



Consumer Watch

A Monthly Newsletter from the Connecticut Department of Consumer Protection

William M. Rubenstein, Commissioner

Dannel P. Malloy, Governor

www.ct.gov/dcp

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Suggested Links

www.ct.gov/dcp

Our website offers the latest and most comprehensive information that we have on dozens of consumer-related topics!

<https://www.elicense.ct.gov>

To verify a license, permit or registration, or to run a roster of licensees. Also, the place for online renewal!

www.ftc.gov

The Federal Trade Commission works for U.S. consumers to prevent fraud, deception, and unfair business practices in the marketplace.

www.cpsc.gov

The U.S. Consumer Product Safety Commission protects the public from unreasonable risks of injury or death from thousands of types of consumer products.

Contact Us

www.ct.gov/dcp

dcp.communications@ct.gov

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Looks Like a Very Busy Home Improvement Season! *Put these 8 tips on your "to-do list"*

Winter 2011 left behind damage caused by frozen gutters, leaking roofs, cracked driveways, and flooded flooring. Meanwhile, people are getting ready to buy and sell real estate; some professionals see a trend away from huge residences in favor of upgraded, smaller homes. Many property owners face a backlog of fix-it projects that were postponed because of financial uncertainty. Yes, all indications point to this year's peak home improvement season being very busy now and throughout the fall.

Competition for contractors may tempt you to make hasty decisions or cut corners. Don't fall into that trap! As you prioritize projects, take the time to thoroughly research the job, interview several contractors, and choose one who is fully qualified and capable of getting the work done right, on time and within budget.

By law, all home improvement contractors and salespersons doing work in Connecticut must be registered with the Department of Consumer Protection. That includes roofers, remodeling contractors, driveway pavers, and anyone who installs fences, flooring or windows, to name just a few.

Hiring a registered contractor is your strongest protection against financial damage or loss on a home improvement job. The state's Home Improvement Guaranty Fund can provide up to \$15,000 in financial restitution per contract, if something goes wrong in a job done by a registered contractor.

1. Before choosing a contractor, decide exactly what you want done. Have an idea of the type of materials you want used; for renovations, have photos from magazines, brochures or friends' homes.

more, next page

From Commissioner Rubenstein



Commissioner William M. Rubenstein was nominated to serve as Connecticut's Commissioner of Consumer Protection by Governor Dannel P. Malloy on February 9, 2011, and approved by the Connecticut Legislature during the 2011 session of the General Assembly.

Welcome to the first issue of **Consumer Watch**, a monthly newsletter from the Connecticut Department of Consumer Protection (DCP) that will provide you with tips on how to protect yourself as a consumer and what resources are available to assist you in that effort.

The best way to protect yourself is to be aware of who you are dealing with and how they have treated other consumers. The DCP can help you do this. For example, by going to the DCP website, you can look up the license of almost any trades-person or professional you are thinking of hiring and you can see if there are any complaints against that person or business. In addition, our website and these monthly newsletters will provide you with helpful tips on how to protect yourself from those who may try to take advantage of you.

This first issue highlights information that's timely as we move into the warmer months – how to choose and sign with a home improvement contractor, and navigating the world of limousine rentals. In upcoming issues, we'll highlight other topics, with an eye towards providing you with information that helps you avoid common marketplace problems and get the most for your dollar. We'll also share ideas for starting your own consumer "first-aid" kit, provide resources and trusted contacts that you can turn to at a moment's notice and offer a close-up look at some of our programs.

William M. Rubenstein

Booking a limousine for special events?

As we enter the time of year when calendars are filled with weddings, graduations and other special occasions, here are a few reminders and tips about finding and using a limousine service.

Consider the size and type of vehicle you want and decide how many hours you need. Visit websites of local limousine and livery companies to view their vehicles and packages. Prices may or may not be posted online, but always call to confirm prices and availability. Check with friends and family for names of reliable companies.

Make sure the business is licensed in Connecticut and fully insured. Ask for the company's Connecticut permit number and then check with the Department of Transportation at (860) 594-2868 to verify that the company is in good standing. If your limousine will take you out of state, the operator also needs an interstate permit.

Verify the year and make of the vehicle you'll be getting, its condition, and any complimentary amenities. You might visit the company in person to choose the exact vehicle you want. Ask for references and call them.

When you reserve your vehicle, be sure that you and the company mutually agree and understand the ending time for the rental. Also confirm whether there is an extra charge to get dropped off at a different location than where you were picked up.

If possible, use a credit card for your deposit and payment. Paying by credit card may afford you some protection if problems arise.

Home Improvement, *cont'd.*

2. For names of dependable (and undependable) contractors, talk to friends who've had remodeling done; check out work being done in your neighborhood, and contact local building officials for more names and suggestions.
3. Get more than one estimate. If bids are far apart, be skeptical; get more bids. The lowest bid is not necessarily a bargain, so resist the temptation to choose a contractor based solely on price.
4. Look at contractors' recent and past jobs. You can even check contractors' litigation history to see if they've been sued by former clients. Go online to <http://civilinquiry.jud.ct.gov>, select "party name search" from the left menu and type in the contractor's last and first name in the boxes provided.
5. Ask each contractor about his or her workload. Can they truly start and finish on time? You should be able to speak openly with the contractor and feel that he or she is listening to you.
6. If a contractor offers to finance your home improvement project or put you in touch with a finance company, be very careful! Have an attorney or some other informed person review the finance agreement before you sign, to verify that it complies with the State and Federal Truth-in-Lending Act. There have been cases where consumers thought they were entering into a retail installment agreement, only to discover they had placed a second mortgage on their homes!
7. Go to www.ct.gov/dcp to verify that the contractor and/or salesperson are registered and to see if the Department has any complaints against the company.
8. Ask for at least three references from former customers and check them. Verify that the contractor has the appropriate level of worker's compensation and liability insurance. You may also check with the Better Business Bureau.
9. Insist on a detailed, written contract that includes start date, end date, work to be done, materials to be used, and price. Include in the contract a payment schedule that corresponds to the progress of the work. A plan that provides the contractor with some money up front, some while work is underway, and the final payment only when everything is finished to your satisfaction is strongly suggested! If a contractor asks for all the money up front, or wants a very large down payment, it may signal he's in financial trouble or worse. This is not someone you want to sign with. Get receipts for all payments, never pay in cash.
10. Building permits are ultimately your responsibility. Make sure that either you or your contractor apply to your town for all necessary building permits.

For more information, visit our website at www.ct.gov/dcp and type "Home Improvement" in the search box. Or call us at (860) 713-6110 with questions or concerns.

True or False? *(answers, next page)*

1. In Connecticut, after you buy a car you have a three-day right to cancel the purchase. **True or False?**
2. If an item scans higher at checkout than the sticker price on the item itself or the price posted on the shelf, a shopper is entitled to that item free. **True or False?**

Check Before You Donate: Some Charities Just Lost Their Federal Tax Exemption

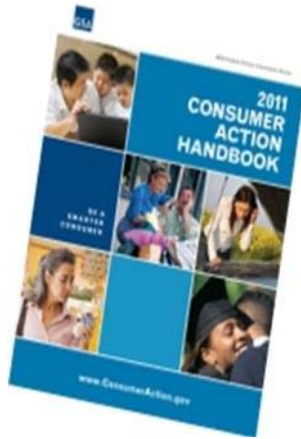
If you plan to make a charitable donation in upcoming weeks and months, you may want to check to be sure your donation will be tax deductible. On June 8th, the Internal Revenue Service (IRS) released a list of organizations whose federal tax exemption has been revoked under a new IRS program. Tax-exempt organizations that fail to file an annual informational return with the IRS for three consecutive years automatically lose their federal tax exemption.

More than 2,100 Connecticut organizations are now non-exempt. You can view the list and learn more about the automatic revocation program online at:
www.irs.gov/charities.

It's wise to consult a professional tax preparer on all tax issues, and to check with the Department of Consumer Protection's Public Charities office to be sure any organization that solicits a donation from you is registered as required by law, or is on file with the Department as exempt from registration.

Go online to <https://www.elicense.ct.gov> and select "Lookup a License." Scroll down on the "Available" box that appears, select "Charity," and then click on the > sign on the screen to add the "Charity" category to your search. Type all or part of the charity name in the appropriate box and select "Search." Be sure to scroll down to see your results.

For more assistance or information, contact the Public Charities office at (860) 713-6170 or by email:
CtCharityHelp@ct.gov.



Free Resources to Explore

The 2011 Federal Citizen Information Center **Consumer Action Handbook**, an everyday guide to being a smart shopper, is hot off the press and full of helpful tips for preventing identity theft, understanding credit, filing a consumer complaint, and much more. In the 2011 edition, you'll find updated information about filing for bankruptcy, finding a lawyer, and planning a funeral, along with many other useful topics. Go to www.consumeraction.gov to order a free copy or read it online.

Want the latest information about products that may pose a safety hazard? A new website, www.saferproducts.gov, launched by the Consumer Product Safety Administration, lets you search for products that you may already own, or that you are planning to buy. If product safety issues have been found and reported, you'll find the info here. You can also report on any unsafe products you encounter!



Answers to True or False?

1. The correct answer is False. Unlike consumer contracts in Connecticut for home improvement, health clubs and diet programs, there is NO 3-day right to cancel on a contract to purchase a new or used car, real estate, new home construction or home heating fuel. To learn more, go to www.ct.gov/dcp and read our fact sheet, "About Consumer Contracts in Connecticut."
2. The correct answer is True. If a commodity item (something that must be replenished as opposed to replaced -- such as soap, milk, bread) scans higher at checkout than the sticker price on the item itself or the price posted on the shelf, the shopper is entitled to that item at no cost. State law requires the retailer to give the item free, up to a value of \$20. The shopper has to point out the error and ask for the free item.

Did You Know? Licensing Update

For new licenses, the Department of Consumer Protection no longer pro-rates the license fee for a partial year. Anyone getting a license within 90 days before the scheduled annual renewal date will pay a full year fee, and be licensed until the **subsequent** renewal date, up to 15 months.

The Department also no longer allows a grace period on renewals. Licensees, registrants and permittees who do not renew by the due date are subject to a late fee beginning the first day past the due date.

REMEMBER: Our online system now provides faster, 24-hour service seven days a week. Go to <https://www.elicense.ct.gov>.

State of Connecticut
Department of Consumer
Protection



www.ct.gov/dcp

