



## 10 TIPS ABOUT REMEDIATION, RESTORATION, AND HIRING CONTRACTORS

If your home was damaged, you will likely need to hire a company to make repairs or do cleanup. Before you hire a company, understand what you are agreeing to and what certain businesses can and can't do. Follow these steps before you sign a contract to help protect your home:

### ① Start with Your Insurance Company

- Take **photos and videos** of all damage
- **Report the damage** to your insurance company as soon as possible
- Ask what is **covered in your policy** including repairs, housing, cleanup or replacement of damaged property
- Ask if the insurance company has a list of **approved or recommended contractors** or requires you to work with certain contractors
- Find out **how payment works**, whether the insurance company will pay the contractor or reimburse you after you pay
- Ask if your insurance company needs to **inspect the damage** before you start any repairs. Your policy may require an adjuster to assess the damage before you start any work



### ② Remediation vs. Restoration

- **Remediation:** Remove hazardous conditions and prevent further damage (e.g. mold, fire debris, smoke, asbestos, water)
- **Restoration:** Repair and rebuild your home to its pre-damage condition (e.g. drywall, structural repairs, flooring repair or replacement)

“Remediation” and “Restoration” are often used interchangeably by businesses, understanding the difference could help you avoid hiring the wrong type of contractor and overpaying.

### ③ Hazardous Cleanup

- The cleanup of hazardous materials such as mold or asbestos must follow EPA and Cal/OSHA rules for **safe removal and disposal**
- Under California law, any construction related work involving \$1,000 or more in labor or materials requires the contractor to be licensed with the Contractors State License Board (CSLB)
- Cleanup work may be done without a license only if the work being done does not require a license

### ④ Only Hire Licensed Contractors

If the work you are having done is over \$1,000, contractors **must have a valid license** from the Contractors State License Board. Verify licenses at [www.cslb.ca.gov](http://www.cslb.ca.gov).

Contractors will have licenses specific to the type of work they do. For a full list of license classifications, visit the [CSLB website](#). Common licenses for restoration work include:

- B – General Building Contractor
- C-21 – Demolition
- C-12 – Earthwork & Paving
- C-61 – Limited Specialty

In addition to a license, a contractor must have Hazardous Substance Removal Certification to remove toxic/wildfire debris.

### ⑤ Post-Disaster Debris Removal

After a major disaster (fire, flood, earthquake etc.), the government might offer debris removal services. **If you opt out** of government debris removal, the contractor you hire must have:

- The correct license (A, B, C-12, or C-21)
- Hazardous Substance Removal Certification
- HAZWOPER-trained workers
- More info: [Eaton/Palisades Fire debris removal](#)



## ⑥ Check for Contractor's Insurance

Ask for proof of:

- **General liability insurance**
  - Ask about coverage limits, effective and expiration dates, and any coverage exclusions
- **Workers' compensation** for their employees  
(Check the CSLB website to verify)
  - Companies with no employees may be exempt

This will protect you in case of accidents or damage claims.

## ⑦ Get a Written Contract

Before you sign, review a **full written contract**, which must include:

- Total price & payment schedule
- Scope of work and change of order terms
- Timeline & permits
- Contractor's CSLB license number
- Cancellation policy

A contractor is allowed to have you sign the contract on an electronic device (iPad, tablet, laptop computer). Don't feel rushed to click or sign. Take time to review the terms.

**Always request a copy** for your records. This copy can be in paper or an electronic copy sent to you by email or text.

Do not pay more than \$1,000 or 10% as a down payment, whichever is less.

## ⑧ Canceling a Contract

For home improvement contracts, you have a **right to cancel** within:

- Three business days
- Five business days, if you are aged 65 or older
- Seven business days, if your home was damaged in a major disaster

Cancellation dates begin the day after you sign

If the contract is negotiated at the contractor's place of business, the three- or five-day right to cancel does not apply.

Do not allow the contractor to begin work or pull permits during this period.

## ⑨ Understanding Mechanics Liens

A Mechanics lien is a legal claim that contractors or suppliers can file against your property if they are unpaid. Even if you paid your main contractor, a lien can be filed by subcontractors, laborers, or material suppliers.

**A lien can:**

- Affect your credit and property title
- Prevent home sales, borrowing against your property, or refinancing
- Potentially lead to a forced sale of your home.

**To avoid a lien:**

- Track all parties involved (contractors, subcontractors, suppliers).
- Use detailed contracts with payment terms and party info.
- Watch deadlines – subcontractors/suppliers have 20 days to send Preliminary Notices from the start of work/delivery of supplies.
- Pay with joint checks made payable to both the contractor and subcontractor or supplier to ensure proper payment.
- Collect lien waivers with every payment.
- File a Notice of Completion within 15 days to shorten lien filing periods.

**If a lien has been placed against your property:**

- Do not ignore it
- A contractor or material supplier has 90 days to enforce a mechanic's lien through a lien foreclosure (lawsuit), which must be filed within 90 days of recording the lien; failing to do so often causes the lien to become invalid.
- If you are served with a summons and complaint, it is important to seek legal advice as soon as possible to discuss your rights and responsibilities

Never make final payment until all work is complete and you receive lien releases.

For more information, visit [the CSLB website](http://the CSLB website).

## ⑩ If Something Goes Wrong, Report It!

- **If a contractor does poor or incomplete work or is unlicensed**, file a complaint with CSLB.
- **If you suspect fraud or deceptive business practices**, file a complaint with the Los Angeles County Department of Consumer and Business Affairs or call us at **(800) 593-8222**.

