outstanding civil penalties.
- Nicole Michelle Korkeakoski. written a warning for advertising without a license.

Bend:

- Dan Dolf. Two FPO's written for advertising without a license and for submitting a bid while unlicensed.
- James Williams Patterson. Two FPO's written for advertising without a license and for submitting a bid while unlicensed. Patterson shows a prior enforcement history with the agency.
- Ronald Eldon Lee. Two FPO's written for advertising without a license and for submitting a bid while unlicensed.
- Kamren Vaughn. Two FPO's written for advertising without a license and for submitting a bid while unlicensed.

- Jeanne D Keith. One FPO written for advertising without a license. Keith shows a prior enforcement history with the agency and more than \$500 in outstanding civil penalties.
- Jason Fisher. Two FPO's written for advertising without a license and for submitting a bid while unlicensed.
- Josh Tyree. Two FPO's written for advertising without a license and for submitting a bid while unlicensed.
- Robert Bircham. One FPO written for submitting a bid while unlicensed.

Protecting Oregonians

The CCB strongly encourages consumers to verify a contractor is actively licensed. Consumers can easily check a contractor's license and complaint history at CCB's consumer friendly website: www.hirelicensedcontractor.com; CCB's main agency site www.oregon.gov/CCB or by calling 503-378-4621.

Licensed contractors in Oregon have a bond and insurance which offer some financial protections if something were to go wrong. Homeowners can get help resolving construction-related disputes within a year from the time the work was substantially completed or the work stopped. These protections are only available if the contractor is licensed with the CCB.

“Whether consumers shop for a contractor on the internet, get a referral or someone shows up on their doorstep, it's important to take the steps available to protect ourselves,” says Gina Fox, CCB Public Information Officer.

CCB's top five tips include:

- Verify the contractor's license. This means the contractor can legally work, is bonded and has provided the CCB with proof of liability insurance.
- Get more than one bid. Getting more than one bid can help you "get a feel" for what your project should cost. The old saying “you get what you pay for” generally applies here. A higher bid may be worth the price in better materials, workmanship and reliability
- Get it in writing. One of the best ways to avoid construction disputes is negotiate and follow a well-written construction contract. Most construction disputes can be traced back to the parties' failure to write, understand, and follow a well-written contract.
- Don't pay in cash. And don't let the payments get ahead of the work. Unfortunately scam businesses have no intention of starting or completing the job.

Consumers can find more tips on having a successful construction project at the CCB website.

The CCB is a state agency licensing more than 38,000 contractors. Anyone who is paid to repair, improve or build a home must be licensed by the CCB. Consumers can verify a contractor's license and find information for successful projects. Information is also available by calling 503-378-4621.

Information from other states

The multi-state undercover sting led to the following:



Arizona

The Arizona sting led to 9 unlicensed contractor investigations. The ROC routinely refers unlicensed contracting cases to the Maricopa County Attorney's office for prosecution.

Arizona Registrar Bill Mundell said, "Joining with seven other states in conducting this unlicensed contractor sting is a historic event. This combined effort demonstrates our shared commitment to protecting honest people from the harm caused by unlicensed contractors. In order to protect Arizonans we vigorously enforce the unlicensed contractor laws."



California

The California Contractors State License Board conducted three undercover sting operations. Those operations resulted in 36 Notices to Appear in court (misdemeanor criminal charges).

"While craigslist serves as a valuable free tool for legitimately licensed and insured contractors, the number of illegal and deceptive ads is growing like wildfire," said CSLB Registrar Steve Sands. "As a result, it's difficult, if not impossible for consumers to figure out who's legitimate and who isn't."



Nevada

The Nevada sting resulted in 10 citations to unlicensed contractors. Nevada State Contractors Board Executive Officer Margi A. Grein said, "Unlicensed contracting is a serious issue impacting states across the nation. Of utmost concern is the health and safety of the public who places their trust in individuals falsely claiming to be qualified and licensed by the State. By coming together as a nation to address this growing concern, we are increasing our opportunities to educate homeowners of the risks and liabilities of using unlicensed contractors, while sending a clear message to unlicensed contractors that their gimmicks will not be tolerated."



Rhode Island

The Rhode Island Contractors' Registration and Licensing Board participated in a national sting operation the week of September 10, 2012 to promote consumer/public protection through the registration of contractors' and elevating the regulatory boards presence in the community and nationally. We partnered with other states (Arizona, California, Maryland, Nevada, Oregon, South Carolina and Utah) who are members of the National Association of State Contractors Licensing Agencies, (NASCLA) to protect consumers and deter illegal construction activity and level the playing field for legitimate contractors in the industry. Although we did not have any media coverage our efforts resulted in the issuance of six violations; four for being non-registered contractors, one violation for hiring a non-registered subcontractor, and one for failing to have workers compensation in effect and hiring employees. All violations resulted in tickets being issued assessing fines for performing work illegally in our state. Efforts to combat the increased illegal activity and to warn consumers of the need to be aware to hire registered contractors will continue to be made to assure compliance with Boards rules and regulations. George Whalen, Executive Director of the Rhode Island Contractors' Registration and Licensing Board.



South Carolina

"What we found in just one day further emphasizes our message that consumers need to be on alert any time they hire someone to do work to their homes: Make sure they are licensed by the state licensing board, and never pay the full cost of the work upfront," said Janet Baumberger, Administrator for the South Carolina Residential Builders Commission. "Our investigators and staff will continue their diligent efforts to find and shut down unlicensed builders."

On September 12, 2012, the Office of Investigations and Enforcement (OIE)

and the S.C. Residential Builders Commission participated in the NASCLA National Sting Operation to locate unlicensed builders working in South Carolina. Six investigators reviewed more than 200 internet listings and patrolled home improvement store parking lots across the state to find people who were advertising plumbing, electrical, carpentry, HVAC, roofing and other building services requiring licensure by the Department of Labor, Licensing and Regulation. As a result, OIE has opened 47 cases for unlicensed practice and practice beyond the scope of licensure. Another 10 cases are pending review for a total of 57.



Utah

“Based on the numerous high ticket bids received by our decoy homeowners, the public needs to make sure they work with licensed professionals to ensure your rights are protected under state law if the deal goes south,” advised Mark Steinagel, DOPL Division Director, “Otherwise you may end up paying twice for the same job when the phony contractor fails to deliver.”

Results of 2012 Sting: Nine (9) citations were issued by investigators in the Northern Utah location (Fruit Heights, Davis County) and Twelve (12) citations were issued by investigators in the Southern Utah location

NASCLA

One of the primary purposes of the National Association of State Contractors Licensing Agencies (NASCLA) mission is to protect the health, welfare and safety of the general public.



NASCLA Mission: "Our organization is dedicated to the mutual assistance of its members in striving for the better regulation of the construction industry to protect the health, welfare and safety of the general public."

NASCLA President, Craig Smith, said, “The NASCLA National Sting Operation provided a exceptional platform for state licensing agencies from across the country to promote the health, welfare and safety of the general public. Cooperation between the states helped leverage limited state funds, which allow licensing agencies to better serve the public, and address enforcement issues that cross state lines.”

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