

RISKS ASSOCIATED WITH UNLICENSED CONTRACTORS

Tips from the Builders Association of Minnesota (BAM)

- **Does your building or remodeling budget include health care costs?**
If an unlicensed contractor or employee is hurt while working at your home, you are liable for any injuries. This means that you are responsible for the expenses related to emergency care, hospitalization, rehabilitation, and other services.

Contractors who are Builder Association Members carry their own liability insurance.

- **Are you prepared to fix your contractor's mistakes?**
If the work of an unlicensed contractor at your home is deemed unsafe or does not meet code, correcting the problem is your responsibility. This can not only endanger your family's safety; it means that you must fix the problem before selling the home.

When contractors are Builder Association Members, their work is formally inspected by local government inspectors.

- **Are you prepared to fix a home you no longer own?**
Unlicensed contractors do not have to abide by Minnesota's 10-year warranty law on the work they perform. Even if you've sold the home, you are responsible for any problems resulting from the work of unlicensed contractors for up to 10 years.

Licensed contractors, by law, provide a 10-year warranty on all of their work.

- **Can a contractor really run away with your money?**
If you are the victim of a scam artist posing as a contractor, he or she may never return to the job after receiving your down payment.

Builder association members are professional licensed contractors who live in and have ties to your community.