

California Wildfires 2007—Tips for Consumers

Getting Your Due—Who to Contact Right After Your Loss

If you are a Homeowner

Your Insurance Company

- Call your insurance company *immediately* to file a claim for damage to your home or automobile.
- If you can't remember who insures your property, call your mortgage lender or bank for this information.
- Prevent further loss to your property. Insurance companies may not cover damage that occurs after your loss if you have not taken reasonable steps to protect your property.
- Document your losses by taking pictures and creating an inventory of your damaged or destroyed property and possessions. Keep this documentation in a safe place.
- Ask your insurance agent or company representative to assist you with your claim. Don't be afraid to ask too many questions. Your insurance company will assign an adjuster to help you with your claim, at no charge.
- Do not throw away any damaged property until your adjuster says it's OK to do so.
- Do not repair or replace your loss until your adjuster gives you authorization to do so.
- Be sure to keep careful notes of all of your conversations with your insurance company or anyone working for them. Note the date, time, name of the person you spoke to and what was discussed.
- If you have a question about your insurance policy or a problem with your insurer, contact the California Department of Insurance at 800 927-HELP.

Adjusters and Attorneys

- You can still hire a public adjuster even if you still decide to work with the adjuster assigned to you by your insurance company.
- California Insurance Commissioner Steve Poizner just declared an "Insurance State of Emergency" and has lifted the ban on out-of-state adjusters working in California.
- If you hire a public adjuster, make sure that person is licensed. To verify a public adjuster's license call the California Department of Insurance at 800 927-HELP.
- You can hire an attorney to help you with a claim. Make sure the attorney you hire is in good standing. Check on the attorney's status at www.calbar.org or 800 843-9052.
- Be sure that you understand what services are being provided and what fees you must pay for those services. Public adjusters and attorneys usually require a percentage of the claims settlement for their services.

- Check with your friends, relatives and associates for trustworthy referrals to professionals.

If you are a Renter

Your Landlord

- Contact your landlord and refer to your rental agreement about responsibility for damages and repairs as well as any obligations to pay rent on damaged property.

Your Insurance Company

- If you have a renter's insurance policy, contact your insurance company to make a claim for losses to your personal property.
- Document your losses and keep careful notes of your conversations with your insurance company and any insurance company representative.
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It's Time to Rebuild—Putting Back the Pieces

BEWARE OF SCAMS! Unfortunately, there are unscrupulous individuals who try to take advantage of individuals who have suffered loss as a result of a fire or other disaster. Be on the lookout for individuals who are offering you deals that are too good to be true or services that you are not looking for. Follow the recommendations below for hiring a contractor to repair or rebuild your home. If the person you are considering does not meet the standards we recommend below, don't hire them.

Working With Contractors

- Avoid door-to-door salespersons who are peddling their services. It's best if you initiate the contact with a potential professional you might choose to hire.
- Don't rush into repairs. Consider all of your alternatives before repairing or rebuilding your property.
- Make sure you deal only with a licensed contractor. Verify a contractor's license by requesting to see the contractor's "pocket license" and by calling with the Contractors State Licensing Board at 800 321-2752, or visiting their internet site at www.cslb.ca.gov to check on the contractor's status.
- Make sure the contractor you choose has the proper insurance to protect you in the event that the contractor or any of the contractor's employees are injured on your premises while performing under the contract.
- Get at least three bids from qualified contractors. Make sure the bids are for like services and materials.
- Get references from contractors who are interested in selling you their services. Call the references to make sure the homeowners are satisfied with the contractor's work.
- Once you decide to work with a contractor, make sure that you get a written contract that details every aspect of the work to be performed, the type and grade of materials to be used, the dates for completion, the payment amount and when payment is due.
- Be aware that the down payment on a home improvement contract cannot exceed 10% of the contract price or \$1000, whichever is less.

- A consumer has a 3-day right to cancel a “Services and Repair Contract,” but that right expires when work begins. Check your contract to verify whether you have a “Services and Repair Contract” or whether you are signing a regular contract.
- Make sure you keep all of your receipts and records of payments for work that was done.
- Before you give your contractor final payment for the work that was done, make sure you are satisfied with the job and that the building department has signed off on the work that was completed. Verify that all subcontractors and material suppliers have been paid.
- For more tips on dealing with contractors following a natural disaster, visit the California Contractors State License Board web site: <http://www.cslb.ca.gov/>

Steps to Insure Your Future

Every disaster brings lessons for the future. Here are some tips to make sure you are adequately protected.

- Make sure you have all the insurance you need to adequately protect your property in the event of a loss.
- Every time you make a significant addition or improvement to your home, you should adjust your coverage.
- Even if your policy has a built-in inflation guard, which automatically increases your coverage over time, it’s a good idea to review your policy every year to make sure that it’s keeping pace.
- Once you have adequate insurance, prepare yourself for the worst: having to use it.
- Keep an inventory of your possessions, complete with receipts and photographs, which will help prove the value of your claim if your property is damaged or destroyed.
- Store your inventory and photos in a safe place, such a safe deposit box.